

LOK SABHA DEBATES **(English Version)**

Second Session
(Twelfth Lok Sabha)



(Vol. IV contains Nos. 21 to 30)

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LOK SABHA DEBATES

LOK SABHA

Friday, July 17, 1998/Asadha 26, 1920 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

[English]

AN. HON. MEMBER : Mr. Speaker, Sir, I thank you for allotting us seats according to Division Numbers ... (Interruptions)

MR. SPEAKER : Q. No. 442.

ORAL ANSWERS TO QUESTIONS

[English]

Outstanding dues of ITDC Hotels

*442. SHRI ARJUN SETHI :
SHRI MADHAV RAO PATIL :

Will the Minister of TOURISM be pleased to state :

(a) whether attention of the Government has been drawn to the news-item appearing in the *Indian Express* dated June 20, 1998 regarding outstanding dues of ITDC hotels amounting to Rs. 34.85 crores against politicians, Government agencies and travel agents, etc.;

(b) if so, the facts of the news item;

(c) the steps taken by the Government to recover the amount from all concerned; and

(d) the steps taken so that henceforth the ITDC hotels are not misused ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) :

(a) to (d) A Statement is laid on the Table of the House.

Statement

(a) and (b) Yes, Sir. It is a fact that the outstanding dues of Hotels Division of ITDC as on 31.3.98 were of Rs. 34.85 crores (provisional). These dues are against various agencies such as Ministries/State Governments/Public Sector Undertakings/Travel Agents/Private Parties/Licencees/Credit Card Holders and others.

(c) and (d) Realisation of outstanding dues is a continuous process which includes periodical reminders, personal contacts, periodical review both at the unit and Corporate level, seeking assistance from the Administrative Ministry and resorting to legal action wherever considered

necessary. Besides, special steps have been taken in the form of strengthening the Credit & Collection Division of ITDC and reviewing the progress at top management level. These efforts have resulted in 15.1% reduction in outstandings of Hotels Division of ITDC from Rs. 41.05 crores as on 31.3.1997 to Rs. 34.85 crores (provisional) as on 31.3.98.

It is a normal business practice in the Hospitality Industry to extend Credit facility to clients. Steps are taken to constantly review the situation within existing rules and procedure to reduce the outstanding dues.

SHRI ARJUN SETHI : Mr. Speaker, Sir, in the statement, it has been said that it is a normal business practice in the Hospitality Industry to extend credit facility to clients. In this context, I would like to know from the hon. Minister whether they have fixed any time limit for payment of the outstanding dues or the credits they have extended to their clients. Moreover, while extending the credit facilities to the clients, whether the Managers of the ITDC Hotels also look to the credit worthiness of the clients.

[Translation]

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, as I have said, it is a normal practice. There is a thirty day's time limit in our total business. If you see

[English]

MR. SPEAKER : I am appealing to the hon. Members to kindly take their seats as per the Division Numbers

[Translation]

SHRI MADAN LAL KHURANA : What I want to say is that if you see you will find that the turn over for year 1997-98 is Rs. 310 crores. When so much turn over takes place, there always remains possibility of some outstanding dues against tourists, hotels, government Officers. It is right that there have been some political parties which have paid less amount than what was due to them and in this process some amount remained due against their names. If there remains extra every year, then it is recovered. This is a continuous process of borrowing. Other than this, there is nothing special in it and neither any kind of partiality has been adopted against any one.

SHRI ARJUN SETHI : The hon. Minister has referred to the turn over for the year 1996-97. The net profit for the year 1996-97 under the accommodation and catering head was Rs. 50.60 crore. In 1997-98, it was reduced to Rs. 25.95 crore. Why has this been reduced ? Will the hon. Minister tell the House the reasons for this reduction ?

[Translation]

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir this is quite right. That the profit was Rs. 55 crores during the year 1996-97 and it was reduced to Rs. 38.61 crores during 1997-98. Due to this, the profit was reduced.

[English]

SHRI MANORANJAN BHAKTA : He is asking about the figures of accommodation and catering.

[Translation]

SHRI MADAN LAL KHURANA : No, no. About profit.

SHRI ARJUN SETHI : What are the reasons for reduction in accommodation and catering head ?

SHRI MADAN LAL KHURANA : Reduction has not taken place only in the Hotels of ITDC but, it has been in private hotels too. The reason for it is that a large number of foreigners came to India due to the spurge in economic activities during last three to four years. Therefore, there was an increase in the profits of ITDC hotels and other hotels. But during the last 1-2 years, lesser number of foreigners have arrived in India and lesser persons stayed in these hotels, leading to reduced profit in catering. As I have submitted before you that this has occurred not only in ITDC Hotels but in other hotels too. I have with me the statistics of Delhi's hotels—Asian Hotels, Biscrat Hotels, Indian Hotels and all other private hotels. The profit in these hotels had gone down during last two years.

MR. SPEAKER : Shri Madhav Rao Patil.

[English]

SHRI ARJUN SETHI : I have not asked my second supplementary. That was the part of my first supplementary question. ... (Interruptions)

[Translation]

SHRI MADHAV RAO PATIL : How much over dues are there in one year? What is the present status of Disinvestment Proposal and also disclose whether any share or quota will he give to the M.P.'s or not?

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, there is a long list of dues of more than one year. If you wish, I can lay it on the Table of the House.

SHRI MADHAV RAO PATIL : Tell me about the total amount. Why was it not written off?

[English]

SHRI P.M. SAYEED : He has asked about the total amount that has been written off.

[Translation]

SHRI MADAN LAL KHURANA : During the year 1996-97 only Rs. 0.61 lakhs was written off.

[English]

SHRI MADHAV RAO PATIL : It is a very small amount.

[Translation]

SHRI MADAN LAL KHURANA : Yes Sir, only this much could be done. Some cases of recovery are pending in courts, but I can say that we have recovered more than four crores of rupees during the last one year and the efforts for more recovery are going on.

SHRI MADHAV RAO PATIL : What has happened to disinvestment?

[English]

SHRI MADAN LAL KHURANA : The Disinvestment Commission made following recommendations:

[Translation]

This was categorised in that. Recommendation was that-

[English]

ITDC is a non core sector that has recommended disinvestment of 274 per cent by leasing out hotels and prime-locations.

[Translation]

The Cabinet did not accept the report of the Commission in this regard. Cabinet has taken a decision regarding the non-implementation of the report and instead appoint an advisor and we have also given and advertisement for it. After that, they will start the process.

SHRI MADHAV RAO PATIL : Will you made quota available for M.P.s? ... (Interruptions)

SHRI SATYA PAL JAIN : Mr. Speaker, Sir, through I would like to ask the Hon. Minister that like ITDC hotels, these are hotels run by State Governments in States. But it has been seen that these hotels do not follow a uniform pattern of charges for the Members of parliament who go to these places for their personal work. It is not possible for an M.P. whose salary is Rs. 1500 per month to pay an amount of Rs. 400 or Rs. 500 for a night. Similarly, in many states the M.Ps. get concession in their own states but they do not get concession in other states. I would like to ask the hon'ble Minister whether the Department of Tourism would try to evolve a uniform policy for creating co-ordination between the hotels run by it and those run by Tourism Development Corporation of various states or the State Guest Houses for providing concessions to the Members of Parliament at a uniform rate throughout the country?

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, there are circuit house and rest houses in states throughout the country in which hon. Members stay but the hotels of ITDC are a commercial organisation, if you want that hon. Members should be allowed to stay in these hotels at concessional rates, then I leave this decision upto you. I am leaving this decision upto you because ... (Interruptions)

You please listen! The way we get railway passes to travel and we have to make some payment to the Ministry of Railways. Similarly if you decide that the M.Ps be given facility to stay in ITDC hotels then a decision can be taken from that point of view because ITDC is a commercial organisation ...*(Interruptions)*

MR. SPEAKER : Khurana Sahib, you are leaving everything to me.

SHRI MADAN LAL KHURANA : I am leaving everything upto you because you are our custodian. We will draft our budget according to your instructions ...*(Interruptions)*

DR. SHAKEEL AHMAD : Khuranaji, Hon. Speaker, Sir, has approved it ...*(Interruptions)* You have sent us too far away, you allow us at least to ask a supplementary.

SHRI MADAN LAL KHURANA : See, I am saying that Hon. Speaker, should convene a meeting of all political parties. If it is felt in the meeting that an arrangement for all M.Ps to stay in ITDC hotels at concessional rates should be made and if the Government is ready to make the payment then I have no objection... *(Interruptions)*

SHRI RAJO SINGH : The whole House is saying this thing.

[English]

SHRI AJIT KUMAR PANJA : Sir, the statement made by the hon. Minister is not at all satisfactory ...*(Interruptions)*... Our ITDC hotels are not in good conditions. It is very much necessary to put them in order in view of the competition being faced by the ITDC hotels from the private hotels. So, ITDC hotels must be put into good conditions to draw customers, for which money is required. It is a staggering figure of Rs. 34.85 crore which is outstanding. The recovery made is 17 per cent in one year's exercise.

The hon. Minister has stated about the money or dues from the Ministries and the State Governments. Would he present a complete list giving particulars of all outstanding naming the Ministries, the State Governments and public sector undertakings etc., and lay it on the Table of the House so that it could be considered? Secondly, is there any interest being charged on dues which are outstanding? The organisations whose outstanding are more than Rs. 50,000 should be blacklisted so that they are not given credit facilities. Will the Minister take into consideration all these measures?

[Translation]

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, the issue of I.T.D.C. hotels was mentioned here. It is true that there is scope for a lot of improvement. Therefore, after taking the charge, I, myself had called the meeting of the

General Managers of the Hotels. I came to know about certain things. As a first step towards their improvement, I have transferred General Managers of all the 26 I.T.D.C. hotels and 11 Units of Travels Transport. There was no exception in it. All were transferred because they were holding the posts for five or seven years. They had developed vested interest over there. All of them have been transferred. We are taking measures for their improvement. I am tabling the list of people who have to pay debt. I have just requested you that the position is not so bad that it should be considered as bad debt. As I have told you the figure is very small. Last year as against the debt of Rs. 34 crore we have put only Rs. 0.69 lakh in bad debt. We are not treating it as bad debt. The efforts are on to recover it and we will be able to make good this debt. With this I lay this list on the Table of the House.

[English]

SHRI K.H. MUNIYAPPA : Against some General Managers of Ashok Yatri Niwas, Ashok Hotel and Samrat Hotel, the CBI has conducted an inquiry and they have been charge-sheeted. In spite of all this the Government has recently posted one of these General Managers to his home town. He was earlier working in Bangalore Ashok Hotel. There are two-three more General Managers like that. I do not want to take their names. They have got all types of charges against them and the CBI has conducted an inquiry against them. In spite of all this they have been posted to their home towns. May I know from the hon. Minister what is the reward the Government is giving them?

SHRI R.L. JALAPPA : In that case you can close the Hotels.

[Translation]

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, I have said that a general policy has been framed in this regard and all GMs have been transferred under it. If any persons against whom CBI inquiry is being conducted, has been posted in his town, bring it to my knowledge. I will take action so that he should not be posted in the hometown.

SHRI G.M. BANATWALLA : The hon'ble Minister has said that approximately there are 68 or 69 thousand cases of bad debt. Besides, out of the arrears of Rs 34 crore, how much is the doubtful debt? Was there any provision for doubtful debt and if so, what was the provision in this regard last time?

SHRI MADAN LAL KHURANA : I have stated the figure of bad debt pertaining to last four years and the amount is very small. This is a continuing process. Some cases are of one year, two year or three years ...*(Interruptions)* Some are of three months also.

SHRI G.M. BANATWALLA : In accounts, there are doubtful debts also. So how many doubtful debts are there in these Rs. 34 crore and before it ?

SHRI MADAN LAL KHURANA : In 1992-93 Rs. 1.1 lakh, in 1993-94 Rs. 0.70 lakh and in 1996-97 Rs. 0.76 lakh were in bad debt. We do not consider the rest as bad debts. We have to recover from government departments, ministries and some political parties. Besides, we have to recover money from our associate agencies. We are not treating that money as bad debt. We are hopeful in this direction and we will be able to recover this money. A comprehensive scheme for this purpose is under preparation.

SHRI VIJAY GOEL : I do not think that the hon'ble Minister has ever visited I.T.D.C. hotel. All I.T.D.C. hotels are like 'Dhabas'. I have given it in writing to the Government that the rooms of Lodhi Hotel are not worth-living. It is not the function of the government to run hotels. Most of the government's hotels are running in loss. Now, the hon'ble Minister will say that they are earning profit. But if you take into account the cost of land, capital investment and market value, you will find that all hotels are running in loss, whereas parallel private hotels are earning 300% profit. My question is whether the government will consider the decision either to close these hotels or to hand them over to private sector to check losses. Besides dues of MTNL and Hotels are outstanding against many M.Ps and politicians. I would like to say that it should be made a rule that the M.P. has to take no dues certificate from the Parliament at the time of contesting the election because publication of the names of some MPs in the newspapers does not look nice.

SHRI MADAN LAL KHURANA : Mr. Speaker, Sir, the hon'ble Members have asked two-three questions. They have asked why should the government run these hotels.

SHRI VIJAY GOEL : Government should not run the hotel business.

SHRI MADAN LAL KHURANA : These hotels are being run by the government since earlier times. I have told you that for investment the Cabinet has...

SHRI CHANDRASHEKHAR SAHU : He has said that you have not visited I.T.D.C. hotel?

SHRI VIJAY GOEL : The question is not of a visit, but of lodging over there.

SHRI MADAN LAL KHURANA : I have told you that a Commission was set up for investment. It has submitted its report. It has made some recommendations being an advisor. Advertisement in this regard has been published. The next action will be taken in due course, in fact the action has already begun. The other thing, the hon'ble Member has mentioned is about the dues. The dues on governments offices are Rs. 6.96 crore, Public Sector Undertakings Rs. 8.91, Private parties Rs. 3.47 crore, Travel Agents Rs. 9.07 crore, Licences - Rs. 2.73 crore, Credit Card holders-Rs 0.55 crore and others - Rs. 3.61 crore ...*(Interruptions)*

SHRI VIJAY GOEL : Political parties are not in this list?

SHRI SURENDER SINGH : Please tell us to whom you can give services on credit ? ...*(Interruptions)*.

SHRI MADAN LAL KHURANA : The dues of Rs. 63 lakh, 31 thousand and 245 are outstanding against political parties. It includes ex-MPs also.

Competition among Textiles Sectors

*443. **DR. LAXMINARAYAN PANDEY :** Will the Minister of TEXTILES be pleased to state :

(a) whether there is stiff competition among Handloom, Powerloom and mill sectors in the textile industry and as a result thereof all the sectors are suffering losses; and

(b) whether the Government propose to take any measures in this regard so that such competition would serve equally the interests of workers, entrepreneurs and general public as well ?

[English]

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The production figures of cloth by mill, powerloom and handloom sectors during the last five years are as follows :

Year	Production of textiles (mn. sq. meters)		
	Mills	Handloom	Powerlooms
1993-94	1,990	5,851	15,994
1994-95	2,271	6,180	15,976
1995-96	2,019	7,202	17,201
1996-97	1,957	7,456	19,352
1997-98	1,963	7,862	20,303

No specific study has been conducted by the Ministry of Textiles to assess the impact of competition amongst these three sectors. As all the three Sectors do play useful roles, it is the intention of Government to ensure their harmonious development.

[Translation]

DR. LAXMINARAYAN PANDEY : Mr. Speaker, Sir, in 'b' part of my question I had asked

[English] : ...

whether the Government propose to take any measures in this regard so that such competition would serve equally the interests of the workers.

[Translation]

The Hon'ble Minister has replied that so far no such study has been undertaken. I has also asked whether there is any such proposal? If there is such a proposal, I would

like to ask the hon. Minister about the details of such a proposal?

Sir, there is stiff competition among these three types of mills and as a result thereof mills are being closed down whether these mills are in Maharashtra, Madhya Pradesh or Gujarat. Thousand of workers are being rendered jobless due to continuous closure of these mills. A capital worth crores of rupees is lying idle and machinery of mills is lying unutilised. I would like, to ask the hon. Minister as to what effective measures are being taken to stop this. In the statement hon'ble Minister has stated that in comparison to 1993-94 no specific decline has been noticed in the practice of closing down the mills in 1997-98. This process is going on since long and several mills are on the verge of closure I would like to ask the hon'ble Minister as to whether any scheme is being formulated to revive these mills.

SHRI KASHIRAM RANA : Sir, I would like to inform the hon'ble Member that the Government is concerned about all the three sectors of textile industry, whether it is handloom, powerloom or Mills. The Government are well aware of the position and trying to maintain these sectors and provide employment to weavers in these sectors. The Government has taken several steps in this regard. Hon'ble Member is right in his contention that in comparison to 1993-94 the production of this sector has declined. In context of handloom. I would like to say that in 1993-94, 5851 million square metre cloth was produced by this sector whereas in 1997-98, 7,862 million square metre cloth was produced. Not only that but in powerloom sector also 15,994 million square metre cloth was produced in 1993-94 whereas in 1997-98, 20,303 million square metre cloth has been produced. But Government is not satisfied by it and several steps are being taken in this regard. There is potential of creating employment opportunities in handloom sector. Previous government scrapped two-three schemes like Marketing Assistance scheme and NCDC schemes, pertaining to handloom sector. These schemes are under consideration with the Government. Hon'ble Member has stated that production in mill sector is declining and production in powerloom sector is increasing. It is a composite system, spinning, weaving and processing is done separately and mill sector is facing problem in it. Keeping all these things in mind, the Government have taken a decision to formulate a new Textile Policy in 1999, in place of its earlier textile Policy in of 1985. Not only that but the Government have announced an expert groups for it. A scheme of Textile modernisation fund has been formulated to increase employment opportunities in powerloom sector. This scheme has been accorded sanction at secretary level and now it will be sent to Cabinet. The Government have formulated a scheme worth Rs. 25 crore and I feel that it will give boost to the modernisation. Today the main question before powerloom and mill sector is about obsolete machinery. Management is poor but the Government is taking steps in this regard.

DR. LAXMINARAYAN PANDEY : Mr. Speaker, Sir, second part of my question is still unreplied. I has asked as

to whether there is any plan to revive the mills which are either closed down or are on the verge of closure. I would like to say that such mills have a capital and land worth crores and these can be revived. There are many such mills in Maharashtra, Madhya Pradesh and Gujarat. Please tell about such mills.

SHRI KASHIRAM RANA : NTC mills or Private?

DR. LAXMINARAYAN PANDEY : About both private as well as NTC mills. In his reply he has stated that all the three sectors play an important role and therefore the Government should develop them in a balanced manner. I would like to say that there is lack of coordination. You have admitted that mills are being closed down or are on the verge of closure. Only a few handloom and powerloom mills are engaged in production. There is need to create coordination. Today, thousands of labourers are jobless and capital worth crores of rupees invested in mills is being wasted. I would like to ask the hon'ble Minister that by when the National Textile policy proposed to be introduced in 1998-99 will be brought and the time by which the expert group will submit its report.

SHRI KASHIRAM RANA : Mr. Speaker, Sir, the hon'ble Member wants to know about the NTC and private mills being closed down. I will admit that not only textile industry but other industries are also reeling under recession. As far as mills are concerned I would like to say that the previous Government have given orders for closing down of these mills. Several matters are pending with BIFR. Seven mills are running partially in Madhya Pradesh but these are incurring losses every year and now it has accrued to Rs. 660.13 crore and in 1997-98 itself this amount was Rs. 70.12 crore. The Government is examining the viability of NTC mills and mills which can be made viable will be made viable. The Government is considering the issue of unviable mills which are seeking VRS.

His second point is that by when the new textile policy would be introduced. I hope that this policy would be formulated by the end of December. Now-a-days fashion has influenced the style of clothing. We have to keep this fact in mind that our mills be competitive in international market. We will take remedial measures for the issues on which hon'ble Member has expressed his concern.

[English]

SHRI C. GOPAL : Mr. Speaker, Sir, one-fourth of the powerloom and handloom sector workers in India who are involved in this profession are from Tamil Nadu alone. The weavers are poor in Tamil Nadu and there is stagnation in the sale of handloom products worth about Rs. 600 crore. Is there any proposal from the Government of Tamil Nadu for allotment of funds to purchase these cloths so that they can ensure the livelihood of the poor weavers?

Powerloom sector is also suffering a lot in Tamil Nadu. For the production of powerloom clothes, electricity is very important. Is there any proposal from the Government

of Tamil Nadu for showing some sort of leniency with regard to electricity for the powerloom sector?

SHRI KASHIRAM RANA : So far as the proposal from the Government of Tamil Nadu is concerned, this Government has not received anything till now.

So far as the electricity tariff is concerned, it is totally depended upon the State Government.

[Translation]

SHRI SUSHIL KUMAR SHINDE : Mr. Speaker, Sir, through you, I would like to ask the Government because it has admitted that composite Mills are closing down and when Composite Mills are closing down, the small workers are taking the machinery to powerloom sector, though it is the responsibility of government to rehabilitate them. The industrialisation work is also important. I had mentioned here during discussion on General Budget that the powerlooms of Sholapur do not get benefit of MODVAT and secondly heavy excise duty is levied. It is the prime duty of the government to protect this sector and the workers engaged in it. Whether any effort has been made by your Expert Committee for establishing an Export House for powerloom under the policy being formulated by the Government. You said that incentive should be given to them for export. I would like to ask the government whether the Hon'ble Minister will give direction in this regard?

SHRI KASHIRAM RANA : Sir, as hon'ble Member has said, machinery of all those Mills which are being closed down in Mill sector should be taken into powerloom sector. As I had said earlier that it has different sectors and while considering those sectors, there is large machinery which has not been modernisation. Attention has not been paid towards the kind of quality fabric required, the kind of effort required to reduce the cost of production by mass production. Therefore, due to all these reasons these mills are closing down gradually. In my reply to first Question I have said that Textile modernisation Policy, which Government is formulating, is essential for proper functioning of our Textile Industry. I would like to cite an example that first we have to compete with China, Hongkong and Taiwan where production of handloom, jackloom or Saljarloom is 20 lakh from 30 lakh to 60 lakh and in our country it is 40,000. We have formulated Textime Modernisation scheme so that we could compete with them. The revival scheme formulated by previous government, that by selling the land of all closed mills machinery should be replaced, did not prove successful.

[English]

SHRI SUSHIL KUMAR SHINDE : You are talking about the composite mills.

SHRI KASHIRAM RANA : No. I am talking about the revival plan.

SHRI SUSHIL KUMAR SHINDE : I want to give protection to powerloom sector because it is totally an unorganised one; and it is the duty of the Government to protect this sector. Otherwise, at one place, you are closing down the composite mills and you are not doing anything to take the unwanted load off the organised sector. You have to give protection to create an export house for this powerloom sector.

[Translation]

SHRI KASHIRAM RANA : Mr. Speaker, Sir, PDS is working so that disorganised powerloom sector get even more facilities for export. For this we have kept separate reservation. We are trying that is could be exported properly.

SHRI MOHAN RAWALE : Mr. Speaker, Sir, one of the reasons for closure of these mills is that all those government mills which are situated in Mumbai, Bengal and in the entire country have not been provided with raw-material, cotton and working capital. We have been listening for the last seven years that you will modernise this sector. Mr. Speaker, Sir, through you I would like to ask the Hon'ble Minister that by when he will provide them raw-material, cotton and working capital. Hon'ble Pandeyji has said that labourers are sitting idle. I would like to ask whether you will provide them cotton for running mills?

SHRI KASHIRAM RANA : Mr. Speaker, Sir, Hon'ble Member has asked as to what we are doing about cotton? Hon'ble Finance Minister has recently announced in the budget that they will provide good cotton seed to producers so that production could be enhanced and they could earn more money by selling it at remunerative prices. For this purpose, in this budget government have launched a Cotton Technology Mission involving Rs. 600 crores for a period of five years. A provision of Rs. 60 crores has been made in budget for improving the quality of cotton.

SHRI MOHAN RAWALE : You are requested to allocate this amount now because the labourers are sitting idle and they require the money now.

SHRIMATI BHAVNA DEVRAJBHAI CHIKHALIA : Mr. Speaker, Sir, Hon'ble Minister belongs to Gujarat and he knows about Ahmedabad which has now been renamed as Karnawati. Earlier Metro city Karnawati was known as Manchester of India in the field of textiles. Today mills are totally closed there. I would like to know from Hon'ble Minister that what was the fate of the scheme which was formulated to modernise textile industry during Seventh and Eighth Five Year Plans because only on that basis we can say something in Ninth Five Year Plan and can impart justice to the labourers working in Mills.

SHRI KASHIRAM RANA : Mr. Speaker, Sir, the concern expressed by Hon'ble Member regarding Karnawati is valid. Many mills whether they belongs to Gujarat State Textile Corporation or N.T.C. are closed today.

SHRI PRABHUNATH SINGH : If I resume my seat I won't catch your attention, perhaps there has been some mistake in putting down the division number.

[English]

MR. SPEAKER : Shri Prabhu Nath Singh, please take your seat. The Minister is replying now.

[Translation]

SHRI PRABHUNATH SINGH : Mr. Speaker, Sir, when I resume my seat I won't catch your attention.

[English]

MR. SPEAKER : I will give you a chance to speak. Please take your seat.

[Translation]

SHRI KASHIRAM RANA : Mr. Speaker, Sir, he has asked as to what steps have been taken by Government to modernise Textile Sector during Seventh and Eighth Year Plan. I would say that in August 1986 when Seventh Five Year Plan was launched, one scheme of modernisation costing Rs. 750 crores was formulated. That scheme continued for full five years. Instead of Rs. 750 crores an amount of Rs. 897.48 crores has been spent on that scheme. But unfortunately, that scheme has not been implemented during Eighth Five Year Plan. Just now, the budget which hon'ble Finance Minister has presented has mention of modernisation scheme, not only this, the Finance Minister of previous government had also mentioned about modernisation fund.

SHRI BASU DEB ACHARIA : Mr. Speaker, Sir, in 1986, a package was offered for the revival of N.T.C. Mills. That package was prepared in Trilateral Committee. I want to know the reason for its failure? It was expected to receive Rs. 2000 crores by selling the land of closed Mills in the form of sale proceeds. When this government came to know that this package was going to fail? If that package has failed, government should have offered another package because today out of 126 mills, many mills are sick.

[English]

Almost 80 mills are sick.

MR. SPEAKER : Shri Acharia, please ask the Question. There are other hon'ble Members also.

[Translation]

SHRI BASU DEB ACHARIA : I would like to know whether any other alternative package is under consideration of government for the revival of these mills? If so, when that package will be offered? The labourers working in the mills of Bengal are not receiving their salary since last May. Whether Government make some arrangement as early as possible to provide salary to them?

SHRI KASHIRAM RANA : Mr. Speaker, Sir, the funds for the revival plan costing Rs. 2005 crores, which was formulated under Trilateral package were to be mobilised purely by selling the lands of closed mills but some legal and technical problems cropped up. I would like to inform the House that as soon as the government wrote letters to the Chief Ministers of all states about this.... (Interruptions)

[English]

MR. SPEAKER : Let him complete.

SHRI TARIT BARAN TOPDAR : That is a wrong statement... (Interruptions) There was no other legal problem only, one legal problem was there.

[Translation]

SHRI KASHIRAM RANA : Government wrote letters to the Chief Ministers of all the States that permission given to sell the land of all closed mills and if they cannot give permission then they are ready to give all mills. No State Government has given positive reply in this regard. With regard to the Question which my colleague has raised, I would like to give him the example of Maharashtra. There, out of Rs. 2005 crores, Rs. 1780 crore were to be received by selling the lands of mills situated in Mumbai but there the State Government refused to give permission to sell land on the ground of Urban Land Ceiling Act and other technical points. If the labourers working in the mills of Bengal do not get their salary...(Interruptions)

SHRI BASU DEB ACHARIA : What is the alternative plan?

SHRI KASHIRAM RANA : I went to Calcutta recently. I asked them to start two mills. We are enquiring as to how many mills are viable. After this we will come before the House with our entire package.

[English]

SHRI P.C. CHACKO : Sir, the main question was about the unhealthy competition between the mill sector, the handloom sector and the powerloom sector. Out of a total of 31,000 million sq.m. of cloth produced annually in the country, 7,000 million sq.m. are produced in the handloom sector which provides employment to 90 per cent people. It was a consistent policy of the Government in the past that certain items of clothes were being reserved for the handloom sector.

During the last few years, this reservation is being dereserved. As a consequence, the mill sector and the handloom sector are encroaching upon those areas which have been reserved for the handloom sector. It is adding to the agony of the handloom sector which is employing the largest number of people in the textile industry.

So, would the Minister give us an assurance or a specific answer whether this Government would stipulate definite

conditions so that certain items of cloth, which is for mass consumption, would be reserved for the handloom sector as it was done in the past?

[Translation]

SHRI KASHIRAM RANA : Mr. Speaker, Sir, till now government have 11 items reserved for handloom under Handloom Reservation Act. Not only this, the act which we have enacted under that State Government is informed to conducted raid in Handloom Mills to check the reserved items produced by them. It is the responsibility of all State Government that they should cooperate us. We provide funds to the State Governments for handloom sector so that we can protect them fully.

[English]

SHRI N. JANARDHANA REDDY : It seems that the hon. Minister is studying his subject more than what other Ministers do on their subjects.

AN HON. MEMBER : He does his homework well.

SHRI N. JANARDHANA REDDY : Just now my friend, Shri P.C. Chacko said about reservation of certain items. There has not been any dereservation so far as I know. But I know that this matter has been stayed by the Supreme Court and this matter is still being fought in the Court. I would like to know from the hon. Minister about the present state of the case that is there in the Court.

SHRI KASHIRAM RANA : Sir, the Government would definitely inquire about the case mentioned by the hon. Member.

Export Performance

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*444. SHRI K. YERRANNAIDU :
SHRI D.S. AHIRE :

Will the Minister of COMMERCE be pleased to state :

- (a) the county's exports during 1996-97 and 1997-98;
- (b) the reasons for lower performance during 1997-98;
- (c) the impact of sanctions on exports; and

(d) the corrective action proposed to reduce the trade deficit and boost export ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) According to the Directorate General of Commercial Intelligence & Statistics (DGCI&S), exports during 1996-97

and 1997-98 in Rupee terms and in dollar terms are :

Year	Rs. Crores	Us Dollars
1996-97	118817	33470
1997-98(P)	126286	33980

P : Provisional

(b) Export performance is influenced *inter-alia* by international market conditions, export competitiveness of domestic industry, supporting infrastructure, policy framework etc. During 1997-98 exports were affected due to general slow down in world trade and especially the recession in many countries in South East Asia, Japan and Germany, supply side constraints in some sectors, erosion of competitiveness and slow industrial growth.

(c) So far, specific trade sanctions have not been imposed on India by any of the trading partners consequent on the recent nuclear tests. Government is of the view that trade sanctions specifically against India would be contrary to the Most Favoured Nation principle under the General Agreement on Tariffs and Trade (GATT). Yet some trade related implications arise from the sanctions imposed by the USA under Section 102 of the US Arms Export Control Act otherwise known as the Glenn Amendment which include possible termination of sale of defence articles, services etc., denial of credit, credit guarantees or financial assistance, prohibiting Exim Bank from giving guarantees/credit and prohibiting export to India of specific goods and technology subject to export licence.

(d) Export Promotion Measures are being taken continuously by the Govt. through changes in policies & procedures for providing an exporter-friendly environment, involvement of States in export promotion & in consultation with trade and industry. Some of the recent steps taken in this regard include modification in DEPB rates, announcing of DEPB rates for about 300 new export items, lowering of threshold limit under the EPCG Zero Duty Scheme from the present limit of Rs. 20 crores/Rs. 5 crores to Rs. 1 crore uniformly for agriculture & allied sector including food processing industry and for garments, electronics, sports goods, toys, leather & gem & jewellery sectors, provision for setting up of Private Bonded Warehouses, preparing a medium term export strategy for growth of exports, launching of Focus Latin American Countries Scheme, strengthening incentive scheme and greater efficiency in policy and procedures.

SHRI K. YERRANNAIDU : Sir, India has a lot of potential for export promotion. We have discussed about export promotion a number of times in this House. But compared to other countries we are lagging behind in respect of export promotion. Recently, the Punjab National Bank organised a Meet to discuss the financial position in India. The bankers have expressed concern over the slow export performance during the year 1997-98 resulting in an all time high rate of

deficit during the decade. Export promotion had been very low during the last year. In this backdrop I would like to know about the specific export promotion schemes that are being announced to counter the impact of the economic sanctions, if there has been any in regard to export promotion, by the developing countries.

SHRI RAMKRISHNA HEGDE : Sir, not only the Bank of Baroda and other financial agencies have expressed their concern over this issue, but we also are very much concerned about it. The Government is very much concerned. Last year's performance was very very poor. The growth was hardly 2.6 per cent as against the previous year's growth of 4.5 per cent. There are several factors which are responsible for the fall in exports.

Sir, I would like to inform the hon. Member that we must treat exports as a national priority. As long as we do not treat exports as a national priority, the various agencies, organisations and the Government Departments would not get activated. We have taken several steps in this direction. I would like to enumerate some of the major steps that the Government has taken in this regard.

1. Reduction in cost of export credit with interest at eight per cent and increased availability of credit with 15 per cent of net bank credit earmarked for exports, to be provided in a simple procedure.

About this, we are going to take a final decision within two or three days.

2. Streamlining and strengthening of export incentive schemes by substituting all existing schemes with a simple and transparent scheme under which all duties and taxes are rebated and which dispenses with all subjective interpretation related to hassles to exporters.
3. Further simplification of the import, export procedures to enable self-removal procedure universally applicable to cover all sectors.
4. Dereservation of certain critical areas exclusively reserved for SSI to help expansion of production base through domestic and foreign investment, particularly, leather and garment.
5. Special incentives including fiscal incentives to encourage foreign direct investment flows with committed exports especially in areas where world exports are growing.
6. Liberalisation of labour laws in respect of EOU units and units in EPZ.
7. Resolution of sector-specific issues including reviewing of lease renewal problem affecting granite exports.
8. Rejuvenating leather and manufacture through funding supports to instal pollution control plants under the Centrally-sponsored schemes.

9. Removing restrictions and levies affecting inter-State and border movement of export product.

10. Reviewing the ceiling on exports of iron ore.

11. Removal and amendment to the relevant legislation to enable control over the raw materials by food processing units etc.

12. Need for a long-term Agriculture Policy to encourage certainty of agro-exports regardless of occasional shortages in the domestic market.

SHRI K. YERRANNAIDU : I do agree with the Hon. Minister but I would like to know, why even after taking all these measures we are lagging behind in exports? The hon. Minister has very correctly said that we should treat exports as a national priority. In an agriculture-based country, we have a lot of potential for export.

You may take the example of the Ministry of Food Processing. The Department has asked for some quantum of money for its export promotion programme but the Government has not given sufficient funds to the Ministry. It is true that the Government is preparing policies but without funds, the various Departments are not able to fulfil their export targets. The States also have a major contribution towards the non-fulfilment of the targets. The States are creating a lot of procedural hurdles because of which the exporters are hesitant to export. I would request the Minister to simplify all the procedures so that the exporters can boost up the exports.

MR. SPEAKER : Shri Naidu, is it a suggestion or a supplementary question?

SHRI RAMKRISHNA HEGDE : Sir, I entirely agree with hon. Member that unless we get full cooperation from the States, it is not possible to solve various problems relating to exports. For instance, there is a local tax. The greatest obstacle to the expansion of exports is that our exporters cannot have, under the present circumstances, level playing-grounds. If we agree—when I say 'we', I mean not only the Government of India but also the State Governments because without their cooperation we cannot achieve this—that we should also give such concessions and facilities to our exporters as are given to the exporters in other countries, then only it is possible to achieve the target. Otherwise, it is not possible.

[Translation]

SHRI CHETAN CHAUHAN : Mr. Speaker, Sir, there was a great hue and cry in this House as well as outside the House that after Pokhran test many sanctions will be imposed on our country; on our imports as well as on our exports. Mr. Speaker, Sir, through you, I would like to tell the Hon'ble Minister that Small Scale Industries want to export more because they need money. Mostly, it is seen that they are not getting much money. I want to know from

Hon'ble Minister as to what arrangement is being made so that they may get more money?

[English]

SHRI PRITHVIRAJ D. CHAVAN : Sir, the question stands in the name of Shri D.S. Ahire also who has not been given a chance to ask his supplementary.

MR. SPEAKER : I am sorry, I have not seen him.

[Translation]

SHRI D.S. AHIRE : Mr. Speaker, Sir, country has earned much in export but day by day our quantity of export has reduced. For example, a decrease of 36.8% has been registered in coal and in case of tea quantity has reduced by 6%. I would like to know from Hon'ble Minister through you that whether export will increase or not and if it will increase then by when? This is my question.

[English]

SHRI RAMKRISHNA HEGDE : I am sorry, what the hon. Member spoke was not audible. From whatever I have been able to hear, he wants to know whether the target we have envisaged for the current year will be fulfilled or not.

Earlier, the other hon. Member asked that after Pokhran blasts, everybody was threatening that there will be sanctions, both economic and trade related, imposed on India. Perhaps all the Members must have read in the newspapers this morning that American Senate has already passed a resolution giving President Clinton freedom to relax the sanctions. Certain statements made by government officers, Ministers and leading businessmen show that America did not consider the sanctions against India to be either feasible or desirable. US Commerce Secretary, William Daley, has lamented that curbs have become a preferred policy option instead of being a measure of last resort. He said in Washington on 7th July, 1998 that imposing sanctions has no meaning in the absence of multilateral cooperation. Senator John Glenn, author of the Sanction Law and in whose name the law stands on the statute book even today, is having second thoughts on the unilateral action bearing his name. Mr. Glenn said that unilateral sanctions have lost their utility in the changed scenario and the biggest problem the US faces now is that it cannot unilaterally influence the world. He said : "Any approach we take has to be a multilateral approach". I do not want to quote other leading American citizens and businessmen. This much is certain that the sanctions announced by the US have not had any affect and even other developed countries are having second thoughts on this.

MR. SPEAKER : Shri Murl Deora.

SHRI CHETAN CHAUHAN : I am yet to complete my question, Sir.

MR. SPEAKER : The Minister has already answered your question.

SHRI CHETAN CHAUHAN : That was not my question, Sir.

MR. SPEAKER : Shri Chauhan, the Minister has already answered your questions.

SHRI MURLI DEORA : Sir, one major factor contributing to the decline in our exports is the high rate of interest charged to the exporter. The Minister has just mentioned that he is in the process of reducing the rate of interest to eight per cent. I would like to know the response of the banks and the Ministry of Finance to this.

12.00 hrs.

SHRI RAMKRISHNA HEGDE : This matter is under our consideration. Either on Monday or on Tuesday, the Minister of Finance and I will sit together and will take a final decision in regard to the interest rate on export credit.

SHRI. N.K. PREMCHANDRAN : I would like to know as to how far the ban on marine products has affected our exports in 1996-97 and 1997-98. What is the present position? I would also like to know as to whether the hon. Finance Minister has come to know about the many malpractices that are going on in getting the licence from the European countries.

SHRI RAMKRISHNA HEGDE : The performance during 1996-97 and 1997-98 in export sector is well-known. But during the last two or three months, to my distress, the rate of growth that we have envisaged in exports have not picked up. But I hope in the next few months, it will pick up.

WRITTEN ANSWERS TO QUESTIONS

[English]

Impact of Nuclear Tests on Import/Export

*445. SHRI BALASAHEB VIKHE PATIL :
SHRI K.S. RAO :

Will the Minister of COMMERCE be pleased to state :

(a) whether some European countries have cancelled some Import/Export contracts following the Pokhran tests;

(b) if so, the details thereof;

(c) whether the US Secretary of State has concurred with the Union Ministry of Commerce that the sanctions imposed on India would affect both the countries;

(d) if so, whether the matter was discussed during the visit of Special Envoy of the Prime Minister to United States;

(e) if so, the outcome thereof; and

(f) the steps taken to tide over the situation?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Of the major European countries, the United Kingdom has on 10th July 1998 announced that it would deny the export of nuclear-related goods to India and Pakistan where they could assist their nuclear programmes. They would also consider export licence applications for military items and other dual use equipment to either country with particular vigilance. This stand by the United Kingdom is likely to affect contracts for import of such goods into the country.

(c) The US Secretary of State has neither concurred with nor denied the Union Commerce Ministry's position on sanctions imposed on India after the recent nuclear tests.

(d) and (e) Discussions of the Special Envoy of the Prime Minister with all concerned are still continuing.

(f) Government is taking necessary initiatives on its part to deal with the situation, including maintaining an alert watch on the further developments and informing the international community of the reasons for which the nuclear tests were carried out. The impact on trade of sanctions is being monitored and assessed.

Export of Tea, Coffee, Chilly and Tobacco

*446. SHRI A.F. GOLAM OSMANI : Will the Minister of COMMERCE be pleased to state :

(a) the details of Countries to which coffee, tea, cardamom, chilly and tobacco were exported during the last three years;

(b) the amount of foreign exchange earned therefrom during the above period, year-wise;

(c) the percentage share of India in the world exports of the above items;

(d) the States in the country which produce above mentioned items; and

(e) the steps taken to boost the exports of these items?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) The country-wise details of export of various commodities are available in the printed monthly/yearly publication "Foreign Trade Statistics of India" issued by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), Calcutta and copies of the same are available in the Parliament House Library. The Total export

of these commodities in the last three years and foreign exchange earned are as follows :

(Qty : MTs, Value : Rs. Crores)

Item	1995-96		1996-97		1997-98	
	Qty.	Value	Qty.	Value	Qty.	Value
Coffee	170581	1524.00	181295	1467.08	172423	1640.40
Tea	167000	1244.52	169000	1301.46	211000	1953.91
Cardamom (Small)	527	12.97	228	8.70	260	8.92
Cardamom (Large)	1677	12.44	1628	12.10	1450	10.36
Chilly	56165	195.46	50051	201.45	43450	140.13
Tobacco	87084	446.82	116910	756.77	142836	1058.50

(c) The percentage share of India in the world export approximately are as follows :

Coffee	-	3.93
Tea	-	17.53
Cardamom (Small)	-	3.00
Cardamom (Large)	-	65.00
Chilly	-	70.00
Tobacco	-	6.03

(d) The main producing States in the country for the various commodities are as follows :

Coffee	-	Karnataka, Kerala and Tamil Nadu
Tea	-	Assam, West Bengal, Tamil Nadu and Kerala
Cardamom (Small)	-	Kerala, Karnataka and Tamil Nadu
Cardamom (Large)	-	Sikkim, West Bengal
Chilies	-	Andhra Pradesh, Maharashtra, Karnataka, Rajasthan, Tamil Nadu, West Bengal, Uttar Pradesh, Madhya Pradesh, Gujarat, Bihar
Tobacco	-	Karnataka and Andhra Pradesh

(e) The steps taken to boost the exports of these items are as under :

Coffee

For boosting export of coffee, the Coffee Board is focussing on targeted import markets like USA, Japan, Russia, Middle-east countries, etc. The Board also

participates in selected food fairs, exhibitions abroad, release advertisements on unique features of Indian Coffee in selected overseas trade journals, sponsor trade delegations/invite delegations of roasters from all the target markets to India, arrange service of Indian Coffee abroad through our embassies, distribute gift packets of Indian Coffee through Indian Embassies on special occasions and festivals, publish and distribute literature on Indian Coffee.

Tea

The Government of India and Tea Board have been giving special attention to areas offering potential. The Tea Board also acts to remove bottlenecks in exports to Individual market wherever noticed. For boosting exports of tea, the Tea Board participates in major Trade Fairs/Exhibitions abroad and also have launched media campaign to increase consumer awareness of speciality of Indian tea. The Board has been campaigning to popularise the Tea Board marketing symbol which stands for pure Indian tea.

Cardamom, Chilly and Tobacco

Apart from general trade policy reforms, some of the steps taken to :

- (i) enhance exports of spices include abolition of cess on export of pepper (except green pepper in brine), cardamom, saffron and spice oils and oleoresins to make them price competitive in international markets; implementation of brand promotion schemes like "logo promotion"; grant of "Spice House Corporate" as a recognition of processor/exporter of quality products; setting up of laboratories for testing of products to ensure quality; technology transfer; process upgradation and product development.
- (ii) enhance exports of tobacco include improving quality and yield of Flue Cured Virginia (FCV) tobacco through control of diseases in nurseries through fumigation, balanced fertilisation, sprinkler irrigation; improving curing and storing facilities through conservation of energy by roof insulation, supply of tarpaulins and coal; improving grading through community grading centres' control & monitoring of pesticides residues; development of exportable varieties; holding buyer seller meets & participation in international fairs.

Refund Claims of Assesseees

*447. SHRI SURESH CHANDEL :
SHRI MOHAN RAWALE :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the I.T. refund claims of many of the assesseees including senior citizens all over the country have not yet been settled since 1995-96 in spite of several complaints;

(b) if so, the action proposed to be taken by the Government in this regard;

(c) the total number of citizens involved all over the country whose refund claims have not been settled;

(d) the time by which it is likely to be settled;

(e) whether PAN have been allotted to all the Income Tax Assesseees; and

(f) if not, the time by which Government propose to issue PAN to them ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (f) A-Statement is laid on the Table of the House.

(a) and (b) Government continues its efforts for early and prompt disposal of refund claims. It has been consistently impressing upon the Chief Commissioners of Income-tax/Commissioners of Income-tax, the need for taking effective steps for the elimination of delays in these matters. Instructions have been issued to the effect that all refund vouchers should invariably be despatched by Registered Post with acknowledgment due within 15 days of its determination irrespective of the value of such refunds. In addition, policy initiative has been taken in the Finance (No. 2) Bill, 1998 to allow adjustment of loss at the stage of deduction of tax at source, so that the claim of direct refund does not arise in a large number of cases of salaried tax payers.

(c) Details regarding claims for refund disposed of and the balance outstanding for the period 1995-96 to 31st December, 1997 are as follows :

Financial Year	No. of claims disposed of	Balance outstanding
1995-96	1,04,362	34,952
1996-97	1,07,782	49,930
*Upto 31st December, 1997	94,640	57,936

* Figures for the period 1.4.1997 to 31.12.1997 are provisional.

(d) Instructions have been given to the field authorities to issue all refunds within 15 days of the passing of the order by which they are determined. While these instructions are generally adhered to, cases of pendency arise on account of legal or procedural constraints including withholding of refund as per provisions of law.

(e) No Sir.

(f) All the existing assesseees in the three cities of Delhi, Mumbai and Chennai are to be allotted Permanent Account Number under the new series by 31.3.1999. 70% of those assesseees in the rest of the country, who apply for PAN under the new series during 1998-99, are to be allotted PAN by 31.3.1999.

Impact of Sanctions on Industrial Sector

*448. SHRI K.C. KONDIAS :
DR. T. SUBBARAMI REDDY :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the decision to impose sanctions against India by USA and other countries is likely to affect the industrial sector in the country;

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

(c) whether this is likely to hit US investment in high-tech area;

(d) if so, the details thereof and the assessment made in this regard; and

(e) the steps being taken by the Government to meet the situation?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) As per presently available assessment, sanctions imposed by USA and other countries against India are not likely to affect the industrial sector in a significant manner during the current year. Though the denial of loans and guarantees by US Exim Bank and Overseas Private Investment Corporation (POIC) could result in an increase in the cost of borrowing in some sectors, the impact of sanctions would be minimal as companies would be able to secure alternative sources of finance.

(c) and (d) Sanctions are not likely to affect US investment in high-tech areas as US sanctions do not put any restriction on private investment flows into India. India is perceived as a large and growing market and attractive destination for MNCs. As a matter of fact, the amount of US origin foreign direct investment approved has gone up more than three-fold in June, 1998 as compared to May, 1998.

(e) Government is closely monitoring the situation to ensure that sanctions have minimal impact on overall industrial production. Core Group of Secretaries on Economic Matters has been constantly assessing the impact of economic sanctions against India with a view to formulating appropriate responses as part of an ongoing exercise.

Status Paper on Raw Jute/JCI

*449. SHRI RAVINDRA KUMAR PANDEY :
SHRI SURENDRA PRASAD YADAV (JAHANABAD) :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have decided to diversify the jute products;

(b) if so, the details thereof;

(c) whether any Status Paper is being prepared regarding all aspects of this sector, particularly the marketing of raw jute and the role of Jute Corporation of India; and

(d) if so, the time by which the said Status Paper is proposed to be brought out and the details thereof?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) In 1992 Government approved a 5 year national programme for the jute sector with financial assistance from the UNDP. Under this programme, an assistance of the order of US\$ 19.53 million from UNDP in conjunction with Government of India's matching contribution of Rs. 36.63 crores upto March 1998 have been provided. The major objectives of this programme are to enhance the welfare of jute farmers by implementing schemes to improve productivity, facilitate the diversification of the jute sector by developing new technology, promote employment opportunities by encouraging new entrepreneurs to set up manufacturing facilities for jute based items, assist development of the indigenous machinery-manufacturing sector for catering to the diversified products programme, both in the textile-related and non-textile areas and strengthen R&D efforts in these fields.

Some of the new areas under which the use of jute has become possible now are—production of fine jute yarn and jute cotton blends; use of jute pulp in paper production; use of jute in packaging and geo textiles; application of electronic instrumentation in the jute industry; use of jute yarn and fabrics in the handlooms and handicrafts sector; improvement of jute fibre by enzyme treatment and new retting techniques; indigenisation of jute machinery; steam explosion technology; production of jute reinforced composites and training and Human Resource Development in the jute sector.

(c) and (d) No Status Paper has been prepared regarding all aspects of jute diversification. However, the Government has been monitoring implementation of jute diversification activities through evaluation of its diversification projects under the UNDP Jute Programme and NCJD.

[Translation]

Industrially Backward Districts

*450. SHRI MOHAMMAD ALI ASHRAF FATMI :
SHRI RAM TAHAL CHAUDHARY :

Will the Minister of FINANCE be pleased to state :

(a) whether the report submitted by the study group constituted for finding out industrially backward districts has been reviewed;

(b) if so, the details thereof; and

(c) the steps taken by the Government to implement the report on the basis of outcome of reviewed report?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) Yes, Sir.

(b) The Review Group, on the basis of re-evaluation of the criteria recommended the following for identifying backward districts:

That any district, whose aggregate composite index is 250 or below, as compared to the national average of 1500, could be notified as a backward district. However, it was of the view that the special categories of districts having no rail head or those located in inaccessible hill areas needed some special consideration. Therefore, the cut-off for these specially placed districts was to be kept at 500, i.e. 1/3rd of the national average, the index selected by the Kaw Group for identifying backward districts. These districts were also to be notified as backward districts for the purpose of tax holiday under section 80IA. The Review Group agreeing with the recommendations of Kaw Group recommended that all 'no industry' districts, irrespective of their composite index, should be notified as backward districts for the purpose of tax holiday.

(c) Notification S.O. 714(E) dated 7.10.97 specifying industrially backward districts u/s 80-IA has since been issued and has also been laid on the Table of the House.

Bonds for Krishna Valley Development Corporation

*451. SHRI SADASHIV RAO. D. MANDLIK : Will the Minister of FINANCE be pleased to state :

(a) whether the Maharashtra Government has obtained the permission from the Union Government for the bonds which have been issued to mobilise loans for the Krishna Valley Development Corporation;

(b) if so, the total amount for which permission has been obtained;

(c) whether the Union Government have received any complaints regarding financial irregularities in this regard; and

(d) if so, the details thereof and the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Maharashtra Krishna Valley Development Corporation was granted approval for public issue of MKVDC Bonds, Series-II aggregating Rs. 250 crores with an option to retain additional Rs. 50 crores (total Rs. 300 crores) for part financing the capital outlay for the Krishna River Irrigation Projects, u/s 88(2) (xvi) of the Income-tax Act, 1961.

(c) and (d) In March, 1997, Securities & Exchange Board of India received a complaint against Maharashtra Krishna Valley Development Corporation, alleging financial irregularities. The complaint was examined by SEBI. The clarification furnished and the subsequent Press release issued by the Corporation explained that the relevant transactions were in accordance with the extant rules and guidelines.

National Renewal Fund

*452. SHRI MAHESH KANODIA :
SHRI HARIKEWAL PRASAD :

Will the Minister of INDUSTRY be pleased to state :

(a) the main object of the 'National Renewal Fund';

(b) whether the employees affected due to closure and restructuring of PSUs are truly benefited by this fund;

(c) if so, the details thereof; and

(d) the amount provided from this fund as financial assistance during each of the last two years?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) The main objective of the National Renewal Fund (NRF) is to provide a social safety net for workers affected by industrial restructuring, technology upgradation and modernisation of Indian Industry.

(b) and (c) Assistance from NRF has been provided for Voluntary Retirement Schemes (VRS) in Central Public Sector Undertakings (CPSUs) and for counselling, retraining and re-deployment of rationalised workers. According to information available, 1,10,104 workers in CPSUs have availed of VRS upto 31.5.98. Employee Assistance Centres, set up with assistance from NRF, have counselled 35,510 workers and retrained 25,683 workers.

(d) The amount of financial assistance provided from NRF during each of the last two years is as follows :

Year	Financial Assistance
1996-97	Rs. 195.63 Crore
1997-98	Rs. 330.45 Crore (Provisional)

[English]

Requirement of Gold

*453. SHRI GINGEE N. RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether the requirement of gold in the country had increased by 45 per cent in 1997;

(b) if so, the main reasons therefor;

(c) the quantity of gold came from outside the country through imports, NRI's etc. during the year 1997;

(d) the estimated increase registered in revenue through gold inflow in 1997 over the previous year; and

(e) the impact of this gold inflow on our economy?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) According to an unofficial estimate, the requirement of gold in the country has increased 45% in 1997 over the year 1996. The main reasons for this could be attributable to several factors including the latent demand for consumption of gold in the country and its easy availability at lower domestic prices under liberalised gold import policies adopted by the Government.

(c) and (d) During the year 1997, 527.857 tonnes of gold was imported through official channels and Rs. 1148 crores were collected as revenue as compared to 297.79 tonnes in 1996 involving duty amount of Rs. 655 crores.

(e) In addition to the higher collection of revenue, the import liberalisation has reduced the illegal import of gold and has made the gold easily available to the consumers in the country. In addition, the unofficial premium on the US\$ has also perceptibly come down. It is likely to have impact on invisible receipts on the current account of Balance of Payment as there would be reduced incentive for diversion of foreign exchange to unofficial market for financing illegal gold imports.

Use of Washed Coal

*454. SHRI ANUPLAL YADAV :
SHRI RAJ BANSHI MAHTO :

Will the Minister of COAL be pleased to state :

(a) whether the use of washed coal in power plants has been made mandatory recently by the Government;

(b) if so, whether this action of Government has been widely criticised by the experts in this field; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The Government have issued a Notification on September 19, 1997, under the Environment (Protection) Act, 1986 making mandatory the use of beneficiated coal with an ash content to exceeding 34% with effect from 1.6.2001 A.D. by the following coal based thermal power plants :

(i) Any thermal power plant located beyond 1000 k.m from the pit-head; and

(ii) Any thermal power plant located in urban area or sensitive area or critically polluted area irrespective of its distance from the pit-head except any pit-head power plant.

Further, the Government have made the following amendments in the said notification, *vide* notification GSR 378 (E) dated 30.6.98.

(i) For the words "Beneficiated Coal with an ash content not exceeding thirty-four percent", the words "raw or blended or beneficiated coal with an ash content not exceeding thirty-four per cent on an annual average basis" shall be substituted.

(ii) After clause (b), of the said notification, the following provision has been inserted, namely:

"provided that any thermal power plant using fluidised bed combustion or circulating fluidised bed combustion or atmospheric fluidised bed combustion or integrated gasification combined cycle technologies or any other clean technologies as may be notified by the Central Government in the official gazettee shall be exempted from clause (a) and (b).

(b) No, Sir.

(c) Does not arise in view of reply given to part (b) as above.

Import of Newsprint

*455. SHRI SUSHIL KUMAR SHINDE :
SHRI MADHAV RAO SCINDIA :

Will the Minister of COMMERCE be pleased to state

(a) whether the import of finished papers and newsprint has been increasing, while indigenous production is going down;

(b) if so, the comparative figures of imports of finished paper and newsprint and the indigenous production of these items during the last three years;

(c) how far the production capacity of Indian mills has gone down during the last three years;

(d) the reasons for increase in imports of finished product and decline in production and how far it is attributable to higher duty on raw material imports than that on finished product; and

(e) the steps taken by the Government to help the indigenous industry?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (e) While import of finished paper and newsprint has been growing steadily during the last three years, the growth of production has been sluggish. Newsprint production recorded a negative growth of 26.82% in 1996-97. The comparative figures of imports of finished paper and newsprint and the indigenous production of these items during the last three years is given in the statement annexed. While production capacity remained unaffected, capacity utilisation has been declining. The main reason for increase in import is cheaper production costs abroad. Indigenous production has been affected due to high costs of raw material and other inputs.

The Government has taken following steps to help the indigenous industry :

- (i) Concessional excise duty has been extended for paper and paper board manufactured out of 75% and above non-conventional raw materials.
- (ii) No custom duty is levied on import of wood pulp for manufacture of newsprint.
- (iii) There is no excise duty on newsprint manufactured by a manufacturer included in Schedule-I to the Newspaper Control Order, 1962 and supplied to the newspapers registered with RNI.
- (iv) The basic customs duty on import of paper and paperboard has been increased from 20% to 30%.
- (v) The basic Customs duty on import of newsprint is 5% w.e.f. 2.6.1998 whereas duty on high ash content newsprint (glazed newsprint) was raised from nil to 5%.

Statement

Production of paper, paperboard and newsprint during the last three years

Year	Production (in lakh MT)	
	Paper & Paperboard	Newsprint
1995-96	27.10	4.10
1996-97	27.96	3.00
1997-98	31.70	4.00

Import :

Year	Import (in lakh MT)	
	Paper & Paperboard	Newsprint
1995-96	1.10	3.45
1996-97	1.82	5.47
1997-98	3.05	4.98

Plan for development of Tourism

*456. SHRI KRISHAN LAL SHARMA : Will the Minister of TOURISM be pleased to state :

(a) whether the Union Government have drawn up a new plan for development of eco-tourism in the country;

(b) if so, the main features thereof; and

(c) the response of the State Governments thereto?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : (a) Yes, Sir.

(b) The main features of the Eco-Tourism Guidelines contain :

- (i) The Eco-Tourism definition;
- (ii) Eco-Tourism Resources of India;
- (iii) Policy objectives :
 - (a) involvement of local community;
 - (b) identifying conflict areas and taking steps to minimise conflict;
 - (c) integration of eco-tourism to area development strategy, etc.
- (iv) Operational guideline for :
 - the Government;
 - Developers, Operators and Suppliers;
 - The Visitors;
 - The Destination population/host community;
 - Non-Governmental organisations/scientific and research institutions.

These guidelines and policies would create awareness among all the actors involved in this activity and to achieve sustainable tourism development in the country.

(c) Response from the State Governments/Union Territories were very positive and they have agreed to adopt and implement the same.

[Translation]

Speculation in the Foreign Currency Market

*457. SHRI AMAR PAL SINGH :
SHRI PANKAJ CHOUDHRY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to take any steps to check the growing activities of speculation in the foreign currency market;

(b) if so, the details thereof; and

(c) the time by which the decision in this regard is likely to be taken ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The exchange rate of the rupee in India is market determined and speculation is an integral element of any financial market. Destabilising speculation leads to unwarranted pressures on the exchange rate necessitating institution of measures to contain volatility and stem speculation. The exchange market measures undertaken by the RBI generally comprise purchase/sale of foreign exchange in both the spot and forward segments of the foreign exchange market, which are often supplemented by monetary policy measures. By tightening money market conditions through increase in Cash Reserve Ratio (CRR), Bank Rate, and Repo rates, arbitrage operations undertaken by the speculators between money market and foreign exchange market are discouraged. Specific measures are also instituted to reduce the access to domestic liquidity for speculative purposes. Cancellation and re-booking of forward contracts, nostro balances of the authorised dealers and their open positions are constantly monitored by the RBI. Importers as well as banks have been advised by the RBI to monitor their credit utilisation so as to meet genuine foreign exchange demand but no unanticipated import requirements beyond a reasonable period, thereby discouraging undue build-up of inventory stocks. In addition, measures affecting the cost of rupee funds to exporters and importers have been taken to discourage intensification of leads and lags in import payments and export realisation. The exchange rate developments are closely monitored both by the Government and the RBI and suitable measures are taken, as and when necessary, to counter speculative pressures on the exchange rate and to maintain orderly market conditions.

[English]

Credit Rating Agency

*458. SHRIMATI LAKSHMI PANABAKA : Will the Minister of FINANCE be pleased to state :

(a) whether due to downgrading of India's rating by Moody the rates of key scrips fell sharply;

(b) if so, whether due to this the foreign investment has slowed down and loans have become more costly as a result thereof;

(c) if so, the details in the regard;

(d) whether the Moody's recent move has reduced demand for credit in the domestic market;

(e) if so, whether country's imports have also become costlier and the exports have gone down; and

(f) the steps Government propose to take to meet the situation ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Spreads on secondary markets are influenced by several factors including credit rating.

(b) and (c) Foreign investment flows depend on investment opportunities and not primarily on rating. Demand for foreign currency borrowing is a function of funds cost domestically vis-a-vis funds raised externally.

(d) Demand for credit in domestic market is not related to Moody's Rating.

(e) Imports and exports are not directly related to credit rating.

(f) Government policies are directed to enhance the investment flows as well as credit rating of the sovereign.

Exim Policy

*459. DR. ASIM BALA : Will the Minister of COMMERCE be pleased to state :

(a) whether India's Exim policy has been prepared in line with the World Trade Organisation;

(b) if so, the details thereof;

(c) whether World Trade Organisation are reviewing India's Trade Policy in line with the General Agreement on Tariff and Trade; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (d) India's Exim Policy has been formulated with primary objective of promoting India's International Trade from the country. However, India being a signatory, to WTO, various provisions of WTO are also considered during the process of formulating the Exim Policy

The WTO reviews the trade policies of all the signatory countries periodically. India's trade policy was reviewed on 16-17th April, 1998. The Chairperson of Trade Policy Review Body in his concluding remarks commended India for its continued programme of economic reforms, including trade reforms which have constituted an integral part of the programme. Members appreciated the direction of reforms

and welcomed the commitment expressed by India to further broad-base trade liberalisation, domestic deregulation, and encouragement of private investment and looked forward to further concrete, well-coordinated implementation in these areas. Members also welcomed India's continued positive participation in the WTO and the importance attached by the Indian delegation and authorities to a stable, liberal, rule-based multilateral trading system.

Foreign Debt

*460. SHRI N.K. PREMCHANDRAN :
SHRI TARIQ ANWAR :

Will the Minister of FINANCE be pleased to state :

(a) the position of external debt against India for the last three years, year-wise;

(b) the amount of outstanding loan to be repaid to the World Bank and other countries when the present Government assumed office;

(c) the total amount of loan/assistance received by the Government from the World Bank and other countries after assumption of office, country-wise and institution-wise;

(d) the measures being taken to improve the external debt position;

(e) whether the World Bank has set aside any amount of assistance which stands sanctioned to India after the imposition of U.N. sanctions; and

(f) if so, the details thereof ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The latest estimates for external debt of India is for September 30, 1997. The debt outstanding position since 31.3.95 is as follows :

As on	Amount (US dollar billion)
31.3.95	99.01
31.3.96	92.20
31.3.97	92.22
30.9.97	92.88

(b) The amount of loans outstanding to the World Bank (IBRD and IDA) and other countries on Government account as on March 31, 1998 stood at US dollar 38.40 billion.

(c) The total amount of loan/assistance received (utilisation) by the Government from the World Bank and

other countries during April 1–May 31, 1998, country-wise and institution-wise is as follows:

SOURCE	LOANS (In Rupees thousand)
(Multilateral)	
IDA	8,33,515
IBRD	10,16,254
PPF (IBRD)	12,452
Sub total :	18,62,221
(Bilateral)	
France	68,117
Japan	26,33,202
Kuwait Fund	14,935
Saudi Fund	66,529
Germany	1,46,048
Australia	8,421
Sub total :	29,37,252
Grand Total :	47,99,473
SOURCE	
(Multilateral)	
IBRD (Japan)	5,756
IDF (World Bank)	673
IDA (Netherlands)	18,645
Sub total :	25,074
(Bilateral)	
Canada	13,840
Denmark	35,000
Japan	15,048
Netherlands	71,926
Sweden	36,039
Switzerland	13,700
United Kingdom	67,019
USA	59,606
Germany	48,144
EEC Grants	1,00,289
UNICEF	7,683
UNFPA	94,720
Sub total :	5,63,014
Grand Total :	5,88,088

(d) The main features of the debt management strategy followed by the Government includes sustaining a high growth rate of exports, keeping the maturity structure as well as the total amount of commercial debt under control, prioritising the use of commercial credit and encouraging foreign investment. As a result of the above policy, there has been a considerable improvement in the external debt position. Thus, for example, the debt-GDP ratio has come down steadily from the high of 41.0 per cent in 1991-92 to 25.9 per cent in 1996-97. The debt service ratio also came down from 35.3 per cent in 1990-91 to 22.6 per cent in 1996-97.

(e) and (f) There are no UN sanctions on India. However, the World Bank had initially deferred consideration of the following five projects :

1. The Power Grid II Project (US \$ 450 million).
2. Renewable Energy II Project (US \$ 130 million).
3. Haryana State Highway Project (US \$ 275 million).
4. U.P. Diversified Agriculture Support Project (US \$ 76.4 million).
5. Orissa Health Systems Development Project (US \$ 76.4 million).

Subsequently, out of the above five, Serial No.

(4) and (5) have been approved on July 1, 1998.

Investment of PSUs

*461. SHRI ASHOK NAMDEORAO MOHOL :
PROF. PREM SINGH CHANDUMAJRA :

Will the Minister of INDUSTRY be pleased to state :

(a) the total investment made in Public Sector Undertakings during 1997-98 in the country, particularly in Maharashtra;

(b) the details of the domestic and foreign loan involved in the total investment;

(c) the average amount of interest being paid on these loans;

(d) the amount likely to be invested in Public Sector Undertakings during current year; and

(e) the annual production of Public Sector Undertakings during each of the last three years?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) The investment in Central Public Sector Undertakings during 1996-97, for which period information is available, was Rs. 15522 crores including Rs. 3551 crores in Maharashtra.

(b) As on 31.3.97, the total loans of PSUs were Rs. 130552 crores out of which the domestic loans were Rs. 98464 crores and foreign loans were Rs. 32088 crores.

(c) The interest paid on long term loans during 1996-97 was Rs. 13683 crores out of which Rs. 11089 crores was on domestic loans and Rs. 2594 crores on foreign loans

(d) The Plan investment for 1998-99 for central PSUs is about Rs. 23,00 crores.

(e) The annual production value during the years 1994-95 to 1996-97 was Rs. 171890 crores, Rs. 208869 crores and Rs. 231578 crores respectively.

Tenders for Coal Raising

4424. SHRI AJOY MUKHOPADHYAY Will the Minister of COAL be pleased to state:

(a) whether tender has been published by BCCL for private agencies to raise the coal from four BCCL collieries:

(b) if so, the details thereof and the reasons therefor;

(c) whether raising coal by the private agencies is prohibited; and

(d) if so, the justification for publishing the tender?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) No, Sir. It has been stated by BCCL that Global tenders had been invited for introduction of an appropriate technology for optimisation of coal production in some of coal mines in BCCL. The scope of tender provides for supply of equipment, installation and commissioning of equipment and successful operation thereafter in the following underground mines on gain/risk sharing basis :

1. Moonidih
2. North Amlabad
3. Bhalgora
4. Pootki Ballihari

(c) It is presumed that the Honourable Member is referring to contract labour. If so, raising of coal by contract labour is prohibited vide Government of India, Ministry of Labour Notification No. S.O. 2063 dated June 21, 1998.

(d) Notification dated 21.6.1988 is not applicable as the tender is for introduction of technology, its absorption and supply of equipment with performance guarantee and not for raising of coal through contractors labour.

Price Stabilisation Fund for Rubber

4425. SHRI T. GOVINDAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Union Government have received a proposal from Kerala Government for creation of a Price

Stabilisation Fund for Rubber to facilitate the creation of buffer stock and procurement operations; and

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

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

(b) Does not arise.

Printing of Notes

4426. SHRI K.P. NAIDU : Will the Minister of FINANCE be pleased to state:

(a) whether the currency note printing units in the country are printing currency notes to their full capacity;

(b) if not, the reasons therefor; and

(c) the steps proposed to be taken to utilise the full capacity of these units and to stop the import of currency notes and to meet the situation of any shortage ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) Does not arise.

(c) The present capacity of the note printing presses in the country put together can meet only about 35% of RBI's demand for fresh notes. In order to improve the note supply position in the country, in addition to import of currency notes as a one time measure, the following steps have also been taken :

- (1) Coinisation of lower denomination notes of Rs. 1, 2 and 5 and diversion of capacity so released for printing of higher denomination notes;
- (2) Setting up of two more note printing presses - one at Salboni (West Bengal) and the other at Mysore (Karnataka) under RBI control, with an annual capacity of 4950 million pieces each;
- (3) Modernisation of existing two note printing presses at Nashik and Dewas.

[Translation]

Coal Blocks

4427. SHRI SUSHIL CHANDRA VARMA : Will the Minister of COAL be pleased to state :

(a) the location-wise details of coal blocks identified by Coal India Ltd. for its self utilization;

(b) the number of coal blocks out of these where open cast mining and underground mining is likely to be undertaken, separately;

(c) the time by which mining work is likely to be started in these coal blocks, indicating the blocks in which coking coal is likely to be received; and

(d) the amount invested in the annual budget by Coal Industry from its own resources during the last three years and the amount taken from the Union Government ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) Coal India Ltd. has identified 276 blocks for its self utilisation till 2036-37 excluding blocks presently being worked. Subsidiary-wise details of such block as well as details concerning method of mining to be undertaken in such block is as under :

Subsidiary company	No. of blocks identified for self utilisation	Method of working		
		Opencast	Underground	Combined OC & UG
ECL	24	4	17	3
BCCL	41	21	20	-
CCL	56	40	12	4
NCL	3	3	-	-
WCL	77	18	52	7
SECL	54	11	34	9
MCL	21	21	-	-
Total	276	118	135	23

(c) Time frame by which mining is to be started in these blocks and number of blocks in which coking coal likely to be mined are as under :

Subsidiary Company	Time frame for starting mining in the identified blocks (Nos.)				Number of blocks likely to yield coking coal
	IX Plan	X Plan	Beyond X Plan	Total	
ECL	9	8	7	24	-
BCCL	20	7	14	41	22
CCL	11	19	26	56	25
NCL	-	-	3	3	-
WCL	15	37	25	77	4
SECL	21	9	24	54	3
MCL	4	3	14	21	-
Total	80	83	113	276	54

(d) The total amount invested during the last three year from internal resources and through other borrowings including budgetary support in Coal India Ltd. and its subsidiaries are given below :

	(Rs. crores)		
	1994-95	1995-96	1996-97
Internal resources	806.13	975.64	918.95
Bonds	300.00	-	434.03
Suppliers credit	59.81	89.27	-
IC/Term loan	119.10	150.00	165.00
Gross budgetary support	319.52	288.72	12.47
Total investment	1,604.56	1,503.63	1,530.45

[English]

Use of Coal Raw Material

4428. SHRI GIRIDHAR GAMANG : Will the Minister of COAL be pleased to state :

(a) whether any research has been conducted by the Government to find out multiple use and by-products out of the coal material;

(b) if so, the outcome of such research;

(c) whether any by-product industries based on the coal raw material has been established; and

(d) if so, the names of the such industries ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No Sir. The Government in the Ministry of coal is not conducting any research on multiple use and by-products of coal material directly. However, the Ministry funds Research Projects on coal through Standing Scientific Research Committee. Out of this fund, Central Mine Planning Design Institute Limited has developed a few technologies for conversion of coal to domestic fuel of better quality and process. Central Fuel Research Institute (CFRI) Dhanbad and Indian Institute and Chemical Technology (IICT) Hyderabad, both under CSIR, are conducting research on multiple use of coal and by-products.

(b) Special smokeless Fuel (SSF) Technology has been successfully commercialised by CMPDIL.

(c) and (d) All the integrated steel plants in India and Dankuni Coal Complex (DCC) of South Eastern Coalfields Limited, Bararee Coke Plant & Loyabad Coke Plant of Bharat Coking Coal Limited, besides some other industries are making multiple use of coal and producing by-products.

Collieries in West Bengal

4429. SHRI SUNIL KHAN : Will the Minister of COAL be pleased to state :

(a) the location-wise details of collieries running in West Bengal at present;

(b) the number of collieries closed in the State after initial investment of Rs. one crore, particularly in Bankura district;

(c) whether the private collieries are running at Saltora in Bankura district; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) In West Bengal 106 coal mines are being operated by the Eastern Coalfields Limited (ECL) and Bharat Coking Coal Limited (BCCL), the subsidiaries of Coal India Limited (CIL). The location-wise details of these mines are as under :

District	ECL	BCCL	Total
Burdwan	98	3	101
Bankura	2	-	2
Birbhum	1	-	1
Purulia	2	-	2
Total	103	3	106

(b) As per information received from CIL, 11 (eleven) opencast coal mines opened in the post-nationalisation period in the state of West Bengal with investment exceeding Rupees one crore each have been closed after exhaustion of mineable reserves. The CIL has also informed that a new coal mine at Bakulia in Bankura District of West Bengal linked to Mejia Thermal Power Station (TPS) was taken up but could not be implemented. The Damodar Valley Corporation, who own the TPS have not yet given their consent to pay for the coal supply from Bakulia mine on cost-plus basis for implementation of the coal project. The total expenditure incurred in Bakulia is Rs. 3.16 crores.

(c) As per information received from CIL, no private colliery is running in Saltore of Bankura District

(d) Does not arise in view of the answer to part (c) of the question.

[Translation]

Tourism Projects in Maharashtra

4430. SHRI VITHAL TUPE : Will the Minister of TOURISM be pleased to state :

(a) the details of tourism projects sent by the Government of Maharashtra to the Union Government during the last three years;

(b) the number of projects out of these approved by the Government; and

(c) the time by which remaining projects are likely to be approved?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) According to the existing procedure, the projects for financial assistance by the Union Ministry of Tourism are prioritised each year in consultation with the concerned State Governments. Detailed proposals are then submitted by the State Governments which are examined as per guidelines and approved for financial assistance. In the case of Maharashtra, the number of detailed proposals received and sanctioned during the last three years were as given below:

Year	No. of proposals received	No. of proposals sanctioned
1995-96	4	2
1996-97	8	8
1997-98	12	12

(c) The projects not sanctioned during a particular year are not considered in subsequent years unless they are again submitted by the State Government.

[English]

Agriculture Stabilization Fund

4431. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) the Budgetary provision made to different States under Agricultural Stabilisation Fund during 1998-99 under the Central Plan;

(b) the detailed provision made as subsidy and loan out of this fund;

(c) whether the Union Government have received any proposals from the State Governments to augment allocation, and

(d) if so, the details thereof ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) Under the Scheme of the Agricultural Credit Stabilization Fund, central assistance is provided to the State Governments in the ratio of 75% grant and 25% loan to help build up the credit stabilization funds at the level of State Cooperative Banks with a view to increase their capacity to support conversion of short term loans into medium term loans in areas affected by natural calamities where the crop loss is more than 50%. In order to enable

the State Cooperative Banks to provide conversion facilities, the amount required for conversion is provided by NABARD (60%), State Government (15%), State Cooperative Banks (10%) and Central Cooperative Banks (15%). The deficit in the Fund is being met to the extent possible by the Government of India. For the year 1998-99, a sum of Rs. 5 crore has been provided under the Scheme for providing assistance to State Governments out of which, a sum of Rs. 1.25 crore has been earmarked as loan. No State-wise allocations in this connection are made under the Scheme as funds are released on the basis of proposals received from the States.

(c) and (d) No proposal for augmentation of this allocation has been received from the State Governments.

Export of Pepper

4432. SHRI MULLAPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) the amount of foreign exchange earned by the country from the export of pepper during the last three years;

(b) whether the Government propose to introduce any schemes for promotion of pepper export;

(c) if so, the details thereof;

(d) whether the Government propose to launch any special programme/scheme for stepping up production/productivity of pepper; and

(e) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) the total quantity and value of pepper exported during the last three years is as under :

Year	Qty. (Mts)	Value (Rs. in lakhs)
1995-96	26244	19629.84
1996-97	47893	41231.84
1997-98(E)	34250	47956.75

(Source : Spices Board/DGCI&S, Calcutta)

(b) and (c) Some of the steps taken to enhance exports include programmes for post harvest improvement, encouraging exports of value added items, award of "Spice House Certificate" and "Indian Spices Logo" as a mark of quality, financial assistance for brand promotion, technology transfer, infrastructure improvement, product development and quality upgradation, arranging buyer-seller meets and participation in International Fairs.

(d) and (e) In order to increase production and productivity of various spices including black pepper, a Centrally Sponsored Integrated Programme for Development of Spices (IPDS) is being implemented. The

measures being implemented for development of black pepper are :

- (i) Production of rooted pepper cuttings of high yielding varieties;
- (ii) Rehabilitation of old pepper gardens;
- (iii) Distribution of input kits;
- (iv) Plant protection measures against Quick Wilt disease;
- (v) Eradication of Little leaf disease;
- (vi) Establishment and maintenance of demonstration plots in farmers' fields; and
- (vii) Area expansion.

Out of the total allocation of Rs. 30 crores under the IPDS for the year 1997-98, about Rs. 11.34 crores were earmarked for black pepper development. These programmes are proposed to be continued during 1998-99.

Financial Assistance to Himachal Pradesh

4433. SHRI SATYA PAL JAIN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the Prime Minister has announced certain financial assistance to Himachal Pradesh during his recent visit to the State;

(b) if so, the details of the amount announced, sanctioned and released so far;

(c) the time by which the remaining amount is likely to be released;

(d) whether the amount sanctioned is on refundable basis or assistance basis; and

(e) the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir. The Prime Minister during his visit to Himachal Pradesh had announced a project related Central assistance of Rs. 100 crore and also an additional allocation of Rs. 100 crore.

(b) to (e) the details including grant/loan components are being worked out and will be finalised in the annual Plan discussions between Dy. Chairman, Planning Commission and Chief Minister of Himachal Pradesh.

Delicensing of Industries

4434. SHRI ANANT GANGARAM GEETE :
SHRI MADHUKAR SIRPOTDAR :

Will the Minister of INDUSTRY be pleased to state :

(a) whether Government have formulated any policy framework for delicensing of Industries; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Review of industries retained under compulsory licensing for further de-licensing is an on-going process. As a result of this on-going exercise, only seven industries are presently retained under compulsory licensing.

Boost the Mica Trade

4435. SHRI SUDHIR GIRI : Will the Minister of COMMERCE be pleased to state :

(a) whether the policy of decanalisation was adopted in 1990 to boost up mica trade to give more employment and to earn more foreign exchange;

(b) if so, the details of the result achieved.

(c) whether the Government have reviewed the policy, and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Yes Sir, while export of processed mica has declined after decanalisation (except in 1996-97), export of the canalised mica scrap, cuttings and waste has increased. Export figures of processed mica and mica scrap for the last four years are given in the statement attached. As regards employment, mica mining industry has sharply declined from 835 mines employing 25000 labour to 35 mines employing 2500 labour.

(c) and (d) Sir, the proposal for revival of Mica Industry has been engaging the attention of the Ministry. The proposal was reviewed in March 1998. Various options to boost mica exports have been under consideration of the Ministry in consultation with the concerned Ministry/Departments. Efforts to increase exports including unit value realisation, and ensuring a good price to the producers are being made.

Statement

Export of processed Mica

Year	Quantity (MT)	Value (Rs. Lakh)
1993-94	1580	716
1994-95	1350	617
1995-96	1299	540
1996-97	5304	814

Export of canalised Mica scrap

Year	Quantity (MT)	Value (Rs. Lakh)
1993-94	4573	744
1994-95	5854	909
1995-96	7443	1181
1996-97	8641	1422

Market Borrowings by Tripura

4436. SHRI BAJU BAN RIYAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Tripura has got the approval of the Union Government for increasing market borrowings during 1998-99; and

(b) if so, the details thereof ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The level of market borrowings by the State during 1998-99 is yet to be decided.

Handicraft Marketing Centres

4437. SHRI CHADA SURESH REDDY : Will the Minister of TEXTILES be pleased to state :

(a) the area and jurisdiction of each Handicraft Marketing and Service Extension Centre and standard staff strength, category-wise;

(b) whether the Centre could ensure proper development and guidance to weavers and craftsmen in view of unmanageable vast areas; and

(c) if not, the measures proposed to be taken to modify the schemes reducing the area of each marketing & service extension centre and train the employees properly to help craftsmen?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The details of area of jurisdiction of 47 Handicrafts Marketing and Service Extension Centre is as per statement attached.

The standard staff strength of each Handicrafts Marketing and Service Extension Centre consists of one Assistance Director, one Handicrafts Promotion Officer, one Investigator, one Technical Assistant (Crafts) Upper Division Clerk, one Lower Division Clerk and one Helper/Chowkidar.

(b) to (c) The 47 Handicrafts Marketing and Service Extension Centres have played an important role in facilitating development of handicrafts in the area under their jurisdiction and in guiding the weavers and craftsmen.

Keeping in view the vast areas that various centres spread all over the country have to cover, a proposal to open some more Marketing Centres has been initiated.

From time to time, selected employees of Handicrafts Marketing and Service Extension Centres are trained in reputed institutions which facilitate in their helping the craftsmen.

Statement*Distribution of Districts/Area/Jurisdiction of existing M&SECs, Region-wise***NORTH EAST REGION****Assam**1. *M&SEC, Gauripur*

(i) Dhubri (ii) Barpet (iii) Daraang (iv) Kokrajhar (v) Kamrup (vi) Lakhimpur (vii) Goal Para (viii) Mangaldai (ix) Sonit Pur.

2. *M&SEC, Jorhat*

(i) Jorhat (ii) Dibrugarh (iii) Sibsagar (iv) Nowgaon (v) Karbi Anglong (vi) Cachar (vii) Karimganj (viii) North Cachar Hills.

Tripura3. *M&SEC, Agartala*

Whole Tripura State.

Manipur4. *M&SEC, Imphal*

Whole Manipur State.

Arunachal Pradesh5. *M&SEC, Old Itanagar*

Whole Arunachal Pradesh.

Nagaland6. *M&SEC, Kohima*

Whole Nagaland State.

Meghalaya7. *M&SEC, Shillong*

(i) Mizoram (ii) Whole Meghalaya State.

EASTERN REGION**West Bengal**8. *M&SEC, Burdwan*

(i) Burdwan (ii) Bankura (iii) Purullia (iv) Hooghly

(v) 24-Parganas (North) (vi) 24-Parganas (South)
(vii) Howarah (viii) Midnapur (ix) Mursheedabad
(x) Birbhum (xi) Nadia.

9. *M&SEC, Silliguri*

(i) Darjeeling (ii) Cooch Bihar (iii) Jalpaiguri (iv) West
Dinajpur (v) Malda

Sikkim

10. *M&SEC, Gangtok*

Whole Sikkim State.

Orissa

11. *M&SEC, Sambalpur*

(i) Sambalpur (ii) Balangir (iii) Sundergar
(iv) Kalahandi (v) Dhenkanal (vi) Kendujhar
(vii) Phulbani.

12. *M&SEC, Bhubneshwar*

(i) Baleshwar (ii) Cuttack (iii) Puri (iv) Ganjam
(v) Koraput (vi) Mayur Bhanj.

Bihar

13. *M&SEC, Dumka*

(i) Dumka (Santhal Pargana) (ii) Sahebganj
(iii) Deogarh (iv) Godda (v) Bhagalpur (vi) Munghyer
(viii) Nawada (viii) Gaya (ix) Giridih (x) Dhanbad
(xi) Nalanda.

14. *M&SEC, Madhubani*

(i) Madhubani (ii) Darbhanga (iii) Samastipur
(iv) Vaisali (v) Mujaffarpur (vi) East Champaran
(vii) West Champaran (viii) Begusari (ix) Sitamarhi
(x) Chapra (xi) Siwan (xii) Gopalganj (xiii) Patna
(xiv) Khagaria (xv) Saharsha (xvi) Purnia
(xvii) Madhopura (xviii) Katihar.

15. *M&SEC, Ranchi*

(i) Ranchi (ii) Rohtas (iii) Jahanabad (iv) Singh Bhum
(v) Gumala (vi) Lohar Daga (vii) Hazari Bagh
(viii) Palamu (ix) Aurangabad (x) Bhojpur.

CENTRAL REGION

Uttar Pradesh

16. *M&SEC, Agra*

(i) Agra (ii) Aligarh (iii) Banda (iv) Etawah (v) Etah
(vi) Farukhabad (vii) Hamirpur (viii) Jalon (ix) Mathura
(x) Mainpuri (xi) Lalitpur (xii) Jhansi.

17. *M&SEC, Saharanpur*

(i) Saharanpur (ii) Bijnor (iii) Dehra Dun

(iv) Uttarkashi (v) Muzaffar Nagar (vi) Ghaziabad
(vii) Meerut (viii) Bulandsahar (ix) Pauri Garhwal
(x) Tehri Garhwal (xi) Chamoli (xii) Hardwar.

18. *M&SEC, Almora*

(i) Almora (ii) Nainital (iii) Pithoragarh (iv) Rampur
(v) Moradabad (vi) Pilibhit (vii) Bareilly
(viii) Shahjahan Pur (ix) Badaun (x) Lakhimpur (Khiri)
(xi) Udham Singh Nagar.

19. *M&SEC, Barabanki*

(i) Barabanki (ii) Unnao (iii) Hardoi (iv) Lucknow
(v) Faizabad (vi) Allahabad (vii) Mirzapur (viii) Jaun
Pur (ix) Ballia (x) Ghazipur (xi) Gonda (xii) Sitapur
(xiii) Baharaich (xiv) Azamgarh (xv) Basti (Sidharth
Nagar) (xvi) Rai Baraily (xvii) Gorakhpur
(xviii) Sultanpur (xix) Deoria (xx) Pratappgarh
(xxi) Varanasi (xxii) Kanpur (xxiii) Fatehpur (xxiv) Mau
(xxv) Badohi (xxvi) Maharajganj (xxvii) Padrona
(xxviii) Ambedkar Nagar (xxix) Kanpur Dehat.

WESTERN REGION

Madhya Pradesh

20. *M&SEC, Gwalior*

(i) Gwalior (ii) Bhind (iii) Murena (iv) Datia (v) Shivpuri
(vi) Guna (vii) Vidisha (viii) Bhopal (ix) Tikamgarh
(x) Chatarpur (xi) Panna (xii) Satna (xiii) Damedh
(xiv) Sagar (xv) Raisen (xvi) Narsimhpur

21. *M&SEC, Neemuch*

(i) Mandsour (ii) Ratlam (iii) Jhabua (iv) Jujain
(v) Indore (vi) Shajapur (vii) Rajgarh (viii) Dhar
(ix) Khandwa (x) Khar Gaon (xi) Dewas (xii) Sehor
(xiii) Hozargabad (xiv) Betual (xv) Chhindwara.

22. *M&SEC, Jagdalpur*

(i) Baatar (ii) Raipur (iii) Raigarh (iv) Surguja
(v) Bilaspur (vi) Durg (vii) Rajnand Gaon
(viii) Balaghat (ix) Seoni (x) Mandla (xi) Shahdol
(xii) Jabalpur (xiii) Sidhi (xiv) Rewa.

Goa

23. *M&SEC, Panaji*

Whole Goa, Daman and Diu.

Gujarat

24. *M&SEC, Bhuj*

Whole Gujarat State and Dadar and Nagar Haveli.

Maharashtra

25. *M&SEC, Nagpur*

(i) Nagpur (ii) Bhandra (iii) Chandrapur (iv) Godchiroci

(v) Yeotmal (vi) Akola (vii) Buldhana (viii) Amrawati (ix) Wardha.

26. *M&SEC, Kolhapur*

(i) Kolhapur (ii) Sindhu Durg (iii) Sangali (iv) Satara (v) Ratanagiri (vi) Pune (vii) Raigadh (viii) Mumbai (ix) Thane (x) Nasik.

27. *M&SEC, Aurangabad*

(i) Aurangabad (ii) Jalna (iii) Parbhani (iv) Beed (v) Latur (vi) Solapur (vii) Osmanabad (viii) Ahmad Nagar (ix) Dhulia (x) Jalagaon (xi) Nanded.

SOUTHERN REGION

Andhra Pradesh

28. *M&SEC, Tirupati*

(i) Guntur (ii) Prakasham (iii) Nellore (iv) Chittoor (v) Cuddapah (vi) Anantpur (vii) Kurnool.

29. *M&SEC, Warangal*

(i) Srikakulam (ii) Vijay Nagaram (iii) Visakhapatnam (iv) East Godavari (v) West Godavari (vi) Krishna (vii) Khammam (viii) Warangal (ix) Karim Nagar (x) Nazamabad (xi) Nalgonda (xii) Adilabad (xiii) Medak (xiv) Mahaboob Nagar (xv) Hyderabad (xvi) Hyderabad (Rural).

Karnataka

30. *M&SEC, Mangalore*

(i) Dharwar (ii) Belgaum (iii) Blljapur (iv) N. Kanara (v) S. Kanara (vi) Gulbarga (vii) Bidar (viii) Raichur (ix) Bellary.

31. *M&SEC, Mysore*

(i) Mysore (ii) Bangalore (iii) Mandaya (iv) Hassan (v) Tumkur (vi) Chitradurga (vii) Chikmagalur (viii) Kolar (ix) Shimoga (x) Kodagu.

Tamilnadu

32. *M&SEC, Nagarcoil*

(i) Kanyakumari (ii) Madurai (iii) Ramanathapuram (iv) Pudukottai (v) Tirunneveli.

33. *M&SEC, Salem*

(i) Salem (ii) Dharmapuri (iii) Niligiris (iv) coimbatore (v) North Arcot.

Andaman & Nicobar

34. *M&SEC, Port Blair*

Whole Andaman & Nicobar Islands.

Pondicherry

35. *M&SEC, Pondicherry*

(i) Pondicherry (ii) Chennai (iii) Chingleput (iv) South Arcot (v) Trichy (vi) Tanjaur.

Kerala

36. *M&SEC, Trichur*

Whole Kerala State & Lakshadweep.

NORTHERN REGION

Punjab

37. *M&SEC, Hoshiarpur*

Whole Punjab State except Chandigarh.

Rajasthan

38. *M&SEC, Jaipur*

(i) Jaipur (ii) Alwar (iii) Sikar (iv) Ajmer (v) Jhunjhunu (vi) Churu (vii) Tonk (viii) Bundi (ix) Sawai Madhopur (x) Bharatpur (xi) Kota (xii) Jhalwar (xiii) Bhilwara (xiv) Chittaur (xv) Dholpur.

39. *M&SEC, Jodhpur*

(i) Jodhpur (ii) Ganganagar (iii) Bikaner (iv) Nagaur (v) Pali (vi) Sirohi (vii) Jalor (viii) Jaisalmer (ix) Barmer (x) Udaipur (xi) Dungarpur (xii) Banswara.

Haryana

40. *M&SEC, Rewari*

Whole Haryana, Delhi (U.T.) & Chandigarh (U.T.).

Himachal Pradesh

41. *M&SEC, Kullu.*

Whole Himachal Pradesh

J & K

42. *M&SEC, Anantnag*

(i) Anantnag (ii) Kupwara

43. *M&SEC, Leh*

(i) Leh (ii) Kargil

44. *M&SEC, Srinagar*

(i) Srinagar (ii) Budgam

45. *M&SEC, Udhampur*

(i) Udhampur (ii) Doda (iii) Kathua.

46. *M&SEC, Jammu*

(i) Jammu (ii) Poonch (iii) Rajouri.

Torn Notes in Currency Note Bundles

4438. MAJ. GEN. BHUWAN CHANDRA KHANDURI AVSM : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the bundles of currency notes, duly checked and authenticated by various banks contain torn/unusable notes packed in between; and

(b) if so, the steps taken by the Government to check this practice and stop the recirculation of such currency notes?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) All the banks have been advised by RBI to sort out the notes into issuable and non-issuable and ensure that torn and unfit notes are not issued to public. The RBI lifts non-issuable and unfit notes from banks for examination, verification and eventual destruction at periodical intervals.

[Translation]

Staff Inspection Unit

4439. SHRI RAJ NARAIN PASSI : Will the Minister of FINANCE be pleased to state :

(a) the directions/guidelines on which Staff Inspection Unit makes study in respect of the staff of the Central Government Offices;

(b) the names of the Ministries/Central Government Offices and their subordinate offices inspected by the Staff Inspection Unit during each of the last three years;

(c) the names of offices out of it who have not complied with the recommendations of SIU during the above period;

(d) the action plan prepared by SIU in respect of strengthening the staff of the Ministries during 1997-98; and

(e) its likely impact on the economy of the country?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The focus of SIU studies is on the staffing of Government establishments with a view to securing economy.

(b) Information is given in the Statement enclosed.

(c) Information is being collected from all the concerned offices and will be laid on the Table of the House.

(d) and (e) SIU does not prepare any action plan for strengthening the staff of the Ministries. SIU studies normally reveal staff surpluses and the posts to be abolished. Abolition of posts declared surplus by SIU results in reduction of Government expenditure.

Statement

Names of the Ministries/Central Government Offices and their subordinate Offices inspected by the Staff Inspection Unit during each of the last three years

S.No.	Name of the organisation
1	2
1.4.1995 to 31.3.1996	
1.	Senior Quality Assurance Establishment (Vehicles), Bombay, Ministry of Defence.
2.	Staffing-cum-norm study of Central Administrative Tribunal, Ministry of Personnel, Public Grievances & Pensions.
3.	Ministry of Parliamentary Affairs.
4.	Field Advisers' Offices of the National Council of Educational Research & Training, Ministry of Human Resource Development.
5.	Kandla Dock Labour Board, Ministry of Surface Transport.
6.	Directorate of Estates, Ministry of Urban Affairs & Employment.
7.	Indo-Tibetan Border Police - Specialist Battalions, Ministry of Home Affairs.
8.	Controllerate of Quality Assurance (Radar), Bangalore, Ministry of Defence.
9.	Directorate of Sugar.
10.	Senior Quality Assurance Establishment (Engineering Equipment), Bombay, Ministry of Defence.
11.	Study of Group 'D' staffing Regional Station for Forage Production and Demonstration, Kalyani, (West Bengal), Department of Animal Husbandary and Dairying.
1.4.1996 to 31.3.1997	
1.	Directorates of Census Operation in States and Union Territories, Ministry of Home Affairs.
2.	Norm study of Central Excise Ranges, Department of Revenue.
3.	Senior Quality Assurance Establishment (General Stores), Madras, Ministry of Defence.
4.	Department of Chemicals and Petro-Chemicals.
5.	Department of Justice.
6.	Department of Food.

- | 1 | 2 |
|-----|--|
| 7. | Customs Wing (Baggage Clearance) of International Airport, Madras, Department of Revenue. |
| 8. | General Reserve Engineering Force Centre, Pune, Ministry of Defence. |
| 9. | Quality Assurance Wing of the Directorate General of Supplies and Disposals, Department of Supply. |
| 10. | Fund Section in Prime Minister's Office. |
| 11. | Controllerate of Quality Assurance (Instruments), Dehradun, Ministry of Defence. |

1.4.1997 to 31.3.1998

- Senior Quality Assurance Establishment (Electronics), Calcutta, Ministry of Defence.
- Fertilizers Accounts Wing, Department of Fertilizers.
- Fertilizer Industry Coordination Committee, Department of Fertilizers.
- Government of India Photolitho Press, Faridabad, Ministry of Urban Affairs & Employment.
- Controllerate of Quality Assurance (Petroleum Products) Kanpur, Ministry of Defence.
- Customs Wing of International Airport, Calicut, Deptt. of Revenue.
- Customs Wing of International Airport, Trivendrum, Department of Revenue.
- Senior Quality Assurance Establishment (Armaments), Delhi Cantt. Ministry of Defence.
- Customs Wing of International Airport, Bangalore, Department of Revenue.
- Ministry of Tourism including Director General Tourism.
- Immigration Services at International Airport, Hyderabad, Ministry of Home Affairs.
- Senior Quality Assurance Establishment (Electronics), Bangalore, Ministry of Defence.
- Government of India Press, Nasik, Ministry of Urban Affairs & Employment.
- Inland Waterways Authority of India, Ministry of Surface Transport.
- Senior Quality Assurance Establishment (Armaments), Secunderabad, Ministry of Defence.
- Department of Food Procurement and Distribution.
- Senior Quality Assurance Establishment (General Stores), New Delhi, Ministry of Defence.

Delivery Orders of Coal to Displaced Persons

4440. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) whether Delivery Orders (D.O.) of coal have been given to the displaced persons of Eastern Coalfields Ltd., (ECL) as Compensation;

(b) if so, the total number of displaced persons to whom Delivery Orders have been given during 1994-95, 1995-96 and 1996-97, indicating the number of Delivery Orders;

(c) whether there is a provision of giving Delivery Orders of Coal as compensation in Coal industry under public sector;

(d) whether there has been bungling of coal on a large scale on the pretext of giving Delivery Orders to the displaced persons in the name of compensation;

(e) if so, whether any inquiry is going on in this regard; and

(f) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Yes, Sir.

(b) Details are as under :

Year	Total Number of land losers to whom Delivery Orders issued	Number of Delivery Orders issued
1994-95	31	14
1995-96	35	213
1996-97	47	636

(c) There is no provision of giving Delivery Orders of coal in lieu of employment in the coal sector but in view of ECL's inability to offer employment due to surplus manpower with the Company, Coal Delivery orders in lieu of employment have been given to land losers in ECL. This practice was, however, stopped with effect from 20th August, 1997.

(d) to (f) The Vigilance Department of E.C.L. has received information regarding bungling in allotment of Coal Delivery Orders to land losers and they conducted an enquiry. The report in the matter is under scrutiny by Vigilance Department of C.I.L.

[English]

Advance to Uttar Pradesh

4441. DR. RAM VILAS VEDANTI : Will the Minister of FINANCE be pleased to state :

(a) whether any request has been made in 1997 by the Government of Uttar Pradesh for the grant of advance towards plan assistance to overcome resource crunch; and

(b) if so, the details thereof and amount sanctioned in this regard so far ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No, Sir.

(b) Does not arise.

[Translation]

Closure of Yarn Spinning Mills in U.P.

4442. SHRIMATI USHA VERMA : Will the Minister of TEXTILES be pleased to state :

(a) the number of yarn spinning mills in Uttar Pradesh which are in working condition, location-wise;

(b) whether any yarn spinning mill, situated at Hardoi district had been closed down two years ago;

(c) if so, whether the labourers working in the said mill had been retrenched without giving any reason and also many labourers out of them are working in other mills at very low-wages;

(d) if so, the reasons therefor; and

(e) whether any action is being taken by the Government to revive the above mentioned mills ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) As on 31.5.1998, there were 53 cotton/man-made fibre (Non-Small Scale Industry) textile yarn spinning mills in the State of Uttar Pradesh. Out of these, 42 cotton/man-made fibre textile yarn spinning mills were in working condition, mainly located in Allahabad, Raibareilly, Hathras, Etawah, Bulandshahar, Basti, Bijnor, Moradabad, Barabanki, Bareilly, Sitapur, Ghazipur, Farrukhabad, Fatehpur, Faizabad, Mirzapur, Mathura, Meerut, Ghaziabad, Saharanpur, Modinagar, Lucknow, Dehradun, Nainital, Kashipur, Azamgarh, Jhansi, Hardoi, Ballia, Jaunpur etc.

(b) No, Sir.

(c) to (e) Do not arise.

[English]

Import Duty on Aluminium

4443. SHRI AJAY CHAKRABORTY : Will the Minister of FINANCE be pleased to state :

(a) whether despite numerous representations received by the Government for reduction in Import Duty on

Aluminium, it has been increased by 4 per cent thus creating acute shortage of this important metal in the country;

(b) if so, the details thereof;

(c) whether the primary producers have been earning high profits by increasing prices frequently taking advantage of shortage, while consumer industries are suffering greatly; and

(d) if so, the steps being taken by the Government to ease the situation in the absence of price and distribution control?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) As in the case of many other commodities, Special Additional Duty of customs of 4% applies to import of aluminium when imported for non-trading purposes. However, there is sufficient production capacity of aluminium in the country.

(c) and (d) As stated in reply to Lok Sabha Unstarred Question No. 3447 (replied on 9th July, 1998 by the Ministry of Steel and Mines), the price of domestically produced unwrought aluminium is lower than the landed cost of imported unwrought aluminium. However, market forces, fluctuations in LME prices, demand-supply situation, taxes and other commercial factors decide the price of unwrought aluminium to be paid by consuming industries.

Allegations against former CMD of ITDC

4444. SHRI K. KRISHNAMOORTHY : Will the Minister of TOURISM be pleased to state :

(a) the details of various allegations of corruptions, favouritism, lavish hospitality expansion, which are not connected with business promotion, but in personal way including some CBI cases against the previous CMD of ITDC;

(b) the details of action taken against them; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) to (c) There were a total of 22 allegations against the former CMD, ITDC as per list given in attached statement. These allegations were thoroughly examined by the Government, and Government views on each case were conveyed to the Central Vigilance Commission. The Commission has already closed 19 out of the 22 cases. The reply in respect of the remaining 3 cases has not been received.

Statement

S.No.	Case Details	Present Position
1.	Non-recovery of ITDC's dues from M/s Silver Exports, New Delhi.	CVC has closed the case
2.	Favouritism by former C&MD to Mrs. Kusum Malik a General Manager in ITDC.	-do-
3.	Misappropriation of Rs. 5 lakhs by former C&MD in conducting the wedding reception at Ashok Hotel of Miglanis and Ansal's.	-do-
4.	Non-payment of ITDC dues by the organisers of a Film Star Night in Ashok Hotel.	-do-
5.	Award of Security Contract in ITDC Hotels.	-do-
6.	Licensing of Jewel of the East Restaurant in Ashok Hotel, New Delhi.	-do-
7.	Foreign Tourist of confidants of former C&MD, ITDC.	-do-
8.	Leasing of Bagla Restaurant in Ashok Yatri Niwas.	-do-
9.	Leasing of Mandarin Restaurant in Janpath Hotel.	-do-
10.	Non-recovery of dues from M/s CIDÉO Films (Shri D.S. Sultania)	-do-
11.	Under-billing in respect of a Dinner hosted by Shri R.K. Jain	-do-
12.	Teenu Vs. Tinu-two complaints i.e. Shri Mohinder Jain is a contract man of C&MD, ITDC in PM's Offices and Shri Chaman Bhardwaj has been favoured by giving him a contract for making a Video Film.	-do-
13.	Inclusion of Shri Anil Bhandari's name in the 'Agreed List' of C.B.I.	-do-
14.	Vacation of Hotel Samrat rooms by former C&MD, ITDC.	-do-
15.	Misuse of official position and ITDC money by former C&MD, ITDC for personal gains.	-do-
16.	Collection of 10% commission on all vehicles hired through ITDC, liberal distribution of passes for Swimming Pool and Health Club and lavish entertainment of officials of Press & CBI.	-do-
17.	Procurement of carpets for Ashok Hotel	-do-
18.	Duty Free Shops - wrong tags, smuggling of liquor etc.	-do-
19.	Possession of 2 passports at a time by former C&MD, ITDC i.e. misuse of Diplomatic Passport.	-do-
20.	Discrepancies in the recruitment procedure of Sr. Vice Presidents in ITDC.	Reply from CVC has not been received.
21.	Complaint from an MP regarding Non-payment of ITDC by Shri Ram Das & fraud in LTC Tours conducted by ITDC etc.	-do-
22.	Concessions to M/s UVI Holidays.	-do-

[Translation]

Super 301 International Law

4445. SHRI SURYAKANTA PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether India has been placed under the International law 301 by America;

(b) if so, the reasons therefor and the reaction of the Government thereto;

(c) if so, whether any special steps have been taken to apprise the international community of the feelings of our country; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) India continues to remain on the Priority Watch List under Special 301 law of the US since 1994.

(b) to (d) India has been put on this list by the US government, because, according to them, India fails to provide adequate intellectual property protection. India, through its submissions at the WTO, has apprised the multilateral trade community that it would avail of the full transition period available to it under the WTO Agreement on Trade Related Intellectual Property Rights (TRIPS) Agreement. In the meanwhile, India has agreed to make available interim arrangements required to be made under Articles 70.8 and 70.9 of the TRIPS Agreement.

Reopening of Taj at Night

4446. SHRI ANAND RATNA MAURYA : Will the Minister of TOURISM be pleased to state :

(a) whether the Government propose to reopen World famous Taj Mahal of Agra for the tourists at night;

(b) if so, the details thereof; and

(c) the time by which the final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) to (c) Government do not propose to reopen World famous Taj Mahal at Agra for the tourists at night for the present due to security considerations.

[English]

Voluntary Retirement Scheme

4447. DR. SAROJA V. :
SHRI MAHBOOB ZAHEDI :
SHRI LAKSHMAN CHANDRA SETH :

Will the Minister of INDUSTRY be pleased to state :

(a) the number of employees who have accepted the voluntary retirement but not yet paid the benefit of the VRS package, PSUs-wise;

(b) the reasons for not giving the benefit of VRS to them;

(c) the details of the budget provisions made for the current year for different PSUs;

(d) the total amount disbursed so far; and

(e) the number of workers redeployed after their retirement under this scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) and (b) The information is being collected and would be laid on the Table of the House.

(c) The PSU-wise Statement on Budget allocation for current year is given in statement attached.

(d) No amount has so far been disbursed in the current year.

(e) The number of workers redeployed under the scheme of Employment Assistance and Counselling is 6746.

Statement

Sl. No.	Name of PSU	Rs. in Crores
		Budget Allocation (1998-99)
1	2	3
1.	Hindustan Insecticides Ltd.	0.40
2.	Hindustan Antibiotics Limited	1.25
3.	Hindustan Vegetable Oil Corporation	0.15
4.	Eastern Coalfields Ltd.	80.00
5.	Bharat Coking Coal Ltd.	80.00
6.	Mica Trading Corporation Limited	0.60
7.	Tea Trading Corporation of India Ltd.	1.00
8.	Indian Telephone Industries	10.00
9.	Hindustan Teleprinters Ltd.	6.85
10.	Garden Reach Shipbuilders Ltd.	1.00
11.	Mazagaon Dock Ltd.	0.50
12.	Bharat Earth Movers Ltd.	1.00
13.	Bharat Bhari Udyog Nigam Ltd.	8.75
14.	Bharat Yantra Nigam Ltd.	2.35
15.	Engineering Projects (I) Ltd.	1.00
16.	Heavy Engineering Corporation Ltd.	6.25
17.	H.M.T. (including PTL)	14.25
18.	Andrew Yule and Co. Ltd.	1.00
19.	Hindustan Photofilms Mfg. Co. Ltd.	1.00
20.	Hindustan Paper Corporation Ltd.	0.50
21.	Hindustan Cables Ltd.	5.00
22.	National Small Industries Corporation Ltd.	0.75
23.	Mineral Exploration Corporation Ltd.	0.75
24.	Hindustan Copper Ltd.	6.30
25.	Hindustan Steel Works Construction Ltd.	16.85

1	2	3
26.	Bharat Refractories Ltd.	0.15
27.	Bird Group of Companies	0.80
28.	SAIL (for IISCO)	6.70
29.	SAIL (for VISL)	2.70
30.	Sponge Iron India Ltd.	0.15
31.	Metallurgical and Engineering Consultants (I) Ltd.	0.75
32.	Hindustan Shipyard Ltd.	2.70
33.	Indian Road Construction Company Ltd.	0.40
34.	National Jute Manufacturers Corporation	5.00
35.	Jute Corporation of India	0.30
36.	National Projects Construction Corporation Ltd.	2.85
37.	Electronics Corporation of India Ltd.	3.00

Waiving of Loans

4448. VAIDYA VISHNU DATT : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to waive off loans amounting to Rs. 10,000 and Rs. 50,000 granted to farmers and unemployed youths of Jammu and Kashmir; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Government had announced a scheme known as "Debt Relief Scheme for the borrowers in the State of Jammu and Kashmir" to all Scheduled Commercial Banks/Financial Institutions on 26th May, 1997. As per the scheme all eligible loans taken from Banks/Financial Institutions upto and inclusive of Rs. 50,000 as principal, together with outstanding interest as on the effective date i.e. 30.8.96 in the State of Jammu and Kashmir for specified business activities viz. tourism, transport, small scale industry, trade sector, hotel, house boat business, retail trade etc. are to be written off by the Banks/Financial Institutions. This scheme, however, does not cover loans provided to Agriculture Sector/Farmers.

Employment to local people of Coal Mines of MCL

4449. SHRI JUAL ORAM : Will the Minister of COAL be pleased to state :

(a) the procedure/policy adopted by the Mahanadi Coalfield Limited to give employment in its coal mines, particularly in Basundhara area in Sundergarh of Orissa;

(b) whether the Local Management is totally apathy towards giving employment to the local people;

(c) if so, the steps propose to be taken in this regard;

(d) the details of manpower planning of the coal project in Basundhara area, category-wise;

(e) the number out of these have been employed locally and by transferring from other project, separately; and

(f) the future planning of the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The manpower requirement in MCL including Basundhara area is met from the following internal resources to the extent possible :

- (i) From amongst the land losers, whose land is acquired by the company for mining & other activities. The employment to land losers is given as per the guidelines formulated by the Government of Orissa.
- (ii) From amongst the dependent of those workers who die while in service or are permanently disabled, as per National Coal Wage Agreement.
- (iii) Transfer from other areas of MCL where there is surplus manpower.

The recruitment/deployment of highly skilled technical manpower as well as executives is done by Coal India Ltd., as per laid down procedure.

(b) No, Sir.

(c) Does not arise in view of reply to (b) above.

(d) The category-wise details of manpower deployed at Basundhara Coal Project areas as on 1.7.98 is as under :

Executive	40
<i>Non-Executive</i>	
Monthly rated	40
Daily rated	200
Total	280

(e) 150 persons have been given employment under the land losers employment scheme. Employment has also been given to 9 persons through recruitment whose names were sponsored by the local employment exchange. 65 skilled & technical persons mostly belonging to the State of Orissa have been transferred from other projects/ companies to Basundhara area after its formation.

(f) At present there is an embargo on all outside recruitment in CIL including MCL.

[Translation]

Chinese proposal to set up Cloth Mills4450. SHRI SHAILENDRA KUMAR :
SHRI BENI PRASAD VERMA :

Will the Minister of TEXTILES be pleased to state :

(a) whether any Chinese company has proposed to the Government to set up Textile mills in India;

(b) if so, the objects of China in this proposal; and

(c) the details of the decision taken by the Government thereon ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) Embassy of India in Beijing has informed that a Chinese company had approached them with a proposal to set up a textile mill in India in cooperation with an Indian company. Machinery and technology would come from the Chinese and the Indian side would need to provide the factory building, managerial personnel and workers.

As no formal application has been received from the Chinese company, no decision is expected.

[English]

Assistance by NABARD for Roads and Bridges4451. SHRI H.G. RAMULU :
SHRI TATHAGATA SATPATHY :

Will the Minister of FINANCE be pleased to state :

(a) whether NABARD provide financial assistance for the construction of roads and bridges;

(b) if so, the amount provided for this purpose during the last three years, year-wise and State-wise;

(c) whether the Karnataka Government had sought any loan from NABARD for relaying approach roads to tourist centres in the State;

(d) if so, the amount of loan sought for and the number of tourist centres proposed to be covered with the above loans;

(e) the total amount released by NABARD during 1997-98 to Karnataka for the construction of roads and bridges; and

(f) the number of roads and bridges taken up under the NABARD assistance in Bellary district of the State ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) National Bank for Agriculture & Rural Development (NABARD) provides financial assistance to State Governments for construction of road and bridge projects under Rural Infrastructure and Development Fund (RIDF). The State-wise details of the amount provided by NABARD under RIDF for roads and bridges to State Governments during the last three years, year-wise and State-wise are given in statement attached.

(c) and (d) NABARD has reported that no proposal has been received by them from the Government of Karnataka for grant of financial assistance under RIDF for relaying approach roads to tourist centres in the State.

(e) NABARD has reported that it has released an amount of **Rs. 23.60 crores** during the year 1997-98 for the completion of projects relating to rural roads and bridges in Karnataka.

(f) The number of roads and bridges taken up under the RIDF assistance provided by NABARD in Bellary district of Karnataka is given below :

Scheme	Number of	
	Roads	Bridges
IRDF-II	3	6
RIDF-III	14	1

Statement

State-wise details of the amount provided by NABARD for roads and bridges under RIDF during 1995-96, 1996-97 and 1997-98

(Rs. in lakhs)

Sl. No.	Name of State	1995-96		1996-97		1997-98	
		Bridges	Roads	Bridges	Roads	Bridges	Roads
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	-	-	1961.24	11800.99	5676.93	8778.21
2.	Assam	-	-	6329.21	-	1607.22	-
3.	Gujarat	-	-	-	5625.00	2700.00	5400.00
4.	Haryana	-	-	-	-	310.50	882.00

1	2	3	4	5	6	7	8
5.	Himachal Pradesh	-	-	-	2442.00	130.08	4510.95
6.	Jammu & Kashmir	-	-	-	805.67	-	-
7.	Karnataka	-	-	5131.68	7054.20	2643.43	13969.40
8.	Kerala	-	-	3556.58	-	3420.92	3501.85
9.	Madhya Pradesh	-	-	-	-	3106.72	8919.55
10.	Maharashtra	-	-	-	-	972.51	24458.48
11.	Meghalaya	-	339.42	-	-	238.50	586.09
12.	Orissa	2310.58	-	4625.00	832.00	5173.36	1469.12
13.	Punjab	-	-	-	-	242.04	1419.86
14.	Rajasthan	-	-	695.45	8689.50	1520.36	5162.00
15.	Tamil Nadu	-	-	1434.60	23596.39	7594.95	12607.07
16.	Uttar Pradesh	-	-	11237.52	21599.02	2709.30	14664.08
17.	West Bengal	-	-	2842.00	7341.30	487.29	14823.76
Total		2310.58	339.42	37813.28	89796.07	38534.11	121152.40

[Translation]

[English]

Procurement of Jute and HDPE Bags

4452. SHRIMATI SHEELA GAUTAM :
SHRI SHIVRAJ SINGH CHOUHAN :

Will the Minister of TEXTILES be pleased to state :

(a) the details of outcome of the inquiry conducted into the alleged irregularities committed in the procurement of Jute and H.D.P.E. bags through Central Procurement Committee in the year 1996;

(b) whether the Government have made any improvement in the present procurement system; and

(c) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Office of the Jute Commissioner is not aware of alleged irregularities committed in the procurement of Jute and H.D.P.E. bags through Central Procurement Committee in 1996 and the outcome of the inquiry conducted into the matter.

(b) and (c) Improvement is a continuing process. The procurement of B. Twill bags is now spread throughout the year, as far as possible. Previously, major procurement was done at Rabi and Kharif harvesting times.

Industrial Area damage due to Cyclone

4453. SHRI GORDHANBHAI JAVIA : Will the Minister of INDUSTRY be pleased to state :

(a) the details of damage caused to industrial area due to recent cyclone;

(b) the details of damage in terms of Rupees;

(c) the time by which the Industries are likely to function as before; and

(d) the steps taken by the Government in this regard ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Damages caused, by recent cyclone in Gujarat, to the affected units is estimated to be Rs. 17,940.43 lakhs (approximately) excluding some large Projects like M/s. Reliance Petroleum Ltd. and Essar Oil Ltd., Jamnagar.

(c) This information will vary from unit to unit, and hence it is not assessable in general.

(d) Government of Gujarat has called a special meeting of State Level bankers Committee, to support the industries by way of loans.

A special scheme for interest subsidy to SSI Units is also under consideration of the State Government. Small

Salt Manufacturing units (below 10 acres), are going to be helped by extending subsidy of Rs. 1125 per acre to land and loan of Rs. 375 per acre of land @ 10% interest.

[Translation]

Reserved categories in the Board of PSUs

4454. SHRI JOGENDRA KAWADE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that the people belonging to SCs/STs and OBCs are not appointed in the Boards of the Public Sector Undertakings;

(b) if so, the number of persons belonging to SCs/STs and OBCs communities appointed in the Boards of Public Sector Undertakings; and

(c) the steps being taken by the Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) to (c) Appointments of Chief Executives and full time Directors in Public Sector Undertakings are made on the recommendations of the Public Enterprises Selection Board. There is no provision for reservation for SCs/STs/OBCs for Board level posts in the PSUs. However, persons belonging to these categories, whose nominations are received, are considered for Board level posts alongwith other candidates by the PESB, subject to their fulfilling the required eligibility criteria. There being no reservation, data relating to persons belonging to SCs/STs/OBCs on the Boards of Directors of PSUs is not maintained centrally.

[English]

Bank Branches in Assam

4455. SHRI NRIPEN GOSWAMI : Will the Minister of FINANCE be pleased to state :

(a) the number of bank branches opened in Assam alongwith their locations by Canara Bank, Union Bank of India, Oriental Bank of Commerce since the guidelines issued by the Reserve Bank of India;

(b) whether the Bank Employees Committee of Assam is agitating over non-expansion of banking network in the State, and thereby defeating the very idea of which banks were nationalised; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) Reserve Bank of India (RBI) have reported that subsequent to the circular dated May 20, 1992 containing the revised guidelines in the

matter of branch expansion by commercial banks, Canara Bank, Union Bank of India and Oriental Bank of Commerce have opened the following branches :

Name of Bank	Name of Centre	District
Canara Bank	(i) Dulliajan	Dibrugarh
	(ii) Guwahati-Kahilipara	Kamrup
Union Bank of India	(i) Chandmari Guwahati	Kamrup
	(ii) Maidamgam Guwahati	Kamrup
Oriental Bank of Commerce	(i) Tinsukia	Tinsukia

(b) and (c) RBI have reported that they are not aware of any such demand.

Prices of Tea

4456. SHRI ASHOK NAMDEO RAO MOHOL :
SHRI MADHAV RAO PATIL :
SHRI MAHESH KANODIA :
SHRI RAMPAL SINGH :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government are aware that despite record production of tea, the prices of tea are on considerable increase in the country;

(b) if so, the details of production and average price increase during the last three years, till date;

(c) the reasons for increase in the prices of tea; and

(d) the steps taken by the Government to check the prices of tea ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Though the average price of tea sold at Indian auctions registered an increase during 1997 as compared to the previous years, the prices have started showing a declining trend since February, 1998. A Statement indicating the details of production and average prices during the last three years and upto June 1998 is in the attached statement.

(c) Rise in the prices of tea has been on account of shortfall in tea production in other producing countries like Kenya coupled with higher domestic and export demand for Indian tea.

(d) Steps taken by the Government to ensure the availability of sufficient Tea in the domestic market include (i) directive of the Tea Board to the Producers for strict compliance with provisions of Tea Marketing (Control) Order, 1984 (ii) relaxation of policy regarding sale in the domestic

tariff area (DTA) by Export Oriented Units and Units in Free Trade Zones for a period of 6 months upto June, 1998, (iii) supply of Nivedan Tea to the consumers at cheaper prices etc.

Statement

Period	Production of tea in India (M. Kgs)	Average prices of all tea at Indian auctions (Rs/kg)
1995 (Jan.-Dec.)	756.02	47.99
1196 (Jan.-Dec.)	780.03	48.77
1997 (Jan.-Dec.)	810.61	67.08
Jan. 1998	21.38	91.98
Feb. 1998	15.57	88.78
March 1998	44.52	80.13
April 1998	69.38	81.41
May 1998	70.56	75.21
First week of June 1998	N.A.	72.04
Second week of June 1998	N.A.	75.80
Third week of June 1998	N.A.	76.55
Fourth week of June 1998	N.A.	76.19

Profit by Non-Banking Financial Institutions

4457. SHRI RAVI SITARAM NAIK : Will the Minister of FINANCE be pleased to state :

(a) whether Non-Banking Financial Institutions including ICICI and IFCI have earned profit during 1997-98;

(b) if so, the details thereof, institution-wise;

(c) whether the non-performing assets of these institutions have also increased during the said period;

(d) if so, the details thereof, institutions-wise;

(e) the percentage of the total value of non-performing assets of these institutions as compared to the total loan advanced by them during 1997-98; and

(f) the steps being taken to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Yes, Sir. As per the information made available by the Industrial Development Bank of India (IDBI) the details of profits earned

by the All India Financial Institutions (FIs) during the year 1997-98 are as follows :

	(Rs. Crore)
	Profit after Tax
- Industrial Development Bank of India (IDBI)	1501.3
- Industrial Finance Corporation of India Limited (IFCI)	370.5
- Industrial Credit and Investment Corporation of India Limited (ICICI)	1086.9
- Industrial Investment Bank of India Limited (IIBI)	57.24

*FIs covered are IDBI, IFCI, ICICI, IIBI.

(c) to (e) IDBI has reported that Non-Performing Assets (NPAs) of the above mentioned FIs have increased during 1997-98. However, in case of IDBI and IIBI, the NPAs have declined in terms of percentage of assets during the period. Institution-wise position of NPAs including percentage of NPAs to total assets is as under :

	As at and March 1998	(-) Decrease (+) Increase	% of NPAs Total Assets
IDBI	5101	(+ 736)	10.1
IFCI	2663	(+ 450)	13.6
ICICI	2811	(+ 857)	7.6
IIBI	302	(+ 42)	12.7

(f) IDBI has reported that concerted efforts are being made by the FIs to recover their dues from units which are making profits but committing defaults in their repayments leading to slippages in payment and recoveries. In the case of units which have lost potential viability, one time settlement route is followed for recovering the principal and part of unrealised interest dues. Further, in respect of certain units which have good track record of meeting their commitments in the past but have run into difficulties due to the industry situation, the financial institutions provide need-based reliefs including additional assistance to help them overcome their liquidity problems.

Camp for Tax Payers

4458. SHRI MANIKRAO HODLYA GAVIT :
SHRI D.S. AHIRE :

Will the Minister of FINANCE be pleased to state :

(a) whether camps were organised by Income Tax Department for filing Income Tax Returns by the Tax Payers;

(b) if so, the details thereof with facilities provided in the camp;

(c) whether Government propose to implement such scheme in various States also;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) Due dates for filing return of income have been prescribed under the Income Tax Act, 1961. Every year a large number of tax payers file their income tax returns just before the due date. In order to be better equipped to deal with the rush during the last few days, camps are organised by the Department in different locations situated away from the Income Tax Office for collection of return forms. The number of such camps, their location, duration, timing etc. vary from region to region and are decided by the concerned Chief Commissioner of Income-tax/Commissioner of Income-tax keeping in view the local requirements.

(b) The camps are equipped to receive a large number of returns within a short duration. They are generally organised in a manner to suit the convene of large number of tax payers. They are manned by adequate manpower and senior officers of the Department are invariably present to supervise their functioning and also the guide the payers in filing their returns. Separate counters for tax senior citizens are provided at certain places. In many places, refunds are also issued across the counter.

(c) to (e) The Department is in favour of holding camps for collection of returns of income wherever necessary. However, the decision to hold such camps, their location, duration and the facilities to be provided therein are made by concerned Chief Commissioner of Income-tax/Commissioner of Income-tax taking into account the requirements in that area and the resources available. Hence the number and location of camps can vary from place to place and year to year.

Export of Processed Pineapples

4459. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a great potential for export of processed pineapples in the country;

(b) if so, whether the Government have formulated any scheme to promote the export of processed pineapples; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (c) The world trade of processed pineapples during 1994 has been of the order of 1.12 Million MTs valued at US\$751 Million (FAO Year Book 1994). The share of Indian export of processed pineapples in the world trade is at present negligible. However, there is potential for increasing our share in exports of this item.

The Government of India has been encouraging exports of processed fruits including processed pineapples through various support measures. Some of the steps taken to enhance production and export of fruits and vegetables including processed fruits included :

- (i) Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment;
- (ii) Providing financial assistance to exporters/growers/Cooperative Societies for development of infrastructural facilities such as purchase of specialised transport units, establishment of pre-cooling/cold storage facilities, integrated post-harvest handling systems (pack houses);
- (iii) Grant of financial assistance for improved packaging and strengthening of quality control;
- (iv) Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions;
- (v) Setting up of integrated cargo handling and cold storage facilities at various International Airports.

Problems faced by Textile Workers

4460. SHRI VAIKO :

SHRI A. GANESHA MURTHI :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government are aware that the textile workers union in Coimbatore to go on strike from July 27, 1998;

(b) if so, whether the Government have received any demands/grievances from the said union;

(c) if so, the details of measures taken or, likely to be taken by the Government to solve the persisting problems of textile workers in Coimbatore; and

(d) whether such measures will be helpful to put down the recession ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (d) According to the information received the Textile Workers Union have announced one day's token strike on 27th July, 1998. The demands/grievances include reopening the closed Mills, ensuring the employment to workers as well as payment of statutory benefits, action to prevent future closures, payment of wages in time crediting the statutory dues to concerned authorities etc. The State Government's Ministers have called representatives of the management and of union for discussion to sort out the issue. It is hoped that these measures would help in finding a solution to the problems.

Disinvestment of PSU

4461. SHRI CHAMAN LAL GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to disinvest in loss making PSUs;

(b) if so, the extent to which shareholdings of the Government in such undertakings is likely to reduce; and

(c) the steps proposed to be taken to rehabilitate the workers who are likely to suffer by such an action of disinvestment and change of management ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) There is no proposal to disinvest the Government holdings specifically in loss making PSUs. The Government of India is disinvesting its holding regularly since 1991-92 from various public sector enterprises. At present, the recommendations of the Disinvestment Commission forms the basis of the disinvestment programme of the Government.

(b) Not applicable in view of (a) above.

(c) The interests of workers are always protected whenever the disinvestment from any public sector enterprise is undertaken.

In the Budget Speech for 1998-99 several concessions for workers, who face possible retrenchment, have been announced.

World Bank Loan

4462. SHRI P. SHIV SHANKER :
SHRI BENI PRASAD VERMA :
SHRI RAMPAL SINGH :
SHRI ADITYANATH :
SHRI SHAILENDRA KUMAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has clearly stated that the sanctions of US and various other countries have no effect on the World Bank's assistance to India;

(b) if so, whether such decision of World Bank is likely to help in implementing the ongoing projects in various States;

(c) if so, whether the World Bank loan to India is expected to peak up record level in the fiscal year 1998;

(d) whether the loan sanctioned by the World Bank during July 1996 to June 1998 had also made a record;

(e) if so, the details thereof; and

(f) the extent to which loans sanctioned by the World Bank during 1998-99 is likely to be more than in 1997-98?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The World Bank have stated that the projects already approved by the World Bank would continue to be implemented so long as they are managed effectively and project conditions are met to.

(c) to (e) Total new commitment during the last four years are as under :

(in US \$ million)

July 94-June 95-2064

July 95-June 96-2078

July 96-June 97-1530

July 97-June 98-2142

(f) It is difficult to assess at this stage the extent by which loans sanctioned by the World Bank during 1998-99 are likely to be more than in 1997-98.

Export of Handicrafts

4463. SHRI FRANCISCO SARDINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Export Promotion Corporation for handicrafts has observed that the major contribution in the export of handicrafts is from Northern and Central India;

(b) if so, the details thereof;

(c) whether the Government are correcting this regional imbalance in the export of handicrafts;

(d) whether the Government propose to strengthen its regional activities by opening of new branch offices; and

(e) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) Yes, Sir. The Export Promotion Council for Handicrafts has observed that major export of handicrafts is from Northern and Central India particularly from the States of Uttar Pradesh, Rajasthan and Union Territory of Delhi.

(c) to (e) To safeguard the interest of all Regions and to correct the regional imbalances in the export of handicrafts, the Office of Development Commissioner Handicrafts, Government of India, has set up six Regional Offices at New Delhi, Lucknow, Mumbai, Chennai, Calcutta and Guwahati and to provide design inputs to the artisans and exporters of handicrafts, five Regional Design and Technical Development Centres are functioning at Mumbai, Guwahati, Bangalore, Bhopal and New Delhi. Besides, 47 Handicrafts and marketing Service Extension Centres are also functioning in various part of the country to render marketing related assistance.

Volatility in Stock Exchange

	1	2	3
4464. SHRIMATI GEETA MUKHERJEE :	18/05/98	3908.48	1119.80
SHRI C. KUPPUSAMI :	19/05/98	3924.42	1121.75
SHRI V.V. RAGHAVAN :	20/05/98	3956.93	1141.30
Will the Minister of FINANCE be pleased to state :	21/05/98	3908.79	1126.15
(a) whether there has been extreme volatility in the Indian Stock market over the past few days;	22/05/98	3897.10	1126.55
(b) if so, the details thereof and the reasons therefor;	25/05/98	3908.11	1122.95
(c) whether the outflow of the investments by Foreign Institutional Investors (FII) has been one of the reasons for the volatility in the stock market; and	26/05/98	3875.06	1104.45
	27/05/98	3777.19	1090.95
(d) if so, the extent of the FII net outflow since the presentation of budget this year and the reason for such outflow and remedial measures being taken ?	28/05/98	3721.93	1075.55
	29/05/98	3686.39	1063.15
THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The daily movement of stock indices since May, 1998 is given in the attached Statement-I.	01/06/98	3642.68	1053.75
	02/06/98	3573.21	1019.60
(c) and (d) There are several factors, which influence the stock market. These include expectations of the investors regarding the performance of the corporate sector and the economy in general, perceptions of the investors about economic policies of the Government, developments in the international capital market etc. The principal consideration of Government and the stock market regulator (SEBI) is to ensure that the stock markets operate in an orderly and transparent manner in full compliance with the rules and the regulations of the regulator. The transactions by Foreign Institutional Investors (FIIs) in the Indian stock markets are also governed by SEBI regulations. The trend of FII investments is given in the attached Statement-II.	03/06/98	3597.98	1033.90
	04/06/98	3546.21	1027.00
	05/06/98	3147.89	993.50
	08/06/98	3416.73	968.80
	09/06/98	3468.07	995.05
	10/06/98	3311.41	962.90
	11/06/98	3335.76	961.35
	12/06/98	3347.41	971.15
	15/06/98	3152.96	916.80
	16/06/98	3161.08	910.10
	17/06/98	3400.95	976.50
	18/06/98	3292.33	956.15
	19/06/98	3143.10	913.25
	22/06/98	3078.51	880.20
	23/06/98	3037.34	875.60
	24/06/98	3143.64	908.50
	25/06/98	3208.54	932.15
	26/06/98	3168.82	924.35
	29/06/98	3289.56	949.10
	30/06/98	3250.69	941.65
	01/07/98	3230.60	942.25

Statement-I*Movement of stock indices since May, 1998*

Date	BSE Sensex	NSE-50
1	2	3
04/05/98	4135.81	1185.15
05/05/98	4147.29	1188.10
06/05/98	4069.79	1172.45
08/05/98	4022.20	1161.55
12/05/98	3945.13	1132.25
13/05/98	3782.76	1094.10
14/05/98	3897.94	1118.65
15/05/98	3849.80	1110.10

1	2	3	1	2	3
02/07/98	3180.73	919.90	09/07/98	3331.98	961.05
03/07/98	1089.02	900.55	10/07/98	3401.74	980.15
06/07/98	3178.31	918.75	13/07/98	3322.17	964.35
07/07/98	3195.94	944.15	14/07/98	3371.50	967.35

Statement-II
Trend in FII Investment

Grand Total	Gross Purchase Rs. Cr.	Gross Sales Rs. Cr.	Net Investment Rs. Cr.	Net Investment US \$ Mn. At Monthly Ex. Rate	Cumulative Net Investment US \$ Mn. At Monthly Ex. Rate
1993	2661.9	88.8	2595.1	827.2	827.2
1994	9267.2	2476.1	6791.2	2164.6	2991.9
1995	6665.9	2812.2	2853.8	1191.4	4183.4
1996	15739.2	4935.6	10803.6	3058.2	7241.5
1997					
January	1368.5	987.0	381.5	106.4	7347.9
February	1062.6	744.4	318.2	88.7	7436.6
March	1723.0	1014.0	708.9	197.6	7634.2
April	1347.0	761.9	585.1	163.4	7797.6
May	1393.2	630.4	762.8	213.0	8010.6
June	2904.4	1421.5	1482.9	414.1	8424.7
July	2005.5	1000.1	1005.4	281.3	8708.0
August	1640.4	1134.0	506.4	141.0	8847.0
September	1455.7	855.8	600.0	164.7	9011.7
October	1993.2	1008.5	984.7	271.8	9283.5
November	1098.2	1648.4	-550.2	-148.0	9135.5
December	934.7	1513.3	-578.6	-147.6	8947.9
Grand Total	18926.5	12719.2	6207.3	1746.3	8998.2
1998					
January	772.9	1077.2	-304.3	-77.5	8910.4
February	1494.1	754.5	739.6	190.0	9100.4
March	1655.2	931.7	723.5	183.2	9283.6
April	1284.0	1392.4	-108.4	-27.4	9256.2
May	845.9	1729.7	-883.7	-218.4	9041.2
June	802.3	1638.7	-836.4	-206.7	8834.5
July (till .6.7.98)	189.0	280.2	-91.2	-22.5	8820.6
Grand Total	7053.5	7804.3	-750.8	-167.6	

[Translation]

Development of PSUs

4465. PROF. PREM SINGH CHANDUMAJRA :
DR. CHINTA MOHAN :
SHRI CHAMAN LAL GUPTA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether attention of the Government has been drawn to the new item captioned, "Government has no plan to improve PSUs" appearing in the daily *'The Observer'* dated May 7, 1998;

(b) if so, the facts of the matter reported therein;

(c) whether Shri M.A. Hakim, Secretary-General of the Standing Conference of Public Enterprises has said that Government has no scheme for Development of the Industrial Undertakings; and

(d) if so, the reaction of the Government thereto and the scheme formulated by the Government for the development of public sector industrial undertakings during the current year ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes Sir.

(b) to (d) Views expressed by Secretary-General SCOPE do not reflect the factual position. The Policy of the Government in regard to Public Sector Undertakings is enshrined in the National Agenda for Governance which *inter-alia* provides for comprehensive reforms in the Public Sector including restructuring, rehabilitation and disinvestment. The recent announcement in the budget for 1998-99 regarding PSU reforms and restructuring are in consonance with the above policy.

[English]

Discontinuation of Currency Notes

4466. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of the panic like situation in the general public over the alleged discontinuation of currency notes of the denomination of Rs. 500;

(b) whether the Government have received complaints that a number of banks and financial institutions are refusing to entertain customers having such notes;

(c) if so, the details thereof;

(d) whether any instructions have been issued to the banks and other financial institutions in this regard;

(e) if so, the details thereof; and

(f) the measures taken by the Government to normalise the situation and remove misunderstanding and problems of the common people ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Some newspapers published distorted news on the RBI's decision to phase out Rs. 500 notes (in the old design) gradually. While this created confusion in the minds of the public in some parts of the country, it has not led to any panic like situation.

(b) A few complaints were received by the RBI alleging that some bank branches were reluctant to accept these notes or were insisting upon obtaining list of serial numbers of notes while accepting Rs. 500 notes.

(c) Such complaints were received from certain individual members of public, Trade Associations, Firms etc.

(d) Yes.

(e) RBI issued instructions on 18th June, 1998 to all the banks to accept all Rs. 500 notes from public for all transactions as these notes are legal tender.

(f) RBI clarified through its press communique dated 22nd May, 1998 that there is no intention whatsoever of withdrawing from circulation the old series of currency notes in the denomination of Rs. 500 and members of public can use all such notes in circulation as they continue to be legal tender. RBI further instructed all banks through its circular dated 18th June, 1998 to accept all Rs. 500 notes from the public for all transactions and also informed the public about it through a press communique on the same date.

[Translation]

Share of India in the Export of Agricultural Products

4467. DR. M.P. JAISWAL :
SHRI RAMTAHAL CHAUDHARY :

Will the Minister of COMMERCE be pleased to state :

(a) the share of India in the world market in the exports of agricultural products;

(b) whether this share of agricultural products export is still very meagre;

(c) if so, the details of the items exported; and

(d) the steps taken by the Government to boost the export of agricultural products ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) The share of India in the world market in the exports of agricultural products is about 1%.

(c) The agricultural products exported from India include tea, coffee, raw cotton, rice (basmati and non-basmati), coarse grains, tobacco, spices, cashew, sesame and niger seeds, oil meal extractions, sugar, horticulture and floriculture

products, fresh fruits and vegetables, processed fruits and juices.

(d) Some of the steps taken/proposed to be taken to enhance exports of these products include :

1. Providing assistance for raising small and large nurseries for production of good quality planting material, upgradation of technical knowhow of farmers through demonstrations, trainings and publicity, rejuvenation of old orchards, area expansion, supply of minikits for vegetables, improving productivity and training of farmers.
2. Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment.
3. Providing financial assistance to exporters/growers/Cooperative Societies for development of infrastructural facilities such as purchase of specialised transport vans, establishment of pre-cooling/cold storage facilities, integrated post-harvest handling systems (pack houses).
4. Grant of financial assistance for improved packaging, strengthening of quality control and modernization of processing units.
5. Establishment of vapour heat treatment facilities for improving the acceptability of the product especially the mangoes in overseas markets.
6. Grant of Air Freight Subsidy for exports of selected fresh vegetables and fruits.
7. Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions.
8. Setting up of integrated cargo handling and cold storage facilities at various International Airports for handling export of perishable items such as fresh fruits and vegetables.
9. Providing assistance in development of data base and dissemination of market information.

UN released World Bank Loan

4468. SHRI RAMPAL SINGH :
SHRI ANAND RATNA MAURYA :

Will the Minister of FINANCE be pleased to state :

(a) the amount of loan (in dollars) sanctioned to India by the World Bank since 1996, till-date;

(b) the amount of loan out of it has not been released by the World Bank;

(c) the reasons for not releasing the loan by the World Bank; and

(d) the extent to which it has affected the Indian Economy?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The amount of loan sanctioned to India by the World Bank since January 1996 till 31st May 1998 is US \$ 3689 million (approx). Out of this, an amount of US \$ 3406 million is yet to be utilised. The World Bank releases the amount as and when it is utilised in the projects.

(d) As no amount has been withheld from release by the World Bank, the question does not arise.

[English]

Withdrawal of MFN Status to India by some countries

4469. SHRI MADHUKAR SIRPOTDAR :
SHRI ANANT GANGARAM GEETE :

Will the Minister of COMMERCE be pleased to state

(a) whether any country or group of countries have intimated measurers to withdraw the Most Favoured Nation (MFN) trade status to India, particularly in the wake of Pokhran-II nuclear tests;

(b) if so, the details thereof;

(c) whether such action is in consonance with the obligations of WTO (World Trade Organisation); and

(d) if so, the action taken by the Government to counter such steps ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) So far no country or group of countries have denied Most Favoured National (MFN) status to India's exports. However some countries have taken steps to place restrictions on some of their exports to India. Such exports pertain basically to defence related and dual use technology items.

(c) Government is of the view that such trade restrictions, directed specifically against India, are prima-facie contrary to the MFN principle under the provisions of GATT/WTO.

(d) Government is taking necessary steps to deal with the situation, including maintaining an alert watch on further developments, and keeping the international community informed about the reasons for undertaking nuclear tests. The impact of trade related restrictions is also being monitored and assessed.

Export of Agricultural Products

4470. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether the farmers of agricultural commodities like Rubber, Tea, Coffee, Cocoa, Cardamom, Pepper, Nutmeg, Cloves and Tobacco are allowed to export their products;

(b) if so, the extent to which these items have been exported by farmers during each of the last three years;

(c) whether these items are also imported;

(d) if so, the details of such imports made during each of the last three years;

(e) whether the Government propose to declare the floor price for these items; and

(f) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Yes, Sir. Exports of these items can be undertaken by any entity including farmers subject to any other law for the time being in force. Separate data on exports by farmers is not maintained. However, the total exports of these commodities in the last three years are given below :

	1995-96	1996-97	1997-98	
Rubber	1130.00	1598.00	1152.00	(Qty. in tonnes)
Tea	167.47	169.04	211.76*	(Qty. in Mn. Kgs.)
Coffee	170990.00	181295.00	172423.00	(Qty. in tonnes)
Cocoa beans	-	-	-	
Cardamom	2204.00	1854.00	1710.00	(Qty. in tonnes)
Pepper	26244.00	47893.00	34250.00	-do-
Nutmeg	5.84	3.85	1.00**	-do-
Cloves	0.29	83.09	0.25**	-do-
Tobacco	87094.00	116910.00	142896.00	-do-

* Estimated.

** Exports for the period April-July 1997-98.

(c) The import of Natural Rubber is in the Restricted List of the EXIM Policy and is permitted against Advance Licences/Special Import Licences/Public Notifications for export purposes. Import of Coffee is in the Restricted List and import of only decaffeinated and roasted coffee, in bulk packaging, is permitted. The quantity of coffee imported is insignificant. In-so-far as tea is concerned, import of tea is allowed duty free only for the purpose of re-export in value added form either through EOU/EPZ units or under the Duty Exemption Scheme. Imports of Cocoa beans is free, imports of pepper are restricted except black pepper garbled, imports of nutmeg and cardamom are restricted and imports of cloves are canalised. Cloves can also be imported by other importers by surrendering SIL equivalent to five times the value of such imports. Imports of unmanufactured tobacco are free while of other categories are restricted. Imports of pepper long, light black pepper and pinheads black pepper ungarbled, dehydrated green pepper, frozen pepper, other pepper (white), cloves and nutmeg are freely permitted from

SARRC countries subject to them being originating from these countries.

(d) The details of imports made during the last three years are given below :

	1995-96	1996-97	1997-98	
Rubber	51644.00	18769.00	29389.00	(Qty. in tonnes)
Tea	0.45	1.25	6.95*	(Qty. in Mn. Kgs.)
Cocoa beans	2296.00	2722.00	543.00**	(Qty. in tonnes)
Cardamom	2695.00	1953.00	802.00**	-do-
Pepper	2186.00	2292.00	817.00**	-do-
Nutmeg	1269.00	508.00	162.00**	-do-
Cloves	3345.00	5250.00	1061.00**	-do-
Tobacco	409.00	421.00	39.00	-do-

* Estimated.

** Imports for the period April-August 1997-98.

(e) and (f) The process of revising the Benchmark Price of Natural Rubber is underway. No floor price is fixed by the Government for tea or coffee. Minimum Support Price declared for FCV Tobacco F2 and L2 grades for the year 1997-98 was Rs. 20.50 per kg. and Rs. 23.50 per kg. respectively.

[Translation]

Allahabad Bank, Katanga

4471. SHRI DADA BABURAO PARANJPE : Will the Minister of FINANCE be pleased to state :

(a) whether a bank decoy was committed in the Allahabad Bank Branch of Katanga in Madhya Pradesh;

(b) if so, whether physical location of the bank being away from the view of the public was a factor for this crime;

(c) if so, whether there is no security guard in this branch for the last six months; and

(d) if so, the steps taken by the Government to appoint Security Guard in the branch and provide other safety arrangements ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (d) a decoy took place at Katanga branch of Allahabad Bank in Madhya Pradesh on 30.4.1998. The bank has reported that since the branch is located in a fairly busy street in the heart of the city and there is a police station at a distance of half a kilometre from the branch and a police post is also located

hardly 100 metres from the branch, the location of the branch cannot be considered as a factor for occurrence of this incident. The bank has further reported that though there was no security guard in the branch for the last six months, an armed guard has been posted at the Katanga branch after the incident.

Renovation of BIC Mills

4472. SHRI JAGAT VIR SINGH DRONA : Will the Minister of TEXTILES be pleased to state :

(a) whether the management of B.I.C. have submitted any proposal to the Textile Ministry for renovation of B.I.C. mills, Lal Imali and Dhariwal mills and after making necessary amendments in the proposal the experts of the Ministry have forwarded it to the Cabinet with their notes;

(b) if so, whether the Cabinet has approved it;

(c) if not, the reasons for delay in this regard;

(d) whether the Government propose to formulate any concrete scheme for smooth functioning of these mills; and

(e) if so, the time by which this scheme is likely to be formulated and the details thereof?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) The BIC was referred to the BIFR due to its net worth erosion. The BIFR recommended winding up of the company. The Company has gone in appeal before the AAIFR which dismissed the appeal on 9.5.97. The company is at present before the High Court of Allahabad for winding up. In the meanwhile, the Government has entrusted the Wool Research Association with the task of studying the techno-economic feasibility of the revival of the Lal Imli and Dhariwal mills. Their report has been received and is under consideration of the Government.

[English]

Investment in Private Sector

4473. SHRI SHANTILAL PURSHOTTAM DAS PATEL : Will the Minister of FINANCE be pleased to state :

(a) the total amount of foreign debts and the shares of financial institutions in the total financial investment in the private sector Steel, Power, Oil and Gas Projects, refinery and the cellular telecommunications etc. in the country at present;

(b) the names of the private sector undertakings together with total number of their projects which have accepted such investments;

(c) the details of the other main conditions and criteria regarding loan in respect of such investment and financial participation;

(d) whether the Government and the Reserve Bank of India have any control over such financial arrangements; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (e) Information is being collected and will be laid on the Table of the House to the extent available and permissible under the Rules.

[Translation]

Ban on export of Meat

4474. SHRI M.R. CHAUDHARI :
SHRI JANARDAN PRASAD MISRA :

Will the Minister of COMMERCE be pleased to state :

(a) whether a large quantity of meat is exported from India;

(b) if so, whether there has been constant demand in the country for banning the export of meat;

(c) if so, whether the Government have taken any decision in this regard;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Exports of meat and meat preparations were valued at Rs. 801.24 crore in 1997-98. (source : DGCI&S. Calcutta)

(b) Yes, Sir.

(c) to (e) The quantity of meat exported from India is less than 4% of the national production and such exports act as an alternate market for the industry. Keeping this in view, the requests for imposing a ban on export of meat have not been acceded to, as it would affect our foreign exchange earnings and threaten the employment opportunities for weaker sections of the society. However, the export of beef (meat of cow and its progeny) will continue to remain banned.

[English]

Share for Tripura on Central Taxes

4475. SHRI SMAR CHOUDHURY : Will the Minister of FINANCE be pleased to state :

(a) whether during 1997-98 there has been considerable shortfall in Central Taxes collected in Tripura and due to which State's share for Central Taxes has come down;

(b) if so, whether the devolution by way of State's share of all Central Taxes have been much lower than what recommended by the 10th Finance Commission;

(c) if so, whether the Government ensure that the State received at least the amount recommended by the 10th Finance Commission;

(d) if so, the details thereof, and

(e) if not, the reasons therefor ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The State's share in Central taxes is not linked to collections in that State. The share is determined based on the accepted recommendations of the Finance Commission in this regard. Against the Budget Estimate of Rs. 447.42 crores, the State's share for Tripura was Rs. 429.77 crores in the Revised Estimates 1997-98.

(b) to (e) The devolution recommended by the 10th Finance Commission is in terms of percentage of Central taxed collected. The recommendations of the 10th Finance Commission on devolution of share in Central taxes (vide paras 5.47 & 5.48, Chapter V and amount 6.19, Chapter VI of their Report) do not specify absolute amount of share of States. The projections of gross tax revenues of the Centre for the period 1995-2000 given by the Commission is merely an assessment/forecast. The share is determined with reference to actual collections and not with reference to the collections projected by the Commission.

Officials involved in fraud cases in Coalfields

4476. SHRI NARESH PUGLIA :
SHRI INDRAJIT GUPTA :

Will the Minister of COAL be pleased to state :

(a) the details of officers of various coalfields in the country involved in fraud cases and against whom disciplinary proceedings have been initiated;

(b) whether CBI had also conducted raids at some officers posted in various coalfields, particularly in Western Coalfields Limited during the past few years;

(c) if so, the facts and details thereof, Coalfields-wise;

(d) whether the officers who were found culprit/guilty have been awarded with promotions and still continuing in the same coalfield;

(e) if so, the facts thereof and the reasons therefor; and

(f) the steps the Government propose to take to remove such officials?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) As per information received from Coal India Limited (CIL), 64 officers in CIL headquarters and subsidiary companies of CIL were involved in fraud

cases during the period from 1989-90 onwards. Disciplinary proceedings were initiated against 62 of such officers and court cases initiated against 2 of them. The break-up of the 64 officers company-wise is given below :

Company	Number of Officers
CIL Hqrs.	1
Eastern Coalfields Ltd.	10
Bharat Coking Coal Ltd.	8
Central Coalfields Ltd.	29
Western Coalfields Ltd.	Nil
South Eastern Coalfields Ltd.	5
Mahanadi Coalfields Ltd.	7
Northern Coalfields Ltd.	1
Central Mine Planning and Design Institute Ltd.	3
Total	64

(b) and (c) In CIL and its subsidiary companies CBI have conducted 47 raids during the period from 1989-90 onwards. The break-up of the CBI raids company-wise is given below:

Company	Number of CBI raids
CIL Hqrs.	Nil
Eastern Coalfields Ltd.	Nil
Bharat Coking Coal Ltd.	2
Central Coalfields Ltd.	13
Western Coalfields Ltd.	6
South Eastern Coalfields Ltd.	Nil
Mahanadi Coalfields Ltd.	23
Northern Coalfields Ltd.	2
Central Mine Planning and Design Institute Ltd.	1
Total	47

(d) to (f) CIL has informed that no officer found guilty has been promoted. One officer had been given *ad-hoc* promotion in CCL before the judgement was passed against him in a CBI court case. On his conviction in the court, action has been initiated to cancel the promotion and also to terminate his service as per CIL rules.

[Translation]

Development Board for Weaver Community

4477. SHRI SHANKAR PRASAD JAISWAL : Will the Minister of TEXTILES be pleased to state :

(a) whether the Commission for Backward class the recommended in its report for setting up a separate Board for the development of weavers;

(b) if so, the details thereof;

(c) whether the Government propose to set up a Board for the development of the weavers of Uttar Pradesh because the people belonging to this community are living below poverty line; and

(d) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (d) Setting up of a separate Board for the development of weavers does not come under the purview of National Commission for Backward Classes. However, the Government set up from time to time All India Handloom Board to advise the Government in the formulation of the overall developmental programmes in the handloom sector, which includes the handloom weavers of Uttar Pradesh.

[English]

Monetary Surveys by RBI Working Group

4478. SHRI MUKUL WASNIK : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has set up a Working Group in December, 1997 to re-examine the analytical aspects of monetary surveys in the light of the changing dimensions and depth of financial sector consequential to the implementation of financial sector reform;

(b) if so, whether the Working Group has submitted its report;

(c) if so, the details of the recommendations made therein; and

(d) the reaction of the Government thereto ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) Yes, Sir.

(c) and (d) The report submitted by the Working Group on "Money Supply : Analytics and Methodology of Compilation" to the Governor, RBI on June 23, 1998, contains suggestions to strengthen the statistical system with a view to enlarging the coverage of financial statistics beyond the traditional confines of the Banking Sector. The Working Group has proposed compilation of comprehensive analytical surveys of the commercial and cooperative banks and the organised financial sector at regular intervals. They have also proposed compilation of four monetary aggregates, three liquidity aggregates and comprehensive measures of credit aggregates to effectively capture the dynamics of the monetary and financial system. The conceptual framework underlying the proposals made by the Working Group in their report is in consonance with various country practices. Since the RBI is the monetary

authority of the country, matters relating to implementation of the recommendations made by the Working Group come under the purview of the RBI.

Assistance by UNDP to Coalbed Methane Gas

4479. SHRI BIJOY KRISHNA HANDIQUE : Will the Minister of COAL be pleased to state :

(a) whether the United Nations Development Programme (UNDP) has been extending financial assistance for recovery of coalbed methane gas during coal mining activities in the country;

(b) if so, the amount of UNDP's financial assistance and the Indian Government's contribution therein; and

(c) the progress made so far?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (c) One project " Coal Bed Methane Recovery and Commercial Utilisation" has been cleared by the Global Environment Facility (GEF) as well as by the Standing Scientific Research Committee (SSRC) of Ministry of Coal for a total project cost of 19.234 million US dollars. The project is awaiting financial clearance of the Government of India. The details of the funding for this project are as under :

	US \$ (Million)	Rs. (in crores)
UNDP/GEF	9.198	-
UNDP, India	1.210	-
GOI (Cash & kind)	6.866	24.72*
Revenue generated from the project (to be internalised)	1.960	7.05

* On the basis of exchange rate of Rs. 36 to US dollar prevailing in February, 1997.

Export of Silk

4480. SHRI RAMESHWAR PATIDAR : Will the Minister of TEXTILES be pleased to state :

(a) the quantity of silk exported during the last three years;

(b) the foreign exchange earned therefrom; and

(c) the details of the steps taken or proposed to be taken by the Government to increase the export of silk?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The quantity of silk exported and foreign exchange earnings therefrom are as under :

Year	Quantity (lakh sq. mtrs)	Foreign Exchange earnings (in Rs. crores)
1995-96	492.92	846.07
1996-97	483.36	880.44
1997-98	412.86	926.28

(c) In order to increase the exports of silk products, the Government is providing assistance to the Indian Silk Export Promotion Council for undertaking various export promotion activities such as participation in international fairs, organising generic promotion stalls in domestic fairs like Textstyles India, Publicity in foreign trade magazines, publication of magazine "Silk India" and colour forecast card for domestic silk manufacturers, dissemination of overseas trade information among exporters, etc. Besides, the Government has taken several measures to boost silk exports such as rationalisation of value addition/Input-Output norms, the facility of duty free import of raw material under the Advance Licensing Scheme, import of capital goods at concessional rate of duty for export products, etc.

Foreign Tours by Officers of GIC

4481. DR. RAMESH CHAND TOMAR :
SHRI RAMA CHANDRA MALLICK :

Will the Minister of FINANCE be pleased to state :

(a) the names of Chairman and other officers of General Insurance Corporation and its four subsidiary companies who went abroad during the last three years and the names of the countries they visited;

(b) the purpose of their visits and expenditure incurred in foreign exchange in each case for each country so visited;

(c) the names of such officers who visited to foreign countries on the verge of their retirement;

(d) whether the foreign tours by GIC officials are approved by the Government;

(e) if not, the steps taken or proposed to be taken to regulate their foreign tours which are undertaken so frequently;

(f) the details of tour undertaken by the Chairman and Directors of each subsidiary company of GIC from Delhi to Mumbai and Mumbai to Delhi during the last three years; and

(g) the purpose of their visits and expenditure incurred on them in each tour ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (g) The information is being compiled and will be laid on the Table of the House.

[Translation]

Export from Gujarat

4482. SHRI JAYSINHJI CHAUHAN : Will the Minister of COMMERCE be pleased to state :

(a) the details of major items exported from Gujarat during each of the last three years; and

(b) the amount of foreign exchange earned from the export of these items ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Ministry of Commerce maintains export data for the country as a whole and not State-wise.

[English]

Shifting of Carpet Weaving Centre

4483. SHRI P. UPENDRA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Carpet Weaving Training Centre at Nandigama in Andhra Pradesh has been shifted to Khammam;

(b) if so, the reasons for the shifting;

(c) whether there have been requests to retain the centre; and

(d) the action taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (d) The Carpet Weaving Training Centre at Nandigama in Andhra Pradesh was opened on 1.8.91 and has since completed 5 batches of training. The centre is listed for closure in terms of the decision taken by the Government to close down the training centres in a phased manner during the 9th Five Year Plan.

Social Development by Industries

4484. SHRI HARIN PATHAK : Will the Minister of INDUSTRY be pleased to state :

(a) whether the government has called upon the representatives of various industries to take up social development work and finalise plans for the year 1997-98 and 1998-99 so as to help/percolate the benefits of liberalisation down to the bottom;

(b) if so, the response received thereof; and

(c) the progress made so far in this regard ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) Government have been supportive of the various industries taking up social development work from their own resources, since it has beneficial impact. The industries undertake such social development work each year depending on the resources available with them.

Outstanding Loans against State Governments

4485. SHRI S.S. OWAISI : Will the Minister of FINANCE be pleased to state :

(a) the details of State Governments against whom amount of various nationalised banks have been outstanding and the dates since when the said amounts are pending alongwith reasons therefor;

(b) the steps taken by the Union Government for recovery of the said amount;

(c) whether some nationalised banks have also filed their cases in the courts for recovery of the said amount; and

(d) if so, the latest position thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) Since public sector banks normally do not directly lend to State Governments, the information sought is presumably with reference to the obligation in respect of the securities of State Governments held by nationalised banks. The Reserve Bank of India (RBI) have reported that there are no cases where such securities have not been repaid on presentation unless they have been involved in disputes or litigation or under notice of stoppage. The RBI have further reported that the market loans floated by State Governments managed by the RBI are repaid on due dates on presentation of the securities by the holders including the nationalised banks by debit to Government account.

(b) Does not arise.

(c) and (d) RBI have reported that Punjab & Sind Bank has filed a suit impleading among other the Government of Bihar for recovery of the amounts due under 2½% Bihar Zamindari Abolition Compensation Bonds Issued by the Bihar Government. The bonds were purchased by the Punjab & Sind Bank. The State Government claimed that the bonds issued to the original holder in lieu of compensation have been cancelled. The RBI had been advised not to make any payment on these bonds. The matter is subjudice.

External Commercial Borrowings

4486. SHRI NADENDLA BHASKAR RAO : Will the Minister of FINANCE be pleased to state :

(a) the External Commercial Borrowing (ECB) during 1997-98.

(b) whether the credit rating down grading by Moody will make overseas borrowings inviable and difficult; and

(c) if so, the reaction of the Government in this regard ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Total ECB approval given during 1997-98, was USD 8713 million;

(b) and (c) Spreads on borrowing depends on several factors including credit rating. It is a market determined variable and varies as market conditions change.

Agreement with France

4487. SHRI R. SAMBASIVA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether India and France have signed an agreement to grow twofold trade over the next four years to touch 10m billion Francs;

(b) if so, the details of the agreement;

(c) the extent to which the trade between the two countries is likely to improve; and

(d) the steps being taken to implement the agreement?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir. However, Indo-French trade over the last three years itself was 10.8 billion French Francs (1995); 11.3 billion French Francs (1996); and 11.3 billion French Francs (1997).

(b) to (d) Do not arise.

Merger of GIC

4488. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under consideration of the Govt. for merger of four subsidiaries of General Insurance Corporation (GIC) into one Corporation to facilitate pooling the manpower skills, funds and resources to compete successfully with the mighty, global insurance giants;

(b) if so, the details thereof; and

(c) the details of policy initiatives taken during 97-98 and proposed to be taken during 1998-99?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) No, Sir.

(b) Does not arise.

(c) In the year 1997-98, substantial autonomy was given to both Life Insurance Corporation of India (LIC) and General Insurance Corporation of India (GIC), particularly in the matter of investments. The LIC and GIC were given the power to make non-scheduled, non-consortium investments without the prior approval of the Central Government. The scope of the social sector was widened to facilitate LIC to

make investments in the infrastructure sector. The Insurance Regulatory Authority Bill had to be withdrawn for wider consultations and hence the announcements made by the Government in regard to floating joint-ventures by LIC and GIC respectively in pension and health insurance business did not materialise.

In the 1998-99 Budget Speech, the Finance Minister announced the intention of the Government to augment the flow of long-term resources for financing infrastructure; to open the insurance sector to competition from private Indian companies; to convert the Insurance Regulatory Authority into a statutory body; and to introduce necessary legislation later in the year.

Credit Inflow

4489. SHRI RAMKRISHNA BABA PATIL :
SHRI GURUDAS KAMAT :

Will the Minister of FINANCE be pleased to state :

(a) whether Reserve Bank of India panel has recommended fresh valuation norms;

(b) if so, the details thereof;

(c) whether the information regarding estimate of credit flow from entire financial system either to the Government or to the commercial sector is not maintained;

(d) if so, the details thereof; and

(e) the steps taken by the Government to maintain such information?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) The Working Group on Money Supply : Analytics and Methodology of Compilation set-up by Reserve Bank of India (RBI) have recommended that different categories of financial institutions (including mutual funds) may submit returns based on the existing valuation norms being followed up by them. The Working Group have, however, recommended that Financial Institutions would be advised to separately move over to the international norm of valuation of the securities since it is essential for evolving their own risk management strategies over time.

(c) to (e) The Working Group has noted that while credit to Government from the banking system is clearly identified, there is no estimate of credit flow from the entire financial system either to the Government or to the commercial sector. The Group has recommended the preparation of a comprehensive financial sector survey on quarterly basis in order to provide estimates of credit from the financial sector to Government and to the non financial commercial sector.

[Translation]

Foreign Exchange earned through export

4490. SHRI DATTA MEGHE : Will the Minister of COMMERCE be pleased to state :

(a) the value of the export made during the last year in terms of Rupees; and

(b) the amount of foreign exchange earned therefrom?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) According to the provisional data of the Directorate General of Commercial Intelligence and Statistics (DGCI&S) the value of export made during 1997-98 was Rs. 126286 crores in Rupee terms.

(b) The value of export during 1997-98 in dollar terms was US\$ 33980 million.

Hindi Consultative Committee

4491. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to set up a separate Hindi Consultative Committee for Banking Division as Hindi Consultative Committee for Economic Division is already overburdened;

(b) if so, the details thereof; and

(c) the time by which it is likely to be set up ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) There is no proposal to set up a separate Hindi Consultative Committee in the Banking Division as this Division is already member of Department of Economic Affairs, Hindi Consultative Committee.

[English]

Setting up of Health Resorts

4492. SHRI RANJIB BISWAL : Will the Minister of TOURISM be pleased to state :

(a) whether Government propose to set up health resorts at the place of tourist interest;

(b) if so, the number of health resorts proposed to be set up during the Ninth Plan; and

(c) the details of fund earmarked therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) to (c) The Ministry of Tourism has a scheme for providing financial assistance to

State/Union Governments for setting-up natural health centres. The assistance is, however, provided on the basis of specific proposal received from the State Governments every year. The funds for the scheme are provided under the common head 'budget accommodation' which also includes Yatriniwas, Yatrika, Tourist Complex, Tourist Lodge, etc.

Schemes for Welfare of weavers

4493. SHRI BHARTRUHARI MEHTAB :
SHRI MAHESH KANODIA :

Will the Minister of TEXTILES be pleased to state :

(a) the details of Central Sponsored Schemes under implementation for the welfare of weavers in the country, State-wise;

(b) the amount released under various welfare schemes meant for the weavers during the last three years, year-wise and State-wise;

(c) whether the Union Government consult the State Governments while finalising the said schemes;

(d) whether Orissa Government have sought any special assistance to take up welfare schemes for weavers; and

(e) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Government of India is implementing the following Centrally Sponsored Schemes for the Welfare of Handloom Weavers of all States/UTs in the country :

- (1) Workshed-cum-Housing Scheme.
- (2) Group Insurance Scheme.
- (3) Health Package Scheme.
- (4) Thrift Fund Scheme.
- (5) New Insurance Scheme for Handloom Weavers

(b) A *Statement* is attached.

(c) The consultation between the State Government & Central Government regarding the welfare schemes is a continuing process.

(d) and (e) State Government of Orissa has been seeking assistance under various ongoing Centrally Sponsored Welfare Schemes.

During the period 1995-96 to 1997-98 a sum of Rs. 259.00 lakhs has been released to State Government of Orissa.

Statement

(Amount Released Rs. in Lakhs)

Sl. No.	State	Workshed-cum-Housing Scheme			Group Insurance Scheme			Health Package Scheme			Thrift Fund Scheme			New Insurance Scheme*
		1995-96	1996-97	1997-98	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98	1995-96	1996-97	1997-98	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1.	Arunachal Pr.	-	-	50.31	-	-	-	-	-	50.35	-	-	-	
2.	Andhra Pradesh	225.74	381.18	146.54	14.01	16.00	-	188.15	270.09	-	81.50	90.60	135.00	32.98
3.	Assam	140.00	-	39.59	-	-	-	53.50	20.15	-	-	-	-	-
4.	Bihar	100.00	-	-	4.04	-	-	75.00	-	-	-	-	-	-
5.	Gujarat	-	-	-	-	4.13	-	16.00	-	2.60	-	1.00	-	-
6.	Haryana	-	-	-	-	-	-	-	7.88	-	-	-	-	-
7.	Himachal Pr.	26.00	24.72	-	-	-	-	-	-	-	-	-	-	-
8.	J & K	14.56	-	-	-	-	-	-	-	-	-	-	-	-
9.	Karnataka	227.78	100.00	53.70	10.00	10.00	-	-	-	28.50	5.00	14.00	10.00	-
10.	Kerala	50.00	50.00	-	-	-	-	55.00	-	-	-	-	-	3.00

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
11	Madhya Pradesh	93.52	-	200.00	-	-	2.92	11.16	-	16.60	-	11.49	7.10	
12	Maharashtra	24.00	14.08	28.39	-	-	-	28.50	-	10.50	11.19			
13	Manipur	-	80.00	-	-	0.60								
14	Meghalaya	-	1.40	-	-	-	-	-	-	-	-	-	-	-
15	Nagaland	-	164.78	352.25	-	-	-	-	69.23	-	-			
16	Orissa	-	55.64	90.36	10.00	10.00				33.00	30.00	-	30.00	
17	Rajasthan	7.40	18.20	120.50	-	-	-	25.50	-	-	1.00	2.00		
18	Sikkim	-	-	-	-	-	-	-	-	18.80				
19	Tamil Nadu	140.00	140.00	110.06	26.06	27.28	33.69	79.84	3.50	110.16	192.14	140.05	180.00	-
20	Tripura	40.00	-	14.05	-	-	-	22.90	-	10.58			0.23	
21	Uttar Pradesh	100.00			10.00	0	0	0	0	0	22.50		1.14	0.29
22	West Bengal	110.00	-	96.25	3.00	2.00	3.00	-	-	-	12.00	-	27.00	
Total		1299.00	1030.00	1302.00	77.11	70.01	39.61	555.55	370.85	281.09	355.33	259.14	390.47	36.37

*The New Insurance Scheme for Handloom Weavers was introduced during the year 1997-98 only.

Revival of Dunlop Company

4494. SHRI LAKSHMAN CHANDRA SETH : Will the Minister of FINANCE be pleased to state :

(a) whether Dunlop Management has proposed a revival package before BIFR;

(b) if so, the main points of the package;

(c) whether the management claimed that the company would earn profit in 18 months if the package is approved; and

(d) if so, the assistance proposed to be given by the Government for its revival ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (d) Board for Industrial and Financial Reconstruction (BIFR) has reported that M/s Dunlop India Limited was registered with the BIFR on 3.2.1998 and was declared sick on 22.6.1998 under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA).

In the BIFR hearing held on 22.6.1998, the Industrial Development Bank of India (IDBI) was appointed as the Operating Agency (OA). The company was directed by the BIFR to submit its revival proposal to the OA within 6 weeks and IDBI was directed to submit its report within 12 weeks.

Further action will be taken by BIFR in accordance with the provisions of SICA.

Cheating with Central Bank of India

4495. SHRI JANG BHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the CBI has registered a first information report regarding Rs. 50 lakh cheating case in the Central Bank of India at New Delhi;

(b) if so, the details thereof;

(c) the action the Government/RBI propose to take to smash, cheating cases in banks;

(d) whether there is no uniformity in registering the cases by the police/CBI in bank cheating cases; and

(e) if so, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) Central Bank of India has reported that Central Bureau of Investigation (CBI) registered a case following a complaint filed by the bank on 22.6.1998 that a party had opened an account with Sukhdev Vihar branch of Central Bank of India in 1996 and applied for packing credit facilities for Rs. 50 lakhs against export orders. The loan facility appears to have been

sanctioned in an irregular manner by allowing creation of equitable mortgage as collateral security on the basis of xerox copies of documents of title. Later on the export orders were found to be fake. The bank has reported the matter to CBI and also initiated major penalty proceedings against two officers of the bank.

The Public Sector Banks at the instance of Government and RBI have taken several steps from time to time for prevention of frauds. These steps include issue of comprehensive guidelines by RBI for strengthening the control mechanism in banks, review of fraud cases on a continual basis by RBI, advising the banks of *modus operandi* in ingenious cases alongwith required safeguards to prevent their recurrence, proper training of operational personnel and investigations and scrutiny into reported cases of major frauds as well as snap inspections covering systems and procedures and control arrangements in fraud prone areas by the RBI.

(d) and (e) Whenever a fraud is detected by a bank, a preliminary investigation is made. Based on the findings, a decision is taken whether to conduct a thorough investigation departmentally or to handover the case to local police or the CBI. Normally cases involving more than Rupees ten lakhs are referred to CBI for investigation. On the basis of enquiry reports received from internal enquiry, police or CBI. Banks take regular departmental action and award punishment to the officials who are found responsible for the fraud. The police and the CBI also file criminal case for prosecution in Courts.

Sub-Standard Material supplied to Hospital by ACASH

4496. DR. BIZAY SONKAR SHASTRI : Will the Minister of TEXTILES be pleased to state :

(a) whether the CBI has registered cases against ACASH for supplying sub-standard bandages in the Government hospitals at New Delhi;

(b) if so, the present status of the matter;

(c) whether the ACASH is still supplying bandages and other items to the Government hospitals through the DGS&D;

(d) if so, whether there is any proposal to stop taking supplies from ACASH; and

(e) whether there is any proposal to place requirements on the Kendriya Bhandar which is an authorised agency to make supplies to hospitals in Delhi and outside?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The CBI has filed two FIRs against some officials of ACASH and private suppliers in connection with supplies of bandages to the Government hospitals at New Delhi. The matter is under investigation by CBI.

(c) After filing of FIRs, ACASH has not placed any order for supplies at DGS&D rate to any of its notified Handloom Units.

(d) and (e) ACASH is the nodal agency to supply specified handloom items to Central Government Ministries/ Departments/Agencies on Single Tender System basis. No proposal for revision or withdrawal of orders in this regard is presently under consideration of the Government.

Loans to Farmers by Nationalised Banks in Gujarat

4497. SHRI MAHESH KANODIA : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of nationalised banks in Gujarat at present, bank-wise;

(b) the total amount deposited in these banks during the last two years bank-wise;

(c) the amount of loan sanctioned by these banks in the State during each of the last three years;

(d) the total amount of loan sanctioned by these banks to the farmers and actually disbursed during the above period; and

(e) the amount repaid by the farmers during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) (a) to (e) Bank-wise number of branches of nationalised banks in Gujarat, the amount of deposits with and the advances of these banks, disbursement of loans to farmers and also the repayment made by them during the last three years, as furnished by Dena Bank, the SLBC convenor bank for Gujarat are given in the attached Statement.

Statement

Number of branches of Nationalised Banks in Gujarat, amount of deposits and advances of these banks, disbursement of loans to farmers and also repayment made by farmers during the years 1995-96 and 1997-98

Name of Bank	No. of Branches	Deposits	Advance	(Amount in Crores)	
				Loan Disbursement to farmers	Repayment by farmers
1	2	3	4	5	6
Year 1995-96					
Allahabad Bank	22	82	67	—	—
Andhra Bank	6	48	39	—	—
Bank of Baroda	649	6158	2973	145	255

1	2	3	4	5	6
Bank of India	212	2745	1015	45	—
Bank of Maharashtra	31	154	44	2	2
Canara Bank	30	484	344	—	3
Central Bank of India	214	1554	471	21	26
Corporation Bank	22	462	155	1	—
Dena Bank	821	2340	965	58	33
Indian Bank	38	310	118	3	2
Indian Overseas Bank	51	479	246	6	3
Punjab National Bank	84	517	375	3	46
Punjab & Sind Bank	7	22	73	—	—
Oriental Bank of Commerce	18	297	253	—	—
Syndicate Bank	44	267	92	2	1
Union Bank of India	171	1219	627	27	33
United Bank of India	14	52	31	—	—
UCO Bank	77	328	185	2	2
Vijaya Bank	28	255	94	7	1
Year 1996-97					
Allahabad Bank	105	75	8	—	—
Andhra Bank	41	42	3	—	—
Bank of Baroda	658	7013	285	141	261
Bank of India	212	3251	1150	66	69
Bank of Maharashtra	31	188	48	2	2
Canara Bank	32	550	307	—	—
Central Bank of India	214	1835	427	23	—
Corporation Bank	22	558	215	1	—
Dena Bank	520	2839	1193	92	52
Indian Bank	38	384	120	16	4
Indian Overseas Bank	52	563	257	6	3
Punjab National Bank	84	555	416	1	1
Punjab & Sind Bank	7	23	73	—	—
Oriental Bank of Commerce	20	346	258	9	—
Syndicate Bank	44	332	121	1	2

1	2	3	4	5	6
Union Bank of India	171	1322	590	25	36
United Bank of India	14	65	31	—	—
UCO Bank	77	380	177	2	2
Vijaya Bank	28	304	108	2	1
Year 1997-98					
Allahabad Bank	23	134	82	—	—
Andhra Bank	5	48	63	—	—
Bank of Baroda	665	8384	3288	189	—
Bank of India	212	4016	1268	69	—
Bank of Maharashtra	32	218	49	1	—
Canara Bank	33	534	299	6	—
Central Bank of India	214	2139	528	24	—
Corporation Bank	25	631	255	2	—
Dena Bank	521	3484	1437	107	—
Indian Bank	38	462	134	3	—
Indian Overseas Bank	52	677	190	8	—
Punjab National Bank	87	638	457	5	—
Punjab & Sind Bank	7	35	76	—	—
Oriental Bank of Commerce	28	481	369	7	—
Syndicate Bank	43	359	96	2	—
Union Bank of India	172	1557	613	29	—
United Bank of India	13	70	31	—	—
UCO Bank	77	463	162	4	—
Vijaya Bank	29	362	149	2	—

I.T. Exemption to Co-operative Institutions

4498. SHRI T. GOVINDAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have received request from the State Government of Kerala for exemption from filing returns for Income Tax by the Co-operative Institutions since these Primary Agricultural Credit Societies are not undertaken any business other than those specified in Section 80 (P) (2) of the Income Tax Act, 1961; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) No request has been received from the Government of Kerala for exemption from filing returns of Income-tax by Co-operative Institutions. However, a request was received from Government of Kerala seeking exemption from the provisions of Section 194A, of Income-Tax Act, 1961, to the depositors of Co-operative Banks. Interest income of Co-operative Banks is already exempt from the provisions of Section 194A(1) by virtue of Section 194A(3) (iii) (a) of IT Act, 1961. In respect of interest amount exceeding Rs. 10,000/- payable to depositors, the Co-operative Banks have statutory duty of deducting tax as laid down in Section 194A(1) of the Income-Tax Act, 1961. The Government of Kerala was informed accordingly.

Foreign assistance for modernisation of textile mills

4499. SHRI RAM TAHAL CHAUDHARY:
SHRI SURENDRA PRASAD YADAV (Jahanabad):

Will the Minister of TEXTILES be pleased to state :

(a) whether some textile mills in Bihar are being modernised with the foreign assistance;

(b) if so, the names of such textile mills;

(c) the names of the countries alongwith the names of financial institutions which have provided the amount; and

(d) the year-wise details of the amount provided the countries/institutions during the last three years, country-wise, institution-wise?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) There is no such proposal in the Ministry of Textiles.

(b) to (d) Do not arise.

[Translation]

Price of Coal

4500. SHRI SUSHIL CHANDRA VARMA: Will the Minister of COAL be pleased to state:

(a) whether the Government have authorised his Minister to fix the coal prices except some special varieties of coal;

(b) if so, in spite of this practice, the coal industry is not able to meet its expenditure by its own resources;

(c) if so, the reasons therefor; and

(d) the steps proposed to be taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The Government have deregulated the prices of coking coal, hard coke, soft coke and A, B, C and D grades of non-coking coal. The prices of these varieties of coal are fixed by the coal companies. The power to fix prices of non-coking coal for E, F and G grades had been delegated by the Government to the coal companies to be fixed in accordance with the formula evolved by the Bureau of Industrial Costs and Prices.

(b) No, Sir. The figures below will clearly show that the coal companies are in a position to raise their own resources to meet their expenditure:

(Rs. in crores)

	1995-96 (Actuals)	1996-97 (Actuals)	1997-98 (Actuals)	1998-99 (B.E.)
CIL Plan Outlay	1503.63	1530.45	1757.03	2517.00
Net Budgetary Support	247.72	0.00	0.00	0.00
SCCL Plan Outlay	293.91	250.06	285.28	331.57
Net Budgetary Support	0.00	76.12	157.77	88.48

(c) and (d) The question does not arise with regard to CIL in view of answer to part (b) of the question. With regard to SCCL however, budgetary support by way of equity investment is required in order to maintain the Govt. of India's equity share proportioned at 49%.

[English]

Small Scale Industries

4501. SHRI GIRIDHAR GAMANG: Will the Minister of INDUSTRY be pleased to state:

(a) the total number of Small Scale Industries functioning in the country, State-wise, particularly in Orissa;

(b) the number of SSIs earning profit or loss out of these; and

(c) the steps being taken by the Government to make the SSIs viable?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) There were 22.07 lakh registered Small Scale Industrial units as on 31st March, 1997. State-wise number of registered SSI units including those in Orissa is given in the attached Statement -I. Latest position about total number of functioning registered SSI units is not available. However, as per the Second All-India Census of SSI units conducted during 1989-91, 5,93,769 SSI units were found functioning out of a total of 9,86,861 registered SSI units as on 31.3.1988. State-wise number of functioning units as at that

time is given in the attached Statement-II. In Orissa 8,328 SSI units were found functioning as on 31.3.1988.

(b) Data on number of SSI units earning profit and loss is not available. However, as per information received from the Reserve Bank of India there were 2,35,032 sick SSI units as on 31.3.1997 in the country out of which 16,220 were assessed by the RBI and the commercial banks as potentially viable.

(c) The Government of India has taken various steps to make sick SSI units viable. These steps include:

- RBI advised all commercial banks on 17.4.93 on a modified definition of sick SSI units based on the recommendations of the Committee on "the adequacy of institutional credit to SSI Sector" chaired by the then Deputy Governor Shri P.R. Nayak which submitted its report to the RBI in September, 1992.
- Reduced rate of interest for Working Capital Term Loan at 1.5 to 3.0 percentage points below the prevailing minimum lending rate for rehabilitation. (Order of RBI RPCD No. PLNFS.BC.99/06.02.31/92-93 dated 17th April, 1993).
- Prompt viability studies/nursing programmes of identified sick units by Banks (Order of RBI RPCD No. PLN FS.BC.1/06.02.31/92-93 dtd. 3rd July, 1993).
- Setting up of cells at important Regional Centres & Head office to deal with sick SSI units and provide expert staff including technical personnel to look into technical aspects for the revival of sick units.

State Level Inter-Institutional Committees are functioning in all States/UTs under the Chairmanship of Secretary, Industries Department of the concerned State Governments and the local officer-in-charge of the RBI's Rural Planning and Credit Department as convenor to provide a useful forum for exchange of information and discussions on problems faced by small and medium scale industrial units. The Committee includes representatives of the Small Industries Service Institute, Small Industries Development Corporation, State Financial Corporation, Industrial Development Bank of India and banks with major involvement in the concerned State. Other banks/organisations whose association may be considered necessary for deliberation of the Committee are extended special invitation for particular meeting. The Committee meets once in a quarter and brings different parties connected with rehabilitation of viable sick units together so that detailed parameters for rehabilitation based on consensus can emerge.

Statement-I

Statement showing State-wise number of Registered Small Scale Industrial units upto 31st March, 1997

Sl. No.	Name of the State/ Union Territory	Number of SSI Units	
01.	Andhra Pradesh	1, 16, 548	(P)
02.	Assam	20, 035	
03.	Bihar	1,05, 452	
04.	Gujarat	1, 37, 379	
05.	Haryana	97, 340	
06.	Himachal Pradesh	14, 474	
07.	Jammu & Kashmir	25, 907	
08.	Karnataka	1, 21, 453	
09.	Kerala	1, 52, 697	(E)
10.	Madhya Pradesh	2, 79, 637	(E)
11.	Maharashtra	87, 768	(E)
12.	Manipur	5,188	(E)
13.	Meghalaya	2, 079	
14.	Nagaland	749.	
15.	Orissa	16, 831	
16.	Punjab	1, 47, 025	
17.	Rajasthan	73, 287	
18.	Tamil Nadu	2, 39, 244	(E)
19.	Tripura	1,657	
20.	Uttar Pradesh	3, 50, 109	(E)
21.	West Bengal	1, 61, 625	(E)
22.	Sikkim	273	(P)
23.	Andaman & Nicobar	1, 067	
24.	Arunachal Pradesh	2, 280	(P)
25.	Chandigarh	2, 900	(E)
26.	Dadra & Nagar Haveli	436	
27.	N.C.T. of Delhi	29, 466	(E)
28.	Goa	5, 081	(E)
29.	Lakshadweep	344	(E)
30.	Mizoram	3,466	
31.	Pondicherry	4, 261	
32.	Daman & Diu	684	(E)
All India Total :		22, 06, 742	

Note : (P) - Provisional.
(E) - Estimated.

Statement-II

Statement showing State-wise number of registered functioning Small Scale Units upto 31.3.1988 as per Second All-India Census of SSI Units

S.No.	State/UT	No. of units	Functioning units
1.	Andhra Pradesh	54762	39210
2.	Assam	8290	4430
3.	Bihar	53602	35366
4.	Gujarat	58328	35000
5.	Haryana	48493	23481
6.	Himachal Pradesh	10836	6983
7.	Jammu & Kashmir	14631	9080
8.	Karnataka	59469	40525
9.	Kerala	38030	25717
10.	Madhya Pradesh	124553	76218
11.	Maharashtra	50589	29973
12.	Manipur	2641	2078
13.	Meghalaya	748	588
14.	Nagaland	274	183
15.	Orissa	13892	8328
16.	Punjab	94544	51507
17.	Rajasthan	5001	29477
18.	Tamil Nadu	83267	57213
19.	Tripura	1443	809
20.	Uttar Pradesh	95285	53370
21.	West Bengal	94362	46795
22.	Sikkim	106	66
23.	Andaman & Nicobar	441	323
24.	Arunachal Pradesh	368	326
25.	Chandigarh	2014	1310
26.	Dadra & Nagar Haveli	185	152
27.	Delhi	18293	10188
28.	Goa	3800	2772
29.	Mizoram	1247	917
30.	Pondicherry	2159	1937
31.	Daman & Diu	208	147
Total		986861	593769

Foreign Financial Assistance for Coffee Board

4502. SHRI MULLAPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Coffee Board has sought any financial assistance/aid from any foreign countries for expanding coffee cultivation in various parts of the country ;

(b) if so, the details thereof ;

(c) whether the Coffee Board has any concrete plans to expand coffee cultivation in non-traditional areas ;

(d) if so, the details thereof ; and

(e) the target of production fixed by the Government by the turn of this century ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

(b) Does not arise.

(c) to (e) Yes, Sir. Coffee cultivation in non-traditional areas has been taken up since 1976 when a target of 72,000 ha. of Coffee plantation was envisaged in all the non-traditional areas in the States of Andhra Pradesh, Orissa and North East. Since then, a total of 20,946 ha. has been brought under coffee cultivation in these States. Coffee Board has continued coffee cultivation in the non-traditional states through its various research and extension programmes. Consolidation and expansion of area under coffee is envisaged in non-traditional states apart from increasing the production and productivity in the traditional areas, so as to achieve the targeted production of 3 lakh tonnes by the turn of the century. Coffee Board has proposed a comprehensive programme in the Ninth Plan to support consolidation and expansion of coffee area in such areas which includes providing subsidy for inputs, plant materials and marketing support.

Set back in Mica Industry

4503. SHRI SUDHIR GIRI : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been a set back in mica industry in India and MITCO in particular during the last ten years in trade giving employment and earning foreign exchange ;

(b) if so, the facts and details thereof ; and

(c) the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) and (c) The erstwhile MITCO, now MICA Division of Minerals and Metals Trading Corporation Ltd. (MMTC), set up in June, 1973, started incurring losses from 1987-88 and was referred to BIFR, BIFR sanctioned rehabilitation-cum-amalgamation/merger scheme for revival of the company

Interms of the scheme, MITCO has been merged with MMTC. The exports of MICA, crude waste, scrap etc. and foreign exchange earned during the last ten years is as under :

Sl. No	Year	Val. (Rs. Lakhs)
1	1988-89	5027
2	1989-90	5123
3	1990-91	5126
4	1991-92	5549
5	1992-93	3835
6	1993-94	4269
7	1994-95	3874
8	1995-96	4457
9	1996-97*	4682
10	1997-98*	4077

*Provisional Source : DGCI&S, Calcutta.

The major factors responsible for set-back in the trade of MICA include technological advancement and newly developed synthetic products which have replaced traditional mica products in addition to collapse of demands from erstwhile USSR and East European countries. There has been no additionality to employment at MITCO level which stands merged with MMTC.

[Translation]

Export of Herbs

4504. SHRI SURESH CHANDEL: Will the Minister of COMMERCE be pleased to state :

(a) whether valuable herbs growing in Himachal Pradesh are being exported for medicinal purpose ;

(b) if so, the details thereof ;

(c) whether the Union Government have conducted any survey in regard to their heavy demand abroad earning of foreign exchange from their export and improving the economic condition of the local people ;

(d) if so, the details thereof ;

(e) if not, whether the Government propose to conduct such survey ; and

(f) if so, the time by which the work relating to survey proposed to be conducted and if not, the reasons therefor ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Value added herbal formulations including herbs are being exported from India. State-wise export data is not maintained.

(c) to (f) No such survey has been conducted by the Union Government. However, Export-Import Bank of India has carried out a study on Indian medicinal plants through a professional consultancy firm, which reveals that there exists a vast potential for export of medicinal plants from India.

Closure of Lal Imali and Dhariwal Woollen Mills

4505. SHRI RAJ NARAIN PASSI : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have decided to close down the famous Lal Imali and Dhariwal Woollen Mills of Uttar Pradesh by the end of this month ;

(b) if so, the year-wise production and profit and loss of these mills during each of the last five years ;

(c) whether this situation has arisen because of the non-availability of financial assistance from the Union Government to these mills ;

(d) if so, the number of labourers likely to be rendered jobless on account of it alongwith the arrangements made for their rehabilitation ; and

(e) the number of cotton mills of B.I.C. group and N.T.C group lying closed in Uttar Pradesh alongwith their locations and details of their financial condition?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) No, Sir.

(b) to (d) Do not arise.

(e) No cotton mills of BIC and NTC are lying closed in Uttar Pradesh. There is, however, cessation of activities in most of these mills due to shortage of working capital.

[English]

Remote Computer Log-in-Terminal Facilities

4506. DR. RAM VILAS VEDANTI : Will the Minister of FINANCE be pleased to state :

(a) the State-wise details of branches of nationalised banks in which Remote Computer Log-in-Terminal facility has been started; and

(b) the time by which this facility is likely to be provided in all branches of banks?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) The remote computer log-in-terminal facility is provided from the computerised branches of banks which receive requests from customers having necessary infrastructure for availing of the same. A statement indicating state-wise details of branches of nationalised banks where the facility is being

provided is given below :

Sl. No.	Name of the States/U.T. where remote computer log-in terminal facilities have been provided by Nationalised Banks	No. of branches Statewise
1.	Andhra Pradesh	30
2.	Delhi	39
3.	Goa	4
4.	Gujarat	4
5.	Haryana	2
6.	Karnataka	23
7.	Kerala	2
8.	Maharashtra	42
9.	Punjab	5
10.	Tamilnadu	64
11.	Uttar Pradesh	5
12.	West Bengal	7
13.	Chandigarh	5
14.	Pondicherry	2
Total		234

(b) As this facility is provided to customers having necessary infrastructure on select basis by computerised branches only, it is not possible to indicate any time frame to provide this facility from all the branches of nationalised banks.

[Translation]

Treatment Facility in AIIMS

4507. PROF. RITA VERMA : Will the Minister of COAL be pleased to state:

(a) whether the officers and employees of B.C.C.L. have been permitted to get treatment in All India Institute of Medical Sciences, Delhi only out of Dhanbad;

(b) if so, the extent to which these rules are complied with;

(c) whether many officers are getting full reimbursement after getting treatment in other costly hospitals instead of AIIMS;

(d) if so, the details thereof; and

(e) the reaction of the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Normally all officers and employees of BCCL requiring specialised/super specialised treatment not available in the Company's Hospital are referred to Govt. Medical College/Hospital at Calcutta, Ranchi, Patna and New Delhi.

(b) Medical reimbursement of officers & staff is subject of ceiling laid down in Chapter-V of CIL's Medical Attendance Rules (MAT) and the rates prescribed by AIIMS for Wage Board Staff respectively.

(c) to (e) No, Sir. Officers who go to private costly hospitals are reimbursed as per ceiling laid down in Chapter-V of CIL (MAT) Rules. However, these rules are relaxed for both staff and officers in the following cases and full reimbursement is made to them:

1. Open Heart Surgery/Coronary by pass surgery;
2. Kidney Transplant;
3. Cancer treatment;
4. Injury while on duty;
5. Any life threatening situation on recommendation of Technical Committee.

[English]

Economic crisis in Indonesia

4508. SHRI RAMESHWAR PATIDAR Will the Minister of FINANCE be pleased to state:

(a) whether due to the recent economic crisis in Indonesia, some of their float glass manufacturers are highly under invoicing their exports to our country because the prices at which the product is being sent to our country do not even cover their raw material cost;

(b) if so, whether any preventive measures have been initiated to discourage such undesirable trade practices; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) No Sir, there is no such information. However, a representation has been received from the All India Float Glass Manufacturers Association alleging that Indonesian companies are exporting float glass to India at prices much below their cost of production. This practice, if established would amount to dumping and would therefore, pertain to Ministry of Commerce.

Ministry of Commerce has informed that the Designated Authority had received a petition on 27.05.98 alleging

dumping of float glass from Indonesia and this petition was closed on 29.05.98 for inadequacy of information.

(b) and (c) Does not arise.

Retirement age in PSUs

4509. SHRI SUSHIL KUMAR SHINDE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government had considered overall impact on the employment situation in general and unemployed youths in particular before raising the retirement of the employees of Public Sector Undertakings to 60 years;

(b) if so, the assessment made by the Government in this regard; and

(c) the steps being taken by the Government to remedy the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) to (c) The Government has taken into account all relevant aspects before deciding to increase the age of retirement of employees of Central Government and Central Public Sector Undertakings. As there is no one-to-one relationship between the increase in age of retirement and the employment situation, several vacancies would continue to be available even after the increase in the age of retirement to fill posts considered functionally necessary. Further, the opening of several sectors of industry to private entrepreneurs would have positive impact on unemployment scenario and the focus would now shift from Public Sector to Private Sector.

Cotton price

4510. SHRI K. YERRANNAIDU: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware that middlemen are not giving remunerative price to cotton growers especially in Andhra Pradesh;

(b) if so, the price of cotton fixed by the Cotton Corporation of India and the price at which the cotton farmers are selling their produce in Andhra Pradesh; and

(c) the measures proposed to be taken to help the distressed cotton farmers and save them from the clutches of middlemen?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Cotton is generally sold in open auction in market yards where the agencies, namely State Marketing Federations and the Cotton Corporation of India (CCI) participate. As a result the cotton prices in the market yards become competitive.

(b) and (c) The price of cotton is dependent on the demand and supply situation. The CCI does not fix the price.

However, the Minimum Support Prices (MSP) of the basic varieties of cotton are fixed by the Ministry of Agriculture, based on the recommendations of the Commission on Agricultural Costs and Prices. The prices paid by the CCI this year have been generally higher than those of last year. These have also been above the MSP levels by 14% to 70%.

Tea export to Russia

4511. SHRI A.F. GOLAM OSMANI: Will the Minister of COMMERCE be pleased to state:

(a) whether export of tea to Russia has declined during the current year;

(b) if so, the reasons therefor; and

(c) the remedial steps taken to boost the export of tea during the current year ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

(b) Does not arise.

(c) Government and the Tea Board constantly analyse country wise exports of tea giving special attention to areas offering potential. Tea Board also acts to remove bottlenecks in exports to individual markets whenever these are noticed.

Other steps taken to increase exports of Indian tea include (i) participation in major trade fairs/exhibitions abroad; (ii) media campaigns to increase consumer awareness of speciality of Indian tea and campaigns to popularise the Tea Board marketing symbol which stands for pure Indian tea.

Textile Workers Relief Fund

4512. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of TEXTILES be pleased to state :

(a) the details of supposed benefits enjoyed by the workers of State Public Sector Textile Mills which prompted the Government to deprive them from getting relief under the Textile Workers Relief Fund Scheme while the private sector closed mills workers are getting benefits of the said Scheme;

(b) whether the Government are aware that none of the workers of such closed mills were entitled/given any of the such benefits; and

(c) if so, the justification for this apathy towards these workers and the steps taken by the Government to implement this scheme in a proper perspective?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) Since its inception, benefits under the Textile Workers' Rehabilitation Fund Scheme have been extended by the Government to mills in the private sector only.

Jute diversification

4513. SHRI SADASHIV RAO D. MANDLIK : Will the Minister of TEXTILES be pleased to state:

(a) whether Government have reviewed progress made in regard to Jute Diversification Programme;

(b) if so, the details thereof;

(c) the salient features of Jute Entrepreneurs' Assistance Scheme;

(d) the objectives of the Jute Yarn Bank Schemes; and

(e) the achievement thereunder?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) Yes Sir. Government has been reviewing the progress made in regard to various schemes being implemented under the Jute Diversification Programme from time to time. In this regard, the Government has so far constituted two Evaluation Missions to evaluate the performance of various projects undertaken on Jute Diversification under the UNDP assisted National Jute Programme. Also another implementing agency viz. "National Centre for Jute Diversification" (NCJD), has been reviewing progress made under various schemes undertaken by it for Jute Diversification.

(c) The Jute Entrepreneurs Scheme aims to transfer the benefits of R&D and Test Marketing efforts to a large number of Entrepreneurs in different parts of the country by providing financial assistance to select entrepreneurs for production of diversified Jute goods in decentralised sector.

(d) Under the Jute Yarn Bank Scheme, Jute Yarn is supplied to various weavers/artisans at mill-gate prices for production of Jute Diversified goods.

(e) Under the JEA Scheme, 75 Projects have been approved in 16 States with an employment generation for 4160 persons. The total raw jute consumption and investment generated in implementation of scheme so far is 41500 MT and Rs. 8100 lakhs respectively.

Under the Jute Yarn Bank Scheme 8 Raw Material Banks and 16 Yarn Banks have been set up in 12 States and 825 Units have benefitted so far from implementation of the scheme.

Insurance Claims

4514. SHRI GINGEE N. RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) the State-wise number of cases of insurance claims pending for settlement in each insurance company at present;

(b) whether there is an inordinate delay in settlement of cases by these companies; and

(c) if so, the details thereof and the steps taken by the Government for speedy disposal of such cases?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) The information as furnished by LIC and GIC is given in the attached Statement I and II respectively.

(b) and (c) GIC has reported that normally claims are settled within a period of one month after all the documents are submitted to the insurance companies by the insured. In LIC discharge vouchers in case of maturity claims are sent 2 months in advance to the insured. In case of death claims, all efforts are made by LIC to settle them within 2 months from the date of intimation. However, GIC has taken various measures such as simplification of claims settlement procedure, setting up of permanent Claims Review Committee etc. for speedy settlement of the claims, LIC has a system of regular follow up of pending claims at all zonal offices.

Statement I

State-wise number of claims (Maturity + Death) outstanding as on 31.05.1998

Sl. No.	State/U.T.	Claims Outstanding		
		Maturity	Death	Total
1	2	3	4	5
States				
1.	Arunachal Pradesh	53	5	58
2.	Assam	986	742	1728
3.	Andhra Pradesh	5121	3461	8582
4.	Bihar	5298	3446	8744
5.	Goa	633	202	835
6.	Gujarat	16334	3895	20229
7.	Haryana	4395	695	5090
8.	Himachal Pradesh	665	157	822
9.	Jammu & Kashmir	2100	88	2188
10.	Karnataka	3376	2943	6319
11.	Kerala	3266	1126	4392
12.	Maharashtra	45386	7774	53160
13.	Manipur	49	55	104
14.	Meghalaya	17	24	41

1	2	3	4	5
15. Mizoram		11	0	11
16. Madhya Pradesh	4660	931	5591	
17. Nagaland	52	9	61	
18. Orissa	822	880	1702	
19. Punjab	5247	478	5725	
20. Rajasthan	7506	1733	9239	
21. Sikkim	83	54	137	
22. Tamil Nadu	3340	2895	6235	
23. Tripura	240	49	289	
24. Uttar Pradesh	22170	5625	27795	
25. West Bengal	21039	3279	24318	

Union Territories

1. Andaman & Nicobar	37	6	43
2. Chandigarh	536	20	556
3. Delhi	9041	707	9748
4. Dadra & Nagar Haveli*			
5. Daman & Diu*			
6. Lakshadweep**			
7. Pondicherry***	70	86	156
ALL INDIA	162533	41365	203898

NOTE

- (1) * Included under Gujarat State as they do not have Branches exclusively for these Territories.
- (2) ** included under Kerala State as it does not have a exclusive Branch Office.
- (3) *** The figures pertain to areas of Pondicherry and Karaikal No separate figures for (i) Yenam and (ii) Mahe are available since these territories do not have exclusive Branch Offices. The pending claims pertaining to these areas are included under the States of Andhra Pradesh and Kerala respectively.
- (4) For the 12 months period from 1.6.1997 to 31.5.1998

	MATURITY	DEATH	TOTAL
The Total No. of Claims payable	= 5393356	234327	5627883
Claims Outstanding as on 31.5.1998	= 162533	41365	203890
O/S Ratio	= 3.01%	17.65%	3.62%

Statement II**General Insurance Corporation of India**

The information is not maintained by GIC Statewise. However, Company-wise position of number of claims pending as on March 31,1998 is as under :

National Insurance Co. Ltd.	1,80,321
New India Ass. Co. Ltd.	2,33,047
Oriental Insurance Co. Ltd.	2,14,663
United India Insurance Co. Ltd.	1,43,749
TOTAL	7,71,780

N.B. -Majority of these claims are for third party motor vehicles which are subjudiced.

Liberalisation

4515. DR. ASIM BALA : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has cautioned India against liberalisation;

(b) if so the details thereof; and

(c) the details of preventive measures being taken by the Government against the negative impacts of liberalisation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) No.

(b) and (c) Do not arise.

Tea Cultivation

4516. SHRI NRIPEN GOSWAMI : Will the Minister of COMMERCE be pleased to state :

(a) the area under tea cultivation in the North-Eastern States;

(b) whether the Government propose to expand the area of tea cultivation in these States; and

(c) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The total area under tea cultivation in the States of Assam, Arunachal Pradesh, Nagaland, Tripura and Manipur is 2,36,430 hectares.

(b) and (c) Around 40,000 Hectares of area is proposed to be brought under tea cultivation during the 9th Five Year Plan Period in the North Eastern States. Tea Board is providing assistance by way of loan, capital subsidy &

technical assistance under its various developmental schemes in order to achieve this target.

NRIs transaction in District Central Cooperative Bank

4517. SHRI N.K. PREMCHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have received proposal from the Kerala Government to change the eligibility criteria for NRIs to open and maintain account in the District Central Co-operative Banks;

(b) if so, the details thereof alongwith existing provision to deal with the NRIs transaction; and

(c) the time by which the change is likely to be made ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The information is being collected and will be laid on the Table of the House.

Technology Information Complex in Bangalore

4518. SHRI C.P.M. GIRIYAPPA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that most modern Technological information Complex which has come up near White Field in Bangalore is almost vacant till today;

(b) if so, the reasons therefor;

(c) whether his Ministry has any proposal to provide modern scientific infrastructural facilities at Bangalore so that it can attract entrepreneurs; and

(d) if so, the details thereof ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Government of Karnataka are setting up an International Technology Park near Bangalore and its 1st phase is nearing completion. 12 companies have booked space in the said park so far.

(c) and (d) Government have de-licensed large number of industries from industrial licensing. It is, therefore, left open to the entrepreneurs to select the locations for their projects based on the techno-economic feasibility studies.

Payment by BCCL to Railways

4519. SHRI RAVI SITARAM NAIK : Will the Minister of COAL be pleased to state :

(a) the amount payable by the Bharat Coking Coal Limited on account of demurrage to the Railways during 1996-97 and 1997-98;

(b) the main reasons for such payments; and

(c) the amount paid on this account so far ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The amount payable by the Bharat Coking Coal Ltd. (BCCL) on account of demurrage charges to the Railways is as under :

<u>Year</u>	<u>(Rs. in crores)</u>	
1996-97	7.09	
1997-98	9.49	(Provisional subject to audit on finalisation of account for 1997-98.)

(b) The reasons for demurrage payment of Railways due to advance supply of wagon by Railways, break-down of loading machineries, weather effect, strike called by different political parties, power failure, transport failure and supply of covered wagons at odd hours by Railways.

(c) The amount paid by BCCL on account of demurrage during 1996-97 and 1997-98 is as under :

<u>Year</u>	<u>(Rs. in crores)</u>
1996-97	6.43
1997-98	7.64

Seizure of Currency

4520. SHRI MANIKRAO HODLYA GAVIT :
SHRI D.S. AHIRE :

Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news item appeared in the 'Hindustan Times' dated June 20, 1998 wherein it has been stated that Officers of Air Customs Preventive Unit at IGI Airport have seized foreign and Indian Currency notes which were to be illegally taken out of the country during the month of June, 1998;

(b) if so, the estimated value of Foreign and Indian Currency notes seized in each raid during January 1998 to June 1998;

(c) the name and No. of persons arrested during each raid/case; and

(d) the action taken by the Government against them?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) Yes Sir, the Government is aware of the news-item appearing in the Hindustan Times dated June 20, 1998, referring to certain seizures by Delhi Customs of Indian and Foreign currency illegally attempted to be taken out of the country during June, 1998.

(b) to (d) The case-wise details of the estimated value of foreign and Indian currency notes seized, the names and number of persons arrested and the action taken against

them by the Government in respect of cases booked/detected by the officers at I.G.I. Airport, New Delhi during the period from January '98 to June '98, are given in Statement attached.

Statement

S No.	Date of Seizure	Item Seized	Value (In Indian rupees)	Name of person/s involved	No. of persons arrested	Name of persons arrested	Action taken against the Persons (*)
1	2	3	4	5	6	7	8
1.	13.1.98	Foreign Currency	1,57,778	Sunil Kumar	Nil	Nil	The case was adjudicated at the spot by the Addl. Commissioner, IGI Airport, Foreign currency seized was confiscated absolutely, Personal Penalty of Rs. 30,000/- was also imposed on the passenger.
2.	13.1.98	Foreign Currency	1,55,800	Bhajan Pal Singh	Nil	Nil	The case was adjudicated at the spot by the Addl. Commissioner, IGI Airport, Foreign currency seized was confiscated absolutely, Personal Penalty of Rs. 30,000/- was also imposed on the passenger.
3.	20.2.98	Foreign Currency	3,14,737	Sekh Shamsoodin	Nil	Nil	The case was adjudicated at the spot by the Addl. Commissioner, IGI Airport, Foreign currency seized was confiscated absolutely, Personal Penalty of Rs. 25,000/- was also imposed on the employee of the company to which currency belonged.
4.	08.3.98	Foreign Currency	48,75,544	Andreas Michael Schmidt	1	Andreas Michael Schmidt	Passenger was arrested under the Customs Act, 1962 and subsequently detained under COFEPOSA. A Show Cause Notice has been issued.
5.	24.3.98	Foreign Currency	9,56,000	Mohammad Usman Farooq	1	Mohammad Usman Farooq	Passenger was arrested under the Customs Act, 1962 and subsequently detained under COFEPOSA. A Show Cause Notice has been issued.
6.	19.4.98	Foreign Currency	13,52,451	Ms. Rehana Begum	1	Ms. Rehana Begum	Passenger was arrested under the Customs Act, 1962 and COFEPOSA proceedings have been initiated. A Show Cause Notice has been issued.
7.	19.4.98	Foreign Currency	10,97,220	Smt. Raziabibi Mohammed Behra	1	Smt. Raziabibi Mohammed Behra	Passenger was arrested under the Customs Act, 1962 and COFEPOSA proceedings have been initiated. A Show Cause Notice has been issued.
8.	19.4.98	Foreign Currency	32,28,585	Mohammed Yamini	1	Mohammed Yamini	Passenger was arrested under the Customs Act, 1962 and COFEPOSA proceedings have been initiated. A Show Cause Notice is also being issued.

1	2	3	4	5	6	7	8
9.	27.4.98	Foreign Currency	13,40,145	Keng Tung Wu	1	Keng Tung Wu	Passenger was arrested under the Customs Act, 1962 and COFEPOSA proceedings have been initiated. A Show Cause Notice is also being issued.
10.	29.4.98	Foreign Currency	4,80,000	Unclaimed Seizure	Nil	Nil	Unclaimed seizure. A Show Cause Notice has been issued.
11.	06.5.98	Foreign Currency	4,95,300	Rakesh Jain Smt. Rakesh Jain & Their Two children	Nil	Nil	The case was adjudicated on the spot by the Addl. Commissioner, IGI Airport. Foreign currency seized was confiscated absolutely. A Personal Penalty of Rs. 1,50,000 was also imposed. on the passenger.
12.	09.6.98	Indian Currency	21,00,000	Unclaimed	Nil	Nil	Unclaimed seizure. A Show Cause Notice is being issued.
13.	11.6.98	Foreign Currency	8,70,382	Rahim Sadruddin Laiwala	1	Rahim Sadruddin Laiwala	Passenger was arrested under the Customs Act, 1962 and COFEPOSA proceedings have been initiated. A Show Cause Notice is also being issued.
14.	14.6.98	Foreign Currency	32,76,025	Shaifillah	1	Shaifillah	Passenger was arrested under the Customs Act, 1962 and COFEPOSA proceedings have been initiated. A Show Cause Notice is also being issued.
15.	17.6.98	Foreign Currency	4,98,000	Bhupinder Singh Chana	1	Bhupinder Singh Chana	Passenger was arrested under the Customs Act, 1962. A Show Cause Notice is being issued.
16.	18.6.98	Foreign Currency	1,31,000	Ashok Kumar	Nil	Nil	The case was adjudicated on the spot by the Addl. Commissioner, IGI Airport. Foreign currency seized was confiscated absolutely. A Personal Penalty of Rs. 50,000 was also imposed. on the passenger.
17.	20.6.98	Foreign Currency	4,15,675	Pirani Najar Ali	1	Pirani Najar Ali	Passanger was arrested under the Customs Act, 1962. A Show Cause Notice is being issued.
Total :			2,17,44,642		10 (Ten)		

(*) No arrests have been made in cases involving small amount of seizure, as per existing policy of the Government.

Export of Leather Garments

4521. **SHRI MADHAV RAO PATIL** : Will the Minister of COMMERCE be pleased to state :

(a) the value of leather and leather garments produced and exported during each of the last three years;

(b) whether the Indian leather garment industry find it difficult to compete with the products of other countries;

(c) if so, the details thereof and the reasons therefor; and

(d) the steps proposed to be taken by the Government to assist the leather garment manufacturers in the country to enable them to compete successfully in the international market ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The value of export of Leather Garments for

the past three years are as below :

Year	(US \$ Mn)		
	Value of Total leather Production	Value of Total leather Exports	Value of Export of Garments
1995-96	**	1752.34	413.62
1996-97		1605.82	424.37
1997-98		1589.11	417.16

** Since most of the production is in the unorganised sector, reliable estimates of leather production are not available.

(b) & (c) The overall exports of leather and leather products have declined during 1996-97 and 1997-98. However, the export of leather garment had shown an increase during 1995-96 and 1996-97 against that of the previous years. But, in 1997-98 there is a marginal decline in exports of leather garment. The reasons for such overall slow down in exports are as under :

External :

- Overall recession in Europe.
- Constant fluctuation in European currencies particularly the Deutsche Mark, and the US \$.
- Emergence of China, Indonesia, Thailand and Vietnam as major manufacturing and competitor countries.
- Re-emergence of production facilities in East European countries as a low cost option for Western European countries.

Internal :

- Mass closure of tanneries during 1996-97 arising out of Hon'ble Supreme Court's orders.
- Lack of modernisation efforts in the tanning sector.

(d) The Government has already taken certain measures to provide assistance to Indian Leather Garment exporters. These include :

1. The All Industry Rates of Duty Draw Back has been enhanced from 7% to 9% for leather apparels with effect from 1st June, 1997.
2. The credit rate under DEPB scheme for leather garments was enhanced from 9% to 11% with effect from 9th July, 1997. Recently, these rates for all leather products including leather garments, were increased from 11% to 13%.
3. In the Union Budget 1998-99, certain budgetary concessions in the form of reduction of duty on capital goods machineries and inputs etc., have been provided for leather sector. The import duty has been reduced from 20% to 5%.

Sound and Light Programme in Agra Fort

4522. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of TOURISM be pleased to state :

(a) the reasons for delay in starting sound and light programme in the Fort at Agra;

(b) the time by which it is proposed to be started; and

(c) the name of agency to whom given the responsibility to run and maintain the said programme ?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) and (b) The programme of the Sound and Light Show at Agra Fort is complete. This was to have been viewed and approved by the Chief Production Coordinator on 30th May, 1998 but due to his sad demise on that very day, arrangement has been made for viewing and approval by another expert Shri B.V. Karanth. The Sound and Light Show will commence after the programme is received from the executing agency and approved by the expert.

(c) The Agra Development Authority will run and maintain the show.

Handmade Matches

4523. SHRI VAIKO : Will the Minister of INDUSTRY be pleased to state :

(a) whether there is a proposal to start co-operative marketing forum for handmade matches;

(b) if so, the details thereof;

(c) whether the Government propose to extend any subsidy to this tiny and cottage industry sector; and

(d) if so, the details thereof ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) No, Sir. There is no such proposal so far as the Khadi and Village Industries Commission is concerned.

(b) In view of reply at (a) above, question does not arise.

(c) Yes, Sir.

(d) The Khadi & Village Industries Commission provides 25% Margin Money for financing viable Cottage Match Projects as a part of its Margin Money Scheme.

[Translation]

Recruitment of Youths by UTI

4524. SHRIMATI SHEELA GAUTAM :
SHRI RAMESHWAR PATIDAR :

Will the Minister of FINANCE be pleased to state :

(a) whether there is any practice in the UTI to recruit unemployed youths for six months and then retrench them and fresh recruitments are made again.

(b) if so, the number of vacancies filled up in this manner during the last three years; and

(c) the reasons for not making regular appointments?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) UTI has informed that it does not have any practice of recruiting unemployed youths for six months.

(b) and (c) Do not arise.

[English]

Excise/Corporate Tax Arrears

4525. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) the names of companies in the public/private sector which have the disputed corporate tax and disputed excise liabilities of more than Rs. 50 crore each;

(b) the total amount of corporate tax and the excise duty, separately outstanding against each such company;

(c) the reasons for accumulation of such an huge amount of taxes against these companies; and

(d) the measures taken/proposed to be taken to recover the outstanding amount at an early date ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (d) Information is being collected and will be laid on the Table of the House.

Rehabilitation Scheme for Jobless Workers

4526. DR. SAROJA V. :

SHRI HARIN PATHAK :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have any scheme for the rehabilitation of jobless unemployed textile workers of Tamilnadu;

(b) if so, the details thereof;

(c) the criteria fixed for providing financial assistance;

(d) whether the Government have extended some financial assistance for rehabilitation/livelihood of displaced textile workers;

(e) if so, the details thereof, State-wise;

(f) whether the displaced textile workers are being considered for training at National Institute for Fashion Technology, Gandhinagar; and

(g) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) National Renewal Fund has a scheme of counselling, retraining and redeployment of rationalized workers in organised sector. The scheme is being implemented through 13 nodal agencies at 57 Employee Assistance Centres (EACs) spread over 16 states. Under the scheme, nodal agencies provide counselling & training in various vocational trades in order to enable the rationalized workers to obtain wage-employment and/or self-employment. The trainees are given a daily stipend @ Rs. 50 or 60/- depending upon the location of the EAC.

Under the Textile Workers' Rehabilitation Fund Scheme (TWRFS), applicable throughout the country, interim relief is provided on a tapering basis for three years to eligible workers rendered jobless consequent upon the permanent closure of textile units/mills or entire divisions thereof.

(f) and (g) A proposal is under consideration of the National Institute of Fashion Technology.

[Translation]

Export of Garments

4527. DR. M.P. JAISWAL :

SHRI RAM TAHAL CHAUDHARY :

SHRIMATI SURYAKANTA PATIL :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have carried out any intensive study in regard to export of apparel and their demand in foreign countries and favourable demand markets;

(b) whether the Government have formulated any Action Plan to encourage export under simple system and to assist the apparel exporters;

(c) if so, the details thereof;

(d) whether the Government have reviewed the financial problem being faced by the exporters;

(e) if so, the details thereof and the action taken/proposed to be taken thereon;

(f) whether the Government propose to formulate a prescribed apparel export policy;

(g) if so, the details thereof;

(h) whether any new markets have been explored during the last year for any special export;

(i) if so, the details thereof; and

(j) the steps being taken by the Government to boost the export thereof?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Many institutions like the Apparel Export Promotion Council (AEPCC) and The Industrial Credit and Investment Corporation of India Limited (ICICI) have conducted studies in regard to export of apparel and their demand in foreign countries from time to time.

(b) and (c) Constant interactions with AEPCC and the industry and inputs made available by them and the recommendations made in the above studies have been used in taking follow-up action. For example enlargement of the list for duty free import of trimmings and embellishments, concessional rate of duty under EPCG Scheme and recommendations made by the Ministry for the modification on Quantity Based Advance Licence etc. have been done.

(d) and (e) Financial problems faced by exporters are reviewed from time to time and demands are met to the extent possible. For example threshold limit for import of garment machinery under EPCG Scheme, has been brought down from Rs. 20 crores to Rs. 1 crore. Requirement of minimum value addition of 33% under Advance Licence has been done away with for actual users. The minimum net Foreign Exchange Earnings as a percentage of export for 100% EOUs/EPZs has been reduced from 40% to 30%. 42 new garment making and processing machines have been allowed to be imported at concessional import duty. The scheme for concessional financing of "Incremental exports" is being devised by the Reserve Bank of India etc.

(f) and (g) It has been decided to set up an Expert Group for the purpose of enabling the formulation of a new textile policy. Apparel export policy formulation is proposed to be covered in it.

(h) and (i) The Latin American countries have been identified as thrust countries for export of apparel products. Buyer-seller meets have been organised by AEPCC in Brazil, Chile and Argentina. In the Garment Export Entitlement Policy, 5% of the annual level has been earmarked to encourage the non-quota exporters.

(j) In order to boost the exports of textiles including apparels, Government have been taking a number of steps, which include encouraging exporters to participate in buyer-seller meets; fairs and exhibitions; enabling import of capital goods at concessional duty for export production; special arrangements for duty free import of raw materials for export production; ensuring increased availability of export credit etc.

Statement

(a) Statement Showing amount of Principal and interest payable/paid by the State Governments to the M/o Finance

(Rs. in crore)

Name of the State	Amount due for repayment/paid (Principal + Interest)				
	1993-94	1994-95	1995-96	1996-97	1997-98
Haryana	287.92	1947.36	2186.21	2533.74	2954.65
Himachal Pradesh	152.49	1090.76	1172.79	1421.72	2042.46
Jammu & Kashmir	334.33	1887.80	1823.02	1917.73	1994.11
Punjab	1196.95	3679.90	3343.40	4623.34	5010.78
Chandigarh (UT)	0.00	0.00	0.00	0.00	0.00

[English]

Utilisation of Funds by PSUs

4528. DR. T. SUBBARAMI REDDY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Planning Commission has adopted a cautious approach while fixing up the plan outlays for the central public sector undertakings during the Ninth Plan; and

(b) if so, the names of the public sector undertakings which have failed to utilise the funds?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Sir, while the 9th Plan has not been formulated, outlays for the Central Public Sector Undertakings are decided taking into account the availability of resources (budgetary support) as well as internal resources & extra budgetary resources on the one hand and requirements of difference sectors and their relative priorities on the other

(b) Does not arise.

Loans to State Governments

4529. SHRI SATYA PAL JAIN : Will the Minister of FINANCE be pleased to state :

(a) whether the States of Punjab, Haryana, Himachal Pradesh, Jammu and Kashmir and the Union Territory of Chandigarh were to repay the Central Government certain loans because of certain debts, borrowings or any other reasons during the last five years;

(b) if so, the details thereof and the amount paid back by these States; and

(c) the amount waived off and loan still outstanding against these States, separately?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir, in respect of the State Governments of Punjab, Haryana, Himachal Pradesh and Jammu & Kashmir. As regards the Union Territory of Chandigarh, there are no loans repayable to Ministry of Finance.

(b) and (c) A Statement is attached in respect of loans repayable to Ministry of Finance.

(b) Statement showing amount of Debt Relief given to the State Governments by Ministry of Finance

(Rs. in crore)

Name of the State	Amount of Debt Relief				
	1993-94	1994-95	1995-96	1996-97	1997-98
Haryana	0.00	0.00	0.00	1.73	0.00
Himachal Pradesh	0.00	0.00	0.57	1.94	1.08
Jammu & Kashmir	0.00	0.00	2.12	2.39	7.09
Punjab	0.00	0.00	891.30	88.07	686.32
Chandigarh (UT)	0.00	0.00	0.00	0.00	0.00

(c) Statement showing amount of loan outstanding as on 31.03.98 of the Ministry of Finance

(Rs. in Crore)

Name of the State	Amount
Haryana	4093.22
Himachal Pradesh	2322.51
Jammu & Kashmir	3063.38
Punjab	11577.00
Chandigarh (UT)	0.00

[Translation]

Export of Non-Basmati Rice

4530. SHRI ANAND RATNA MAURYA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have formulated any scheme for encouraging export of non-basmati rice;

(b) if so, the details thereof; and

(c) the foreign exchange likely to be earned by the Government from the export of non-basmati rice ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) As per the current Export-Import Policy, export of rice (both Basmati and non-Basmati) is allowed freely subject to registration of contracts with Agricultural and Processed Food Products Export Development Authority. Some of the steps taken to enhance exports of non-basmati rice include participation in international trade fairs; arranging buyer-seller meets; conducting market development campaigns; and providing assistance for product development.

(c) It is not possible to accurately assess the likely exports of non-basmati rice as they would depend upon

International demand and supply position, consumer preferences, different varieties traded, variations in quality and additional expenditure incurred in grading and packaging.

[English]

Indo-US Trade Relations

4531. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) the areas in which the Indo-US trade relations has been established;

(b) whether there is any proposal under consideration of the Union Government for expansion of trade relations between both the countries during 1998-99 and 1999-2000; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) USA is India's largest trading partner. During 1997-98, India had a bilateral trade with USA of over 10 billion US dollars with a trade surplus of about 3 billion US dollars in favour of India. India has trade with USA in most of the sectors viz. textiles, engineering, electronics, chemicals, agricultural products, marine products, gems & jewellery, leather, etc.

(b) and (c) India and USA extend Most Favoured Nation trading status to each other in respect of their bilateral trade and this expected to continue. A brief description of the various institutional mechanisms/forums which are expected to meet during 1998-99 & 1999-2000, for the further strengthening of the bilateral economic relations and trade between India and USA is given below:

- (1) The Indo-US Joint Business Council provides a forum for businessmen and industries from India and USA to explore the opportunities in international trade and economic cooperation.
- (2) The Indo-US Economic & Commercial Sub-Commission provides an opportunity for a comprehensive dialogue on trade, investment, commercial and economic matters. The Sub-Commission is assisted by three Working Groups namely, (i) Working Group on Trade & Commercial Policy (ii) Working Group on Financial & Investment Policy and (iii) Working Group on Joint Private Sector
- (3) The Indo-US Commercial Alliance (USICA) provides a general framework to guide cooperation between the US Department of Commerce and the Indian Ministry of Commerce and their private sectors. USICA functions in a focussed manner through the sectoral alliances for the thrust sectors of (i) Agri-business (ii) Information Technology (iii) Power (iv) Transportation & Infrastructure.

[Translation]

Decline in Import of Natural Rubber

4532. SHRI DADA BABURAO PARANJPE : Will the Minister of COMMERCE be pleased to state :

(a) whether the import of natural rubber has declined upto 60% during 1996-97 in comparison to 1995-96;

(b) if so, the reasons therefor; and

(c) the steps being taken by the Union Government to prevent this decline ?

THE MINISTER OF COMMERCE (SHRI RAM KRISHNA HEGDE) : (a) Yes, Sir. The import of natural rubber during 1995-96 was 51644 Tonnes whereas during 1996-97 it was 18057 Tonnes.

(b) The imports of rubber are influenced by the demand and supply situation in the internal market and the landed cost of the imported material.

(c) The import of natural rubber has since gone upto 29389 Tonnes during 1997-98. The Government has not found it necessary to intervene in the matter so far.

Fraud in the Disbursement of Loan by KVIB

4533. SHRI JAGAT VIR SINGH DRONA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Union Government are aware of the fact that in Uttar Pradesh around 150 fake societies have disappeared after defrauding Khadi and Village Industry Board of about one crore and seventy five lakh rupees;

(b) if so, the details thereof and whether the said amount was taken by the above societies as a loan from the Board on the pretext of setting up industrial units;

(c) whether the role of the then officers in sanctioning the said loans to these societies is also doubtful; and

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

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) The information is being collected and the statement would be laid on the Table of the House.

[English]

Budget amount to N.E. States

4534. SHRI SAMAR CHOUDHURY : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have decided to earmark 10 percent of the budget of Central Ministries for the North-Eastern States;

(b) if so, the details in this regard; and

(c) the manner in which the Union Government propose to distribute this amount amongst the North-Eastern States?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) and (c) A non-lapsable "Central Resource Pool for developing the North-Eastern Region" has been created. This will be operated as a Reserve Fund in the Public Account. Into this pool will be transferred the unspent balances from out of the 10% of the budget allocations of the concerned Ministries earmarked for the North-Eastern Region and for Sikkim. The resources of the pool will be used for funding specific projects in the North-Eastern Region and in Sikkim. The projects will be identified in consultation with the State Governments and the North-Eastern Council.

Scientists in Coffee Board

4535. SHRI NARESH PUGLIA : Will the Minister of COMMERCE be pleased to state :

(a) the number and details of scientists with the Coffee Board;

(b) the nature of research work carried out by these scientists during the last three years and results achieved; and

(c) whether the Government are satisfied with the outcome of their researches vis-a-vis expenditure incurred on them ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The total number of scientists presently working in the Coffee Board is 84. The Research Department of the Board, which is headed by the Director of Research, consists of 1 Joint Director, 6 Divisional Heads, 4 Deputy Directors, 17 Subject specialists, 18 Assistant specialists, 10 Research Assistants Gr. I and 27 Research Assistants Gr. II.

(b) With a view to increase production and productivity of coffee and to achieve the target of 3 lakh tonnes of production of coffee by the end of Ninth Five Year plan, the Research Department of Coffee Board has been carrying out the following major projects, viz. (i) Plant Improvement Programme; (ii) Crop Management Programme; (iii) Project for Crop Protection; (iv) Post Harvest Technology; and (v) maintenance of Research Farms.

Because of research fraternity of Board, the production of coffee has increased from merely 18,000 tonnes in 1950 to 2.28 lakh tonnes in 1996-97. Similarly, productivity has risen from 500 kg./ha to 860 kg./ha.

Some of the achievements of the Research Department of the Board for the last three years have been as under -

Improvement of Congensis X Robusta inter-specific hybrid by sib-mating for compact bush and bold seed

Identification of new sources of resistant to coffee leaf rust and nine new races of leaf rust fungus, *Hemilea Vaxtatrix*.

Evolving 17 new crosses of Arabica with high yield and disease resistant and establishing them in multilocational trials.

Standardisation of (i) protocols for regeneration of plants through tissue culture methods; (ii) spacing and topping requirement of dwarf Arabica selection, viz. San Ramon and Cavery; (iii) economic and efficient chemical weed control measure; (iv) sustenance irrigation requirement of Arabica and Robusta through drip irrigation; (v) Efficient spray schedules against leaf rust disease involving systematic fungicides Bulletin and Plantvac and developing a disease forecasting model, etc.

- Identification of (i) drought tolerant genotypes and evolving methods for overcoming drought; (ii) different isolates and four collateral hosts of black rot fungus *Koleroga noxia* and standardisation of efficient and cost effective control methods.
- Evolving IPM package for the control of Coffee Berry Borer *Hypothenemus hampei* involving cultural, chemical, biological and quarantine measures and successful management of this pest below economic threshold level in infested areas.

(c) Yes, Sir.

[Translation]

Bhatohi and Jagmau projects of UP

4536. SHRI SHANKER PRASAD JAISWAL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Uttar Pradesh Government have submitted Bhatohi and Jagmau projects to the Union Government for strengthening the marketing system in export fields;

(b) if so, whether the Government have not yet sanctioned 15.64 crores of rupees earmarked for these projects;

(c) if so, the time by which the Government are likely to sanction this amount;

(d) whether the Government propose to cover Varanasi under this scheme; and

(e) is so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (c) Under the Critical Infrastructure Balance (CIB) scheme Government of Uttar Pradesh had submitted, inter alia, two projects, namely, (a) Project proposal of Rs. 10.09 crores for infrastructure development at Jagmau and,

(b) Project proposal for development of infrastructure facilities at Bhatohi in Uttar Pradesh at a cost of Rs. 35.61 crores. The Empowered Committee of the CIB scheme approved to fund the power system improvement component of the project pertaining to Jagmau costing Rs. 3.50 crores. out of which 50% of the cost has to be provided under CIB scheme. Rs. 1.25 crores have already been released to the State Government. The Committee also approved to fund the component of the project pertaining to Bhatohi, for construction of road between Babatpur airport and Bhatohi. The contribution from CIB scheme for this project is Rs. 3.15 crores, out of which first instalment of Rs. 1.58 crores has already been released to the State Government.

(d) and (e) No, Sir. There is no proposal, at present, to cover Varanasi under CIB Scheme.

[English]

Hank yarn handloom sector

4537. SHRI MUKUL WASNIK : Will the Minister of TEXTILES be pleased to state :

(a) the details of the Hank Yarn Obligation Scheme;

(b) whether the Government is aware that the spinning mills are facing difficulties in the marketing and sale of hank yarn resulting in avoidable losses; and

(c) if so, the steps the Government proposes to take to ensure both the regular supply of hank yarn to the handloom sector as well as reasonable prices to the spinning mills?

THE MINISTER FOR TEXTILES (SHRI KASHIRAM RANA) : (a) As per the Hank Yarn Packing Notification, every producer of certain specified yarns who packs yarn for civil consumption, which excludes exports and captive consumption by the mill in its own premises shall pack it in hank form, in proportion of not less than fifty percent of total yarn so packed by him during each quarter for civil consumption provided that not less than eighty percent of the yarn required to be packed in hank form shall be of counts 40s and below.

(b) and (c) Some spinning mills have reported unsold stocks of the hank yarn. A Hank Yarn Price Monitoring Committee constituted by the Government meets periodically to review the availability of the hank yarn and their prices and to take corrective steps, if required.

Insurance scheme for handloom weavers

4538. SHRI H.G. RAMULU : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government has introduced Insurance Scheme for the benefit of Handloom Weavers in collaboration with the United Insurance Company and the State Government;

(b) if so, the details thereof, State-wise;

(c) the number of handloom weavers so far covered under the above scheme, State-wise;

(d) the amount given towards premium by the Central Government and the State Governments for each policy; and

(e) the steps proposed to be taken to cover all handloom weavers under the above scheme?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) Yes, Sir. The Scheme is uniformly applicable to all the States and UTs in the country.

(c) and (d) The number of handloom weavers covered State-wise and details of premium of Central and State Governments are as under:

Year	Name of the State	No. of Weavers covered	Premium of	
			Central Government	State Government (including Weavers contribution) (Rs. in lakhs)
1997-98	Andhra Pradesh	54,963	32.98	32.98
	Kerala	5,000	3.00	3.00
	Uttar Pradesh	490	0.29	0.29
1998-99	Andhra Pradesh	9,899	5.94	5.94
	Gujarat	4,660	2.79	2.79
	Orissa	5,000	3.00	3.00

(e) The State Governments are pursued from time to time to seek assistance under the above scheme by sending viable proposals.

IDBI Assistance for NTC

4539. SHRI AJOY MUKHOPADHYAY : Will the Minister of TEXTILES be pleased to state:

(a) whether the National Textiles Corporation (Tamil Nadu and Pondicherry) Limited, has submitted turn around strategy through IDBI assisted long term plans for approval from the Union Government;

(b) if so, whether the turn around strategy involves any budgetary allocation from the Union Government for its implementation; and

(c) if so, whether the Government intends to grant their approval thereto and if so, by when?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) No such turn around strategy has been submitted by NTC (TN&P). However, on the basis of a unit-wise viability study made by NTC, Government is

considering a revised turn around strategy for the viable mills of NTC including those under NTC (TN&P) keeping in view the BIFR norm of the net worth of these mills turning positive within the period prescribed by BIFR. The interest of the workers will be kept in view in the revival plan.

Market Borrowing by States

4540. SHRI R. SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has suggested that States should examine the existing mechanism of their market borrowing and explore the possibility of adopting a flexible approach with regard to interest;

(b) if so, whether RBI has also recommended that States should also consider adopting a flexible approach for their market borrowing; and

(c) if so, the action taken by the State Governments thereon?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) Under the flexible approach for borrowing, State Governments would be provided the option of raising resources in a flexible manner within the approved borrowing programme with a minimum (floor) of 5 per cent and a maximum (ceiling) of 35 per cent in 1998-99.

(c) Some State Governments are in the process of adopting a flexible approach for their market borrowing.

Anti-dumping Cases

4541. SHRI SANDIPAN THORAT : Will the Minister of COMMERCE be pleased to state :

(a) whether there is an alarming increase in the incidence of dumping in the country during the recent years;

(b) if so, the details of complaints received from various agencies/industries upto March 30, 1998, including the glass industry;

(c) the details of action taken/proposed to be taken thereon;

(d) the present staff to deal with the cases registered in this regard; and

(e) action taken to strengthen the institutional/administrative mechanism to deal with the dumping problem/cases effectively and efficiently?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The statistical details of Anti-dumping cases as on 31.3.98 are at Statement 'A'.

(b) and (c) Details of cases wherein duties have been recommended or action has been initiated are given in the

enclosed Statement 'B'. A complaint was received from the producers of float glass for alleged dumping against Indonesia, which was closed on 29.5.98 on grounds of insufficient evidence and inadequate information.

(d) The staff to deal with anti-dumping cases comprises of one Director, one Joint Director, two Deputy Directors, one Asstt. Director alongwith Ministerial staff.

(e) The Government has recently set up the Directorate of Anti-Dumping and Allied Duties with effect from April 13, 1998. Adequate staff commensurate with the number of applications received is being posted to further expedite the disposal of cases.

Statement – A

Cases of Anti-Dumping

Year	Petitions	Initiations	Preliminary Findings	Final Findings
1992-93	3	3	1	-
1993-94	7	1	1	2
1994-95	4	5	3	-
1995-96	7	6	-	6
1996-97	22	8	7	5
1997-98	23	16	7	9

* Of the petitions received, 22 cases have either been closed or withdrawn.

Statement – B

A. Cases where Definitive (Final) Anti Dumping Duties imposed (as on 14.7.98 and since 1994)

Product	Country	Range of Duty imposed (Rs. per unit)
1	2	3
1. PVC Resin*	Brazil, Mexico, Korea RP, USA	504-2036/MT
2. Bisphenol-A**	Japan	7477/MT
3. Potassium Permanganate	China PR	5992/MT
4. Isobutyl Benzene \$	China PR	10634/MT
5. 3,4,5, Trimethoxy Benzaldehyde	China PR	237/Kg.
6. Theophylline Caffeine	China PR	108/Kg. 101/Kg.
7. Acrylonitrile Butadiene Rubber (NBR)	Japan	19306/MT

1	2	3
8. Bisphenol-A	Brazil, Russia	10263-12559/MT
9. Sodium Ferrocyanide	China PR	16358/MT to 20287/MT
10. Dead Burnt Magnesite (DBM)	China PR	1333/MT to 1925/MT
11. Low Carbon Ferro Chrome (LCFC)	Russia, Kazakhstan	10900 to 18600/MT
12. 8-Hydroxyquinoline	China PR	183/kg to 206/kg
13. Bisphenol-A	USA	10,000/MT
14. Acrylonitrile Butadiene Rubber	Germany, Korea RP	8316-13255/MT
15. Acrylic fibres	USA, Thailand, Korea RP	6.30 to 42.93 per kg.
16. Catalysts	Denmark	21.24-192.01 per ltr
17. Graphite Electrodes	***	5517-30997 pmt.
18. Newsprint \$\$	USA, Canada, Russia	Reference price 22958-26696 per mt
19. PTA	Thailand, Korea RP, Indonesia	1130-3375 pmt
20. Vitamin-C \$\$	Japan, China PR	27.59-61.96 per kg.

* Duties recommended to be discontinued on 23.12.1997 after review.

** Increased to 8434/MT after review. Noftn. by Ministry of Finance not yet issued.

\$ Increased to 12465/MT after review. Noftn. by Ministry of Finance not yet issued.

*** USA, China, Spain, Italy, Germany, Belgium, Austria, France

\$\$ Notification by MOF not yet issued.

B. Cases recommended for provisional duties and investigation in progress

Product	Country	Date of Initiation	Recommendation date	Quantum of Duty Recommended (Rs. per unit)
1. Magnesium	China PR	31.07.97	06.02.98	27509 pmt
2. Metallurgical Coke	China PR	28.8.97	20.03.98	1800 pmt
3. Polystyrene	Korea RP, Japan, Taiwan, Malaysia	16.9.97	12.05.98	nil-11388 pmt
4. H.R. Coils	Russia, Ukraine & Kazakhstan	06.10.97	17.06.98	Nil

C. Cases under investigation for provisional duties

Product	Date of Initiation	Country
1. Sea Water Magnesia/Fused Magnesia	05.11.97	China PR
2. Lovastatin	22.12.97	China PR
3. Acrylic fibres	07.01.98	Spain, Portugal, Japan, Italy
4. Industrial Sewing Needles	16.01.98	****
5. Calcium Carbide	28.01.98	China PR, Romania
6. P Tert Butyl Catechol	19.02.98	France
7. Chloroquine Phosphate	19.02.98	China PR
8. Ortho Chloro Benzaldehyde	19.02.98	China PR
9. Citric Acid	18.03.98	China PR
10. SBR	07.04.98	++
11. Photographic paper	07.05.98	U.K., Germany
12. EPDM	20.05.98	Japan

**** Germany, Korea RP, China PR, Japan & Cez. Republic

++ Japan, Korea RP, Turkey, China, Taiwan, Germany, France

[Translation]

Tourism Centres in Metropolitan Cities

4542. SHRI DATTA MEGHE : Will the Minister of TOURISM be pleased to state :

(a) the number of tourism centres in each metropolitan city;

(b) whether several tourism centres in these cities are incurring losses;

(c) if so, the reasons therefor;

(d) the action being taken to make these tourism centres profitable;

(e) the time by which such an action is likely to be taken; and

(f) if no action is being taken, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) to (f) The Ministry of Tourism, the Government of India does not declare any place as a Tourist Centre. However, there are several places in each metropolitan city which are visited by tourists for different reasons. The management of tourist facilities falls under the purview of State Governments. The Union Ministry of Tourism does not maintain profit and loss statements of

tourist properties which are owned by the State Governments.

[English]

Setting up of Heavy Industries during 9th Plan

4543. SHRI RANJIB BISWAL : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to set up some heavy industries in Public Sector in the country during the 9th Plan;

(b) if so, the number of heavy industries proposed to be set up in that plan, State-wise and location-wise; and

(c) the details of progress made so far in the establishment of such industries ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Sir, the 9th Plan has not yet been finalised

(b) and (c) Does not arise.

Export of Iron Ore

4544. SHRI BHARTRUHARI MAHTAB : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of iron ore exported during the last three years, State-wise;

(b) whether the Government have received any fresh orders for exports of iron-ore; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The total quantity of iron ore exported in the last three years, State-wise is given below :

State Wise Iron Ore Export by India
(Quantity : Lakh Tonnes)

States	1995-96	1996-97	1997-98 (Prov.)
Karnataka	57.67	51.04	57.31
Tamilnadu	48.94	46.41	60.89
Andhra Pradesh	40.06	37.85	39.89
Goa	149.93	146.98	192.82
Orissa	15.82	10.90	9.88
Gujarat	0.79	-	-
Bihar	0.08	0.04	-
Total	313.29	293.22	360.79

Source : MMTC

(b) and (c) Minerals and Metals Trading Corporation Ltd. (MMTC) have secured orders for export of following quantities of iron ore during 1998-99 as part of the on-going long-term contracts :

1. Japan 7.20 Million Tonnes (MT) including 1.0 MT by M/s. KIOCL
2. South Korea : 2.3 MT
3. Pakistan 0.7 MT

The following orders have been secured on spot basis:

- A : China 1.5 Million Tonnes
B : Others 0.15 Million tonnes.

Cashew Board

4545. SHRI MULLAPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal before the Government to establish a Cashew Board on the lines of other commodity boards;

(b) if so, the details thereof;

(c) the quantum and total amount of cashew exported during the last three years;

(d) whether the Government propose to adopt any steps to boost the export of cashew; and

(e) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) Yes, Sir. A proposal received from Government of Kerala stated that for the scientific promotion of a crop having vast commercial potential, setting up of a Board would be necessary. It is stated that this would help in providing full employment to workers engaged in cashew industry, introduce better management, improved R & D and extension of cultivation of wastelands to result in an increase in production leading to full employment of approximately 1.3 lakh workers. The matter of setting up of Cashew Board is under consideration of the Ministry of Agriculture (Department of Agriculture & Cooperation).

(c) The quantity of Cashew kernels and Cashew Nut Shell Liquid (CNSL) exported during the last three years and export earnings there-from are given below :

Year	Quantity in Metric Tonnes		Value in Rs. Crores	
	Cashew kernel	Cashew Nut Shell Liquid (CNSL)	Cashew kernel	Cashew Nut Shell Liquid (CNSL)
1995-96	97792	506	1231.06	1.06
1996-97	68856	1735	1285.48	2.77
1997-98	76323	4181	1383.93	6.74

(Source : DGCI&S, Calcutta)

(d) and (e) Some of the steps taken/ proposed to be taken to enhance exports of cashew include :

1. Grant of financial assistance for improved packaging, strengthening of quality control and modernization of cashew processing units.
2. Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions.
3. Providing assistance in development of data base and dissemination of market information.

Merger of MMTC and MITCO

4546. SHRI SUDHIR GIRI : Will the Minister of COMMERCE be pleased to state :

(a) whether MITCO has been merged in MMTC with all its workers and staff;

(b) the number of workers of MITCO at the time of merger;

(c) the status of MITCO workers and staff in MMTC;

(d) whether they are getting same scale of pay; and

(e) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) The merger scheme was sanctioned by BIFR on 8.4.96. The strength of the workers on that date was 189.

(c) to (e) The Scheme sanctioned by BIFR envisaged that the terms and conditions of service applicable to erstwhile MITCO employees on the effective date are in no way less favourable to them than those applicable to them immediately before the transfer date. The workers and staff of MITCO are now with MMTC employed on the terms and conditions applicable as in MITCO prior to the date of merger i.e. 10.6.96.

Export Oriented Units in U.P.

4547. DR. RAM VILAS VEDANTI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Union Government propose to set up hundred per cent Export Oriented Units in Uttar Pradesh;

(b) if so, the details thereof; and

(c) the time by which these units are likely to be set up?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (c) The scheme of-Export Oriented exists. The units have to be established by private entrepreneurs. It is for the entrepreneurs to establish the units by way of construction of building, provision of machinery, raw material

and utilities and take other steps for commencement of production. Apart from policy framework the Government of India provides facility of customs bonding as and when approached by the entrepreneurs.

There are 245 approved export oriented units in UP, out of which 44 units are already in production and 49 units are in different stages of implementation.

[Translation]

Report of Mukherjee Committee

4548. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) the progress of the Mukherjee Committee constituted to enquire into the causes of accident in Gajlitand mine of Bharat Coking Coal Ltd. (BCCL);

(b) the time by which the Committee was expected to submit its report and the reasons for delay in submission of report;

(c) whether any further time limit has been fixed for submitting this report;

(d) if so, the details thereof;

(e) whether the Chairman of the Committee has various grievances against the Ministry on account of which the investigations has been delayed; and

(f) if so, the details of the grievances, indicating the manner in which grievances have been redressed and the date on which these were redressed ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (d) On the basis of information received from Ministry of Labour, it is learnt that the Court of Inquiry which was set up vide gazette notification dated 17.10.95, was required to submit its report within a period of three months. However, the Court of Inquiry could not submit its report within the stipulated period as the work relating to the Court of Inquiry initially got delayed mainly because it took sufficient time to flush out the water from the collieries. Other reasons for delay were insistence by the Chairman, Court of inquiry for full recovery of mines for the purpose of inspection and examination/cross examination/re-examination of large number of witnesses/parties. As such the duration of the Court of Inquiry was extended from time to time. The Court of Inquiry has since completed its proceedings and presented its report to the Government on 29.6.98.

(e) and (f) The main grievance of the Chairman of the Court of Inquiry was against the management of the Bharat Coking Coal Limited (BCCL) in the matter of delay in recovery of mines. The issue was discussed in two meetings of the officers of Ministry of Labour, Ministry of Coal and the management of BCCL. After detailed analysis, it was felt that full recovery of the mines would take a very long time

and would involve huge cost. The idea of full recovery of mines was, therefore, dropped. The Chairman, Court of Inquiry, who was also present in the meeting also did not insist on full recovery of mines thereafter.

[English]

Import of Black Grams

4549. SHRI K. YERRANNAIDU : Will the Minister of COMMERCE be pleased to state :

(a) whether black grams are being imported from the countries like Burma, etc;

(b) if so, the reasons therefor;

(c) whether the Government are aware that prices of black gram have dipped down to Rs. 900 per quintal after import; and

(d) if, so the prices of imported black gram ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) Grams being freely importable, imports take place as per demand and supply position in the country.

(c) The current wholesale prices of black Gram at selected centres of the country are ruling in the range of Rs. 1075-1850 per quintal.

(d) As per the latest available information, the average price of Black Gram imported from Myanmar during April-July, 1997 worked out to Rs. 1225 per quintal.

Support Price of Rubber

4550. SHRI T. GOVINDAN .
SHRI SURENDRAN CHENGARA .

Will the Minister of COMMERCE be pleased to state :

(a) whether the Union Government have received any request from the Kerala Government to raise the support price for rubber at Rs. 55/- per kg. and start procurement of 50000 MTs. by STC; and

(b) if so, the action taken by the Government thereon ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) In order to stabilize the price of Natural Rubber in the domestic market and to provide a remunerative price to the Rubber Growers, the Govt. have, in mid-May, 1998, authorised the STC to procure a quantity of 20,000 MT of natural rubber. The process of revising the Bench Mark Price for Natural Rubber is also underway.

Tea Companies

4551. SHRI A.F. GOLAM OSMANI : Will the Minister of COMMERCE be pleased to state :

(a) the number of Public and Private Sector tea companies in the country;

(b) the details of the tea gardens owned by these companies; and

(c) the tea produced and exported by them during the last three years ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) There are 6 companies in public sector and around 554 companies in the private sector who own tea gardens in India. At present 49 tea gardens are owned by the public sector companies and the private sector own 1,569 gardens.

(c) Production and export of tea during the last three years has been as follows :

Year	Production (Qty. in M.Kgs)	
	Public Sector	Private Sector
1995-96	25.00	686.31
1996-97	25.50	698.26
1997-98	26.00	758.29

Year	Exports (Qty. In M.Kgs)	
	Public Sector	Private Sector
1995-96	7.81	159.66
1996-97	5.56	163.48
1997-98	5.92	205.84

[Translation]

Undisbursed Foreign Loan/Assistance

4552. SHRI SURESH CHANDEL :
SHRI BHERU LAL MEENA :
SHRI NARENDRA BUDANIA :
SHRI RAMA CHANDRA MALLICK :

Will the Minister of FINANCE be pleased to state :

(a) whether the foreign assistance/loan is put to optimum use in the country;

(b) if so, the quantum of financial assistance/loan received from all external sources during each of the last three years, till date;

(c) the quantum of funds out of such loan/assistance lying unutilised or undisbursed in Central and State sector as on March 31, 1998; and

(d) the steps taken by the Government for early disbursement of undisbursed loans so that the country could be benefited therefrom and the burden of commitment charges and interest is not unnecessarily borne by India ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) The financial assistance/loan received from all the external sources during 1995-96, 1996-97 and 1997-98 were Rs. 11,022.12 crore, Rs. 11,978.49 crore and Rs. 11,706.19 crore, respectively. In 1998-99, external assistance of Rs. 965.80 crore has been received upto May, 1998.

(c) The quantum of funds lying unutilized as 31st March, 1998 in the Central and State Sector were Rs. 31,953.57 crore and Rs. 33,548.64 crore, respectively.

(d) The Government has taken several steps to improve utilization of foreign aid, such as release of 100% external assistance as Additional Central Assistance (ACA) to the States in all sectors, release of advance ACA in the beginning of financial year, intensified monitoring of projects through quarterly reviews by the Department of Economic Affairs, setting up of a Project Management Unit in the Department of Economic Affairs well as appointment of Nodal Officers for various States. An external assistance monitoring information system to strengthen external portfolio management is also being implemented in the Department of Economic Affairs and select States/Central Ministries.

Computerisation of Rural Branches of Banks

4553. SHRI RAVINDRA KUMAR PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to Computerise Rural branches of nationalised Banks in various States including Bihar;

(b) if so, the State-wise number of branches which have been computerised and the number of bank branches which have not yet been computerised; and

(c) the steps taken by the Government to computerise all the bank branches?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (c) Computerisation of bank branches including rural branches is taken up by Nationalised banks in a phased manner

depending upon various factors e.g. volume of business handled by the branch, needs of clients, availability of funds etc. In view of this it is not possible to indicate a time frame by which all the branches of nationalised bank will be computerised.

(b) A statement indicating the state-wise number of computerised rural branches of nationalised banks is given below .

Sl. No.	Name of the State	Number of Computerised Rural Branches
1.	Andhra Pradesh	4
2.	Bihar	2
3.	Delhi	4
4.	Goa	3
5.	Gujarat	35
6.	Haryana	8
7.	Karnataka	8
8.	Kerala	2
9.	Madhya Pradesh	2
10.	Maharashtra	7
11.	Orissa	1
12.	Punjab	2
13.	Rajasthan	1
14.	Tamilnadu	19
15.	Uttar Pradesh	6
16.	West Bengal	2
17.	Dadra & Nagar Haveli	1
Total No. of Rural Branches		107

[English]

Paper and Newspaper Industry

4554. SHRI SUSHIL KUMAR SHINDE :
SHRI KAMALNATH :
SHRI MADHAVRAO SCINDIA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the cost of production of paper and newsprint in India is higher as compared with the cost of imported finished products;

(b) if so, the details thereof;

(c) whether it is attributable to higher levy of customs duty on import of raw material like pulp and waste paper than on finished products;

(d) if so, the details of import duty on the raw material and finished products and the difference between the two;

(e) whether manufacturers of newspaper has urged the Government for withdrawal of 10% customs duty imposed during 1996;

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

(g) the steps being taken by the Government to help indigenous manufacturers to meet the competition ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Cost of production of paper and newsprint in India varies depending upon the type of raw material used. The cost of production of paper in India, on an average, is lower than the cost of import of finished products. However cost of production of newsprint in India on an average is higher than the cost of import of finished products.

(c) Higher levy of customs duty on import of raw material like wastepaper is one of the factors responsible for higher cost of production of newsprint in India.

(d) The details of import duty on the raw material and on finished products are given in the Statement attached.

(e) and (f) The Indian Newspaper Society which represents the newspaper publishers has been demanding withdrawal of the customs duty on newsprint. In the current years budget the duty has been reduced from 10% to 5% and there is no special additional duty of 4% on newsprint.

(g) The Government has taken the following steps to help indigenous manufacturers to meet the competition :-

(i) Concessional excise duty has been extended for paper & paper board manufactured out of 75% and above non-conventional raw material.

(ii) No customs duty is levied on import of wood pulp for manufacture of newsprint.

(iii) The basic customs duty on import of Paper & Paper board has been increased from 20% to 30%.

(iv) There is no excise duty on newsprint manufactured by a manufacturer of newsprint registered under Schedule I of the Newsprint Control Order, 1962 and supplied against a purchase order placed upon such manufacturer by a newspaper registered by the Registrar of Newspapers for India under the provisions of the Press and Registration of Books Act, 1867.

Statement**Import duty rate for Paper & Paperboard**

Sl. No.	Description	Basic customs duty	Additional duty of customs*	Special customs duty**	Special Additional duty+	Total effective duty
1	2	3	4	5	6	7
Raw materials :						
Pulp						
1.	Wood pulp (excluding rayon grade wood pulp) derived by mechanical or chemical means from any fibrous vegetable material	Nil	Nil	Nil	Nil	Nil
2.	Other wood pulp	5%	Nil	5%	4%	14.4%
Waste Paper :						
3.	Recovered (waster paper) paper or paperboard Chemicals :	5%	Nil	5%	4%	14.4%
1.	Caustic soda & chlorine	30%	18%	5%	4%	65.672%
Finished goods :						
Paper & paperboard :						
4.	Newsprint falling under heading No. 48.01	5%	Nil	Nil	Nil	5%
5.	Paper (excluding chrome paper, marble paper) flint paper, poster paper, stereo paper and art paper) containing mechanical wood pulp amounting to not less than 70% by weight of the total fibre content [falling under subheading No. 4802.60]	Nil	Nil	Nil	Nil	Nil
6.	Light weight coated paper weighing upto 70 g/m ² imported by actual users for printing of magazines (falling under heading No. 48.10 of the Customs Tariff)	5%	Nil	Nil	Nil	5%
7.	Other paper & paper board falling under heading Nos. 48.02 to 48.11 and filter paper & paperboard (sub-heading No. 4823.20)	30%	18%	5%	4%	65.672%
8.	Other articles of paper & paperboard falling under heading Nos. 48.12 to 48.23 (excluding sub-heading No. 4823.20) of Customs Tariff	40%	18%	5%	4%	77.944%

* Additional duty of customs leviable under section 3 of the Customs Tariff Act, 1975.

** Special Customs Duty leviable under section 68 of the Finance (No. 2) Act. 1996.

+ Special Additional duty of customs leviable under proposed section 3A of the Customs Tariff Act, 1975 proposed under the Finance (No. 2) Bill 1998.

Integrated Coal Policy

4555. SHRI ASHOK NAMDEORAO MOHOL : Will the Minister of COAL be pleased to state :

(a) whether the Government propose to formulate an Integrated Coal Policy;

(b) if so, the areas which are likely to be taken care of under the proposed policy;

(c) whether any foreign technology is likely to be acquired to improve the quality of coal; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The Planning Commission had constituted a Committee to formulate an Integrated Coal Policy. A Report was accepted which was tabled in Parliament in May 1996.

- (b) The Committee addressed the following areas :
- (i) The policy to be adopted in order to meet the growing demand of coal at the end of the Ninth and Tenth Plan periods and beyond.
 - (ii) Increasing competition in the coal sector in order to improve quality and efficiency and to promote consumer satisfaction.
 - (iii) Adoption of a grading and pricing policy which would enable the growth of the coal industry, generation of sufficient internal resources for investment and at the same time protect the consumer from the ill effects of monopoly pricing.
 - (iv) Locating to the maximum extent possible the new coal-based power stations at pitheads so that pressure on rail movement of coal is reduced.

(c) No, Sir. Technology in itself does not improve the quality of coal. The quality of coal depends on the nature of the natural endowment.

(d) Does not arise in view of answer to part(c) above.

Assistance to Cyclone affected areas

4556. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of FINANCE be pleased to state :

(a) whether any instruction or guidelines have been issued by the Government to Banks/Financial Institutions for providing relief and rehabilitation assistance speedily to the persons affected by cyclone in Gujarat and Rajasthan;

(b) if so, the details thereof; and

(c) the estimated amount so far granted by each bank and Financial Institution to the cyclone affected people through cash or waiving the recovery of agricultural loans in the cyclone hit areas ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Reserve Bank of India (RBI) issued standing guidelines to banks in August 1984 to be followed by them for providing relief in areas affected by natural calamities/riots etc. without waiting for instructions from RBI each time. These guidelines, *inter alia*, envisage (i) conversion of short term production loans into medium term loans, (ii) rescheduling/postponement of existing term loan instalments, (iii) provision of additional need based crop loans/working capital, and (iv) relaxation in security and margin norms. The guidelines also envisage provision of consumption loans upto Rs. 1,000. The rates of Interest are to be charged by the banks as per the directives on interest rates issued by RBI from time to time. However, those borrowers who meet the eligibility criteria under the Scheme of differential Rate of Interest (DRI) are

to be provided credit in accordance with the DRI Scheme. In respect of current dues in default, no penal interest will be charged. The banks also suitably defer the compounding of interest charged.

Further, RBI has issued modified guidelines to banks recently i.e., on 20th June, 1998 for relief measures to persons affected by natural calamities, in accordance with which banks have been given discretion to decide the quantum of fresh loans to be granted to the affected borrowers taking into considerations the extent of the crop loss, scale of finance and repaying capacity.

The above guidelines were issued to enable the banks to take uniform and concrete action expeditiously, particularly to provide financial assistance to agriculturists, small scale industrial units, artisans, small businesses and trading establishments affected by natural calamities in any part of the country, including the States of Gujarat and Rajasthan

(c) The existing data reporting system of RBI does not generate such information.

World Bank Loan to J & K

4557. SHRI CHAMAN LAL GUPTA : Will the Minister of FINANCE be pleased to state :

(a) the details of loans sanctioned to the government of Jammu & Kashmir, as on date by the World Bank and various other foreign countries and international financial agencies for the development works in the State; and

(b) the stages of execution of development works through such foreign loans ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) There is only one externally aided project being executed by the Government of Jammu & Kashmir, namely, Integrated Watershed Development Project (Hills). The project has been financed through a World Bank loan US \$ 80.244 million. It is a multi-state project and the cumulative utilisation upto 31.5.98 is US \$ 55.356 million.

[Translation]

Import of Toxic Waste

4558. SHRI D.S. AHIRE :
SHRI VITHAL TUPE :

Will the Minister of COMMERCE be pleased to state :

(a) whether a large quantity of toxic waste was imported in the country for recycling purpose during 1992-93 and 1994-95;

(b) if so, the quantity thereof and the names of countries from which imported;

(c) whether this waste is giving rise to many diseases; and

(d) if so, the steps being taken by the Government in this regard ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) The details, as available for the years 1994-95 and 1995-96, are attached as statement.

(c) and (d) Existing facilities at various industrial units for disposal of these wastes in an environmentally sound manner have been surveyed by the Ministry of Environment & Forests. Samples of hazardous wastes lying at various ports and container depots have been collected and their analysis is in progress.

Statement

List of units granted permission to import hazardous wastes under Hazardous Wastes (Management & Handling) Rules, 1989 upto July, 1996

- Importer—M/s Balmer Lawrie & Co. Ltd., Calcutta.*
One time permission for the import of 150 KL of waste oil for trial runs for R&D project in December 1993.
Exporting country - Dubai.
- Importer—M/s. Southern Refiners Ltd., Trivandrum.*
One time permission for import of 8000 barrels of waste oil for trail run to demonstrate waste oil re-refining by vacuum distillation technology in 1994.
Exporting country - UK.
- Importer—M/s. Zinc Smelters & Refiners India Pvt. Ltd., Bombay*
One time permission for the import of single consignment of not exceeding 20,00 MT of Zinc containing residual dusts (steel mill dust) on 20th June, 1994.
Exporting country - Germany.
- Importer—M/s Bharat Zinc Ltd., Bhopal.*
Permission was granted for negotiating the import of 17,000 MT of zinc ash/dross/scrap from various countries of Europe with a condition that clearance would be sought from time to time on each consignment by providing necessary shipment details. Imports from Germany, Netherland and Sweden were permitted.
Exporting country - Germany, The Netherlands & Sweden.
- Importer—M/s. Indo-Zinc Ltd. Dhar, MP.*
Permission was granted for import of 1000 MT containing zinc ash/dross/scrap on 8th May, 1995.
Exporting country - The Netherlands.
- Importer—M/s. Associated Pigments Ltd., Calcutta*
Permission was granted for import of 3,500 MT of lead waste containing lead dross/residue/scrap on 11 December, 1995 as per the recommendations of the

Committee constituted for this purpose under this Ministry.

Exporting country - South Korea.

- Importer—M/s. Indian Lead Limited, Bombay.*
Permission granted only to negotiate the import of lead cross/residue/scrap for use in their Thane unit as per the recommendations of the Committee constituted for this purpose on 21st November, 1995. No permission has been given for any consignment so far.

* All imports were permitted subject to the requirement under Hazardous Wastes (Management and Handling) Rules, 1989 and the conditions stipulated for the purpose.

Import of Copper, Lead, Zinc and Plastic Wastes for the years 1994-95 and 1995-96 (upto January 1996) as by supplied by Directorate General Commercial Intelligence

Sl. No.	Name	Year	Quantity (Kgs)
1.	Lead Slag	1994-95	2497804
		1995-96	1889312
2.	Lead Residue	1994-95	7575025
		1995-96	7235665
3.	Hard Zinc Spelter	1994-95	2034831
		1995-96	1156243
4.	Other Ash & Residue containing mainly zinc	1994-95	64776790
		1995-96	47868317
5.	Ash & Residue containing mainly Copper	1994-95	44065261
		1995-96	—
6.	Lead Waste & Scrap	1994-95	48873529
		1995-96	33429022
7.	Zinc Waste & Scrap	1994-95	4048063
		1995-96	6144739
8.	Copper Waste & Scrap	1994-95	16626477
		1995-96	23737670
9.	Waste & Scrap of Copper Alloys	1994-95	85070792
		1995-96	68209702
10.	Waste, Parings & Scrap of plastics	1994-95	24236994
		1995-96	10875962

Accidents in Coal Mines

4559. DR. MADAN PRASAD JAISWAL : Will the Minister of COAL be pleased to state :

(a) the names of coal mines under different coal companies where mine accidents have occurred during the last two years;

(b) the number of persons killed in each accident and the cause of each accident; and

(c) the number of persons found guilty in this regard and the punishment meted out to them ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (c) The details of accidents in the coal mines of Coal India Limited during 1996 and 1997 are furnished in the Statement attached.

Statement

Company	Colliery	Fatality Cause	No. of persons responsible	Disciplinary action taken
1	2	3	4	5
BCCL 96	Block-II	1 Truck		1 Suspended
	Kusunda	4 Roof Fall		2 Both Dismissed
	Muraidih OCP	1 Conveyor		5 Increment Lowered 2, Censured 2, Demoted 1
	Gondudih	1 Fall of Persons	None	
	Amlabad	2 Dust, Gas, Etc.	Deceased	
	West Mudidih	1 Electricity	Deceased	
	Victoria West	1 Roof Fall		1 Suspended
	Loyabad	1 Fall of Object	Deceased	
	Dahlbari	1 Roof Fall		3 Exonerated 1, Suspended 2
	Victoria West	1 Roof Fall		3 Suspended 1, Warned 2
	Patherdih	1 Fall of Person	Deceased	
	Alkusa	2 Roof Fall		4 Suspended 2, Exonerated 2
	Bararee	1 Fall of Person		1 Cautioned
	East Bhaghatdih	1 Roof Fall		2 Suspended 2
	Gopalichak	1 Haulage	Deceased	
	Godhar	1 Haulage	Deceased	
	Kooridih	1 Haulage	Deceased	
	Benedih OCP	1 Dumper		2 Warned 2
	Kharkaree	1 Roof Fall		2 in Progress
	Akashkinaree	1 Dumper	Deceased	
	Kooridih	2 Roof Fall		4 Memo issued 1, Cautioned 1, Suspended 2
	Pootkee	2 Roof Fall	Deceased	
	Burragarh	1 Roof Fall	Deceased	
	Angarpathra	1 Haulage		2 Warned 2
	Kachchi Balahri	1 Haulage	Deceased	
	Simla Bahal	1 Roof Fall		2 Warned 1, in Progress 1

1	2	3	4	5
	North Tiara OCP	2 Dumper		2 Suspended 1, Exonerated 1
	Katras Choitudih	1 Dumper		4 Suspended 4
BCCL 97	Dhansar	1 Dumper		2 Suspended 2
	Khas Kusunda	1 Side Fall		3 Cautioned 1, Promotion Witheld 2
	Angarpathra	1 Truck		4 Suspended 1, Warned 3
	Akashkinaree	1 Fail of Person		6 Warned 6
	Bhowrah South U/G	1 Haulage		1 Warned
	Dhalbari	1 Haulage		2 Exonerated 1, Suspended 1
	Phularitand	1 Fall of person	Deceased	
	Nichitpur	1 Roof Fall		3 Exonerated 2, in progress 1
	Bhowrah South OCP	1 Dumper		3 Warned 2, Suspended 1
	Ramkanali	1 Roof Fall	Deceased	
	Rajapur OCP	1 Dumper		1 Warned 1
	Jealgora	1 Roof Fall	None	
	Muraidih OCP	1 Dumper		1 Demoted 1
	Tetulmari	1 Non-transport m/c		1 Suspended 1
	Lohapatti	1 Haulage		2 Warned 2
	Bhowrah (North)	1 Roof Fall		2 Suspended 2
	Block iv OCP	1 Truck		Likely non-minning-road accident
	Jayarampur	1 Roof Fall		2 Exonerated 2
	Keshalpur	1 Roof Fall		2 Suspended 2
	Ghanoodih	2 Roof Fall		2 Exonerated 2
	Muruldih 20/21 PIT	1 Fail of person	Deceased	
	Angarpathra	1 Haulage	Deceased	
	Sendra bansjora	1 Electricity	Deceased	
	Dobari	1 Misc.	Deceased	
	Bhalgora	1 Electricity		1 Suspended
	Ghanoodih	1 Non-transport m/c		1 Suspended
	Busseriya	1 Winding		1 Suspended
	Tetulmari	1 Haulage		2 Warned 1, in porgess 1
	Patherdih	1 Roof Fall	Deceased	
CCL 96	Tarni	1 Dumper		3 Warned 3

1	2	3	4	5
	Kathara	1 Dumper		4 Suspended 1, Censured 3
	Urimari	1 Non-transport M/C		6 Dismissed 2, Suspended 2, Exonerated 1, in process
	KDH	1 Fall of person		3 Suspended 1, Cautioned 2
	Hindigir	1 Roof Fall		4 Suspended 1, Censured 3
	KDH	1 Electricity		1 Suspended
	Dakra Bukbuka	1 Truck		3 Cautioned 1, Warned 1, Suspended 1
	Sarubera	1 Haulage		6 Censured 1, Cautioned 2, Warned 2, Suspended 1
	Sirka	1 Roof Fall		5 Suspended 3, Exonerated 2
	Ashoka OCP	1 Non-transport M/C 2		Warned 2
	Dakra Bukbuka	1 Truck		4 Suspended 1, Warned 3
	Sayal 'D'	1 Roof Fall	Deceased	
	Kargali U/G	2 Roof Fall		7 Warned 2, Exonerated 1, Suspended 4
	Sirka	1 Roof Fall		1 Suspended
	Ashoka OCP	1 Non-transport M/C		1 Warned
	Bokaro	1 Dumper	Deceased	
	Kargali OC	1 Dust, gas, etc.		1 Warned
CCL 97	Urimari	1 Dust, gas, etc.		2 Warned 1, Censured 1
	Saunda ak	1 Wagon	Deceased	
	Karo OCP	1 Fall of person		1 Memo issued
	Pundi	1 Non-transport M/C		4 Suspended 1, Warned 3
	Ashoka OCP	1 Electricity		6 Warned 2, Suspended 4
	KDH	1 Misc.		3 Cautioned 1, Warned 2
	Saunda D OCP	1 Truck		3 Censured 1, Warned 1
	Jarangdih	1 Roof Fall		2 Censured 1, Suspended 1
	Kedia OCP	1 Dumper		1 Increment stopped 1
	Hutar	1 Haulage		1 Censured 1, Cautioned 1, Warned 1, Suspended 1
	Urimari	1 Explosive		5 Suspended 2, in process 3
	Kabribad	1 Dust, gas, etc.	Deceased	
	ARA	3 Roof Fall		7 Suspended 6, Memo issued 1
	Sirka	5 Roof Fall		5 Suspended 5
ECL 96	Dabor	1 Roof Fall		2 Suspended 1, Increment stopped 1
	Patmohona	1 Fall of person	Deceased	

1	2	3	4	5
	Bhanora	1 Roof Fall		5 Suspended 2, in process 3
	Nabakajora	1 Haulage		2 Exonerated 2
	Dalurband	1 Roof Fall		3 All Suspended
	Madhusudanpur 3&4 pit	1 Fall of persons	Deceased	
	Ningha	1 Roof Fall		2 Cautioned 1, Suspended 1
	North Searsole	1 Roof Fall		1 Suspended
	Chinakuri No. 3 pit	1 Fall of person	Deceased	
	Satgram Project	1 Non-transport m/c		4 in process 4
	BC incline	1 Non-transport m/c		3 All warned
	Sonepur Bazari Project	1 Non-transport m/c	Deceased	
	Dhemomaln	1 Roof Fall		5 Warned 2, Suspended 2, in process 1
	Kuardih	1 Roof Fall		7 Suspended 2, in process 5
	Satgram Inc.	4 Roof Fall		4 Suspended 2, Censured 1, Incremt. stopped 1
	Madhaipur	1 Haulage		2 Suspended 2
	Dabor	1 Roof Fall	Deceased	
	Sonepur Bazari Project	1 Electricity		2 exonerated 1, in process 1
	Shyamsundarpur	1 Misc.	Deceased	
ECL 97	Manderboni	1 Haulage		3 Cautioned 3
	Sripur	1 Roof Fall		3 Suspended 3
	Ghusick	1 Non-transport m/c		2 Warned 1, in process 1
	Chora OCP	1 Dumper	Deceased	
	Chapui Khas	1 Explosives		1 Suspended
	Madhujore	1 Haulage		2 Suspended 2
	Khottadih	3 Roof Fall	None	
	JK Nagar	1 Winding		3 Samed 2, Suspended 1
	Kumardubi	1 Fall of person	Deceased	
	Chinakuri No. 1	1 Haulage	Deceased	
	Khairabad	2 Roof Fall		4 Warned 1, Exonerated 1, in process 2
	Chapapur II	1 Roof Fall		4 Suspended 2, in process 2
	Patmohona	1 Haulage		3 in process 3
	North Searsole	1 Roof Fall		3 Cautioned 2, Suspended 1

1	2	3	4	5
	Chinakuri No. 3 PIT	1 Haulage	Deceased	
	Dhemomalin	1 Explosives		6 Warning 2, in process 4
	Satgram Inc.	1 Roof Fall		3 in process 3
	Ningha	1 Fall of person	Deceased	
	Kapasara	1 Haulage	-	Inquiry in process
	JK Nagar	1 Fall of object		Inquiry in process
MCI 96	Lingaraj OC	1 Dumper		1 Promotion withheld
	Samieshwari OCP	1 Misc.	Deceased	
	Lingaraj OC	1 Fall of person		3 Warned 3
	Balanda OCP	1 Fall of object		1 Exonerated
	Samieshwari OCP	1 Dumper	Deceased	
	Bharatpur	1 Non-transport m/c		1 Contractor's worker dismissed
	Samieshwari OCP	1 Truck	-	Inquiry in process
MCL 97	Jagannath OCP	1 Dumper		1 Demotion
	Deulbera	1 Roof Fall	Deceased	
	Jagannath OCP	1 Truck	Deceased	
	Deulbera	1 Roof Fall	Deceased	
	Lingaraj OC	1 Truck	Deceased	
	Jagannath OCP	1 Truck		1 Contractor's driver terminated
NCL 96	Jhingurdah OCP	1 Gas, Dust, etc.	Deceased	
	Amlohri OCP	1 Dumper	Deceased	
NCL 97	Jhingurdah OCP	1 Conveyor	Deceased	
	Khadia OCP	2 Dumper		4 Warning 2, in process 2
NEC 96	Tirap OCP	1 Truck		1 Terminated from service
	Tipong	2 Haulage		5 All Suspended
NEC 97	Ledo	1 Roof Fall	None	
SECL 96	Kusmunda OCP	1 Truck	Deceased	
	Koria	1 Haulage		1 Suspended
	Amiai U/G	1 Fall of person		1 Exonerated
	Rajnagar RO	1 Fall of object	None	
	Laxman OC	1 Non-transport m/c		1 Cautioned 1
	Jaynagar 3&4	1 Roof Fall		3 Warning 2, increm. stopped 1

1	2	3	4	5
	Chirimiri OC	1 Dumper		3 Warned 2, Suspended 1
	Chirimiri OC	1 Fall of person		4 Cautioned 2, Suspended 2
	North Chirimiri	1 Roof Fall		3 Cautioned 1, Suspended 1, Exonerated 1
	Jamuna 9 & 10	1 Fall of object		6 Warned 5, In process 1
	Laxman OC	1 Electricity		2 suspended 2
	North Chirimiri	2 Roof Fall		2 Warned 1, Suspended 1
SECL 97	Gevra OC	1 Conveyor		3 Cautioned 2, Warned 1
	Surakachar 5 & 6 INC	1 Roof Fall		3 Increment Stopped 2, in process 1
	Meera INC	1 Roof Fall		1 Suspended
	Gevra OC	1 Dumper		1 in process
	Jamuna OC	1 Dumper		3 Exonerated 1, in process 4
	Rajnagar Old INC	1 Haulage	Deceased	
	Bhadra U/G	2 Gas, Dust, etc.		5 Demoted 1, in process 4
	Jaynagar New	1 Roof Fall		1 Suspended
	Kotma West	1 Fall of object		1 In process
	Kotma OC	1 Dumper		2 In process 2
	Laxman OC	1 Truck		2 Dismissed 2
	Surakachhar Main	1 Fall of person		3 In process 3
	West JKD	1 Roof Fall		2 Suspended 2
	Kotma Old	1 Roof Fall	Deceased	
	Manikpur OC	1 Truck		1 Contractor's driver suspended
	Dipka Augmentation	1 Truck	Deceased	
	Pandavpara	1 Side Fall		1 Suspended
WCL 96	Shobhapur	1 Roof Fall		5 warned 2, demoted 2, increment stopped 1
	Durgapur Rayatwari	1 Roof Fall		6 Cautioned 1, Warned 2, Suspended 3
	Tawa	1 Conveyor	Deceased	
	Pimplagaon OC	1 Truck		2 Warned 2
	Gouri-I OCP	1 Fall of object	Deceased	
	Ambara	1 Roof Fall		2 Increment stopped & suspended 2
	Gouri-I OC	1 Truck		2 Contractor's workers debarred
	HLC	1 Truck		3 Warned 3
	East Dongar Chikdi	1 Roof Fall		3 Warning 1, Suspended 2

1	2	3	4	5
WCL 97	Shobhapur	1 Non-transport m/c		2 Warned 2
	Chinda U/G	1 Roof Fall		5 Warned 2, Suspended 2, in process 1
	Damua	1 Fall of person		2 Warned 1, Suspended 1
	Nandan 1	1 Roof Fall		2 Suspended 2
	Bhatadi QC	1 Misc.		3 Warned 2, Suspended 1
	Mahadeopuri	1 Haulage		1 Suspended
	Durgapur OC	1 Conveyor		5 Warned 2, Suspended 3
	Ganpati	1 Side Fall		1 Suspended
	Tawa	1 Roof Fall	-	Inquiry in process
	Ballarpur 3 & 4 PIT	1 Fall of person	-	Inquiry in process
	Durgapur Rayatwari	1 Haulage	-	Inquiry in process

*[English]**[Translation]*

Use of Currency for Regional Trade

4560. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the South East Asian Banks have agreed to study the use of their own currencies for regional trade in a move to reduce the dependence on the US dollar ;

(b) whether the proposal calls for countries within the Association of South East Asian Nations to pay their exporters in local currency rather than in US dollar;

(c) whether due to fall in the currencies, the demand for US dollar has gone up;

(d) if so, whether any alternative mechanism has been considered; and

(e) if so, the extent to which the India has accepted this proposal ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (e) After the financial and currency turmoil in some of the East Asian countries, they have been evincing interest in having "Dollar less trade", counter trade and trade in local currencies with the trading partners. India had offered in the Second Joint Cooperation Committee of the ASEAN held in Singapore in the month of April, 1998 to workout both short-term and long-term financial arrangements with these countries to tide over the current crisis of dearth of Dollar. However, nothing tangible has yet emerged.

Rules for FII

4561. SHRI ANAND RATNA MAURYA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to make rules more liberal for Foreign Institutional Investors;

(b) if so, the details thereof; and

(c) the time by which the said rules likely to be liberalized?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The following measures, *inter alia*, have been taken to facilitate more inflow of FII investments:

- (i) Foreign Institutional Investors (FIIs) 100% Debt funds have been permitted to invest in unlisted debt securities.
- (ii) Foreign Institutional Investors (FIIs) can tender their securities directly in response to an open offers for takeovers made in terms of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.
- (iii) Foreign Institutional Investors (FIIs) have been enabled to trade in derivative contracts which are traded on a Stock exchange without the requirement of taking and giving delivery of underlying securities.
- (iv) Foreign Institutional Investors have been permitted to hedge foreign exchange risk through purchase of forward cover on incremental equity investments.

[English]

Indo-US Economic Relations

4562. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have made any review on Indo-U.S. economic relations;

(b) if so, whether there is any reversal in Indo-U.S. economic ties, particularly after nuclear test at Pokharan; and

(c) if so, the steps taken for establishing better relations between both the countries ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) and (c) There has been no major reversal in Indo-US economic ties after the nuclear tests at Pokharan. However, USAID, which channels US economic assistance to India have informed that as a result of sanctions announced by Govt. of USA against India, they might oblige grant Development Assistance of only US \$ 35 million in US FY 1998 as against US \$ 55.2 million in US FY 1997. In addition to proposed obligation of Development Assistance of US \$ 35 million in US FY 1998, USAID may disburse Food Aid of US \$ 90.5 million in US FY 1998. In US FY 1997, USAID had disbursed Food Aid of US \$ 87.4 million. To sum up the level of assistance in US FY 1998 is likely to be US \$ 125.5 million as compared to US \$ 142.6 million in US FY 1997.

In addition to bilateral economic assistance, the sanctions will also include termination of all new US EXIM Bank credits and credit guarantees for US exports to India as from May 13, 1998 as well as discontinuance of fresh US Overseas Private Investment Corporation (OPIC) guarantees for US Foreign Direct Investment ventures in India. However, EXIM Bank loans already approved will not be affected. In addition, US opposition of extension of any loan by any multilateral financial institution could affect World Bank loans for FY 1998/99 if Japan and the EU join US. However, the complete extent of the effect is currently unclear, partly because the precise nature of the sanctions and suspensions is not clear.

The general approach of the Government in countering the effect of sanctions is to try to get a better understanding of our position on the part of other countries and also to encourage private capital flows to substitute for whatever reduction takes place in official flows. To this end the government is pursuing its stated policies of encouraging inflows of foreign direct investment of NRI flows and ensuring that our economic situation is strong and such as to create confidence in financial markets.

Excise Duty Evasion by I.T.C.

4563. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state :

(a) whether a case involving a sum of Rs. 803 crores of excise duty evasion by ITC is pending before CEGAT since long;

(b) if so, the details thereof;

(c) whether some officials of the Department of Revenue are also involved therein;

(d) if so, the details of the officials and the action taken against them in each case;

(e) whether there is any other case pending against the ITC for economic offences; and

(f) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) M/s. ITC Limited and others had preferred appeals to the Central Excise and Gold (Control) Appellate Tribunal (CEGAT) in February, 1996 against an order of the Commissioner, Central Excise, New Delhi, involving a duty of Rs. 803.78 crores. The hearings by CEGAT have since been completed in May 1998.

(c) and (d) No, Sir.

(e) and (f) 20 Show Cause Notices for suspected violation of Foreign Exchange Regulation Act, 1973 have been issued to M/s. ITC Limited and others. Besides, nine cases involving evasion of excise duty have also been registered against M/s. ITC group companies.

[Translation]

Use of Chrome in Tanneries

4564. SHRI JAGAT VIR SINGH DRONA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the use of chrome in tanneries is considerably polluting the surface water;

(b) whether the Chrome mixed effluents drained out of the tanneries could be reused to the extent of 40 per cent after reprocessing; and

(c) if so, in which manner and the time by which the Government are contemplating to do any effort to find out any technique to reuse chrome by reprocessing the chrome mixed effluents?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Chrome used in tanneries, if discharged into surface water, is a pollutant.

(b) Chrome-mixed effluents drained out of tanneries can be re-used after recovering chromium from the spent tanning liquor and recycling the same into the tanning process by mixing with fresh chromium. The technology is available with Central Leather Research Institute (CLRI). CLRI has carried out a study on chrome recovery and re-use under Indo-Dutch collaboration with 30% recovered chromium and 70% fresh chromium and the leather produced is having the same physical and chemical properties as leather produced by fresh chromium only.

(c) Already, a large number of tanneries are implementing chrome recovery/re-use technologies. Government of India have supported the establishment of demonstration plants in several locations for re-use of chromium. Government of India have also been supporting waste minimization circles which include the chromium re-use and abatement of chrome pollution. Such promotional measures have been taken for containing chromium pollution in various locations during the last four years. However, the time-frame for implementation of technology for removal and recovery of chromium should be defined by the State Governments in consultation with the State Pollution Control Boards.

[English]

Losses in Coffee Board

4565. SHRI NARESH PUGLIA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Coffee Board has been suffering losses since the last few years;

(b) if so, the factors responsible for such losses;

(c) whether the Government have formulated any Action Plan to make the Coffee Board viable; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

(b) to (d) Do Not arise.

Outflow of Foreign Institutional Investors

4566. SHRI MUKUL WASNIK : Will the Minister of FINANCE be pleased to state :

(a) whether there has been a considerable outflow of Foreign Institutional Investor (FII) funds during the last few months;

(b) if so, the details thereof and the volume of outflow of FII funds;

(c) whether the Government has initiated any steps to prevent the outflow of FII funds; and

(d) if so, the details thereof ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) In terms of the reports filed by the custodians with the Securities & Exchange Board of India (SEBI), there has been a net outflow of FII investments during some months in the current Calendar year, as follows :

Month	US \$ Million
January	(-) 77.3
February	(+) 190.2
March	(+) 183.2
April	(-) 24.8
May	(-) 218.4
June	(-) 198.0
July (upto 14.7.98)	(-) 6.9

(c) and (d) The following measures, *inter alia*, have been taken to facilitate more inflow of FII investments :

- (i) Foreign Institutional Investors (FIIs) 100% Debt funds to invest in unlisted debt securities.
- (ii) Foreign Institutional Investors (FIIs) to tender their securities directly in response to an open offers for takeovers made in terms of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.
- (iii) Foreign Institutional Investors (FIIs) to trade in derivative contracts which are traded on a Stock exchange without the requirement of taking and giving delivery of underlying securities.
- (iv) Foreign Institutional Investors have been permitted to hedge foreign exchange risk through purchase of forward cover on incremental equity investments.

Missing of Currency Notes

4567. SHRI H.G. RAMULU : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware about the missing of a bundle of one lakh rupees from the precincts of the Reserve Bank of India security press, Mysore;

(b) if so, whether the Government have conducted any inquiry in this matter;

(c) if so, the persons found responsible for the disappearance of the notes;

(d) the action taken against them; and

(e) the steps proposed to be taken to tighten the security?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes.

(b) While the Government has not conducted any inquiry into the matter, enquiries were conducted by the Bhartiya Reserve Bank Note Mudran Ltd., State Police Department and CISF.

(c) and (d) Both the Police inquiry and departmental inquiry in the matter are still in progress. Six employees have been placed under suspension on the charge of gross negligence/misconduct.

(e) The following steps have been taken to tighten the security in the above Press :

1. While carrying the note bundles from vaults to the finishing section, the lots are tied with cotton tape before transportation.
2. Two Industrial Staff Members will accompany the lots under the supervision of the officer of the section till the lots enter the vaults/section.
3. The balances in the Vaults are checked thoroughly by Vault Assistant and two officers meticulously at every shift closing.
4. Trimmings are kept separately and taken out only after all the bundles and other security products are moved into the Vault at the end of the shift. Suitable procedure is formulated for checking and destruction of trimmings.
5. Trimmings are subjected to thorough check by CISF.
6. Contract workers are allowed only under direct supervision of officers of the section. They are allowed at specific times, avoiding tea/lunch break and proper and supervision is ensured during this activity.
7. Contract workers as at (6) are undergoing check by CISF.
8. Accounting procedures are suitably modified in Salvage section for Random Numbering machine etc. and also during handling of bundles.
9. Trimmings are periodically destroyed by granulation. Suitable procedures for Briquette disposal has been formulated on a trial basis.

Exports to Russia

4568. SHRI R. SAMBASIVA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether Russia agreed to renew a rolling plan for the purchase of some staple commodities of India, dispelling Indian fears that the proposed conversion of the rupee debt

to the former Soviet Union into hard currency would affect Indian exports to Russia;

(b) if so, the details thereof; and

(c) the extent to which this agreement is in favour of India ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

(b) and (c) Does not arise.

Loans to States

4569. SHRI AJOY MUKHOPADHYAY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government is considering to review the existing Central Policy of providing 75% of the net small saving collections in a years to the States as loan carrying interest rate as high as 14.5%;

(b) whether the State Governments had urged upon the Union Government to convert such loan as grant; and

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

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir. A Committee has been constituted to examine several issues relating to Small Savings Schemes including parameters of disbursement of small savings collections as loan to the State Governments. At present 75% of the net collections of small savings are disbursed as loans to the State Governments repayable in 25 years with a moratorium of five years and carrying interest at 14.5%.

- (b) Yes, Sir. Some State Governments had urged upon the Government to convert such loan as grants.

(c) This issue is also under the consideration of the Committee mentioned at (a). The recommendations of the Committee are awaited.

[Translation]

Loan by IFCI to Sugar Mills

4570. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to state :

(a) the location of sugar mills in the country particularly in Maharashtra to whom loan has been provided by IFCI during 1996-97 and 1997-98 indicating the amount thereof; and

(b) the manner in which the said loans are likely to be recovered ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI

KADAMBUR M.R. JANARTHANAN) : (a) The Industrial Finance Corporation of India Ltd. (IFCI) has reported that it has sanctioned aggregate financial assistance of Rs. 73.21 crore to 12 sugar mills during 1996-97 and Rs. 96.56 crore to 14 sugar mills during 1997-98 located in the States of Uttar Pradesh, Maharashtra, Karnataka, Haryana, Bihar, Andhra Pradesh, Punjab and Gujarat. IFCI has further reported that it has sanctioned term loan of Rs. 13 crore to two sugar mills located in the State of Maharashtra during 1996-97 and Rs. 7.50 crore (Non-Convertible Debentures of Rs. 5.00 crore and term loan of Rs. 2.50 crore) to two sugar mills located in the State of Maharashtra during 1997-98.

(b) IFCI has reported that the loans have been sanctioned to the respective sugar mills based on their past satisfactory performance, credit record as also the individual projects meeting the overall viability criteria. Accordingly, the said loans are expected to be repaid out of the cash generations from operations of the respective sugar mills. In addition, the said loans are also secured by way of mortgage of the fixed assets of the concerns.

Show Cause Notice to I.T.C.

4571. SHRI RAJ NARAIN PASSI : Will the Minister of FINANCE be pleased to state :

(a) whether show cause notices are pending for adjudication with various excise and customs collectorate against M/s. Indian Tobacco Company Ltd. in connection with evasion of excise and customs duty;

(b) if so, the details thereof alongwith the amount of evasion since 1992;

(c) whether there is any delay in adjudicating such cases;

(d) if so, the reasons therefor; and

(e) the steps taken by the Government to recover the said amount ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (e) The information is being collected and will be laid on the Table of the House.

[Translation]

Mukherjee Committee

4572. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) the justification behind setting up of the headquarters of the Mukherjee Committee constituted to inquire into the

Gajaliland mine accident of BCCL at a long distance of five hundred Kms. away from the accident site;

(b) whether due to the location of the headquarters of above Committee far away from the accident site, the inquiry is being delayed;

(c) the expenditure incurred on the Mukherjee Committee as on May 15, 1998; and

(d) the amount Spent on travelling of the Committee from its headquarters to Dhanbad as on May 15, 1998 ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Based on information received from Ministry of Labour, it is learnt that the Headquarters of the Court of Inquiry was placed at Allahabad on the request of Justice S.K. Mookerji, Chairman, Court of Inquiry who has cited the following reasons in support of his contention

(i) His old age and health problems which may not allow him to stay away from his home (at Allahabad) for longer periods.

(ii) The place of Inquiry should be far removed from the accident site to ensure free and fair environment for holding the inquiry.

(b) No Sir, the Chairman, Court of Inquiry has since submitted the report to the Government (Ministry of Labour) on 29.6.98.

(c) The expenditure incurred for the Court of Inquiry as on 15th May, 1998 is Rs. 19,01,728/- (Rupees Nineteen Lakhs one thousand seven hundred and twenty eight only).

(d) The amount spent on account of travelling of the Court of Inquiry as on 15th May, 1998 is Rs. 3,15,801/- (Rupees three lakhs fifteen thousand eight hundred and one only).

[English]

Financial Assistance to Rural Industries by KVIB

4573. SHRI A.F. GOLAM OSMANI :
SHRI PRADEEP KUMAR YADAV :

Will the Minister of INDUSTRY be pleased to state

(a) whether Khadi and Village Industry Board has started a comprehensive programme to grant financial assistance to set up the rural industries including bee keeping, production of bee colonies, training, promotion and other related work in the country;

(b) if so, the details thereof, State-wise, particularly in Assam and Uttar Pradesh; and

(c) the marginal amount sanctioned by KVIB in this regard, State-wise ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Yes, Sir.

(b) In order to develop Khadi and Village Industries for generation of additional employment for 2 million persons, Khadi and Village Industries Commission has launched a programme known as the Rural Employment Generation Programme (REGP) consisting of following major components :

1. District Special Employment Programme.
2. 125 Priority Block Development Programme.
3. National Project of selected village industries viz. bee keeping, handmade paper and leather pottery.
4. Special Project-Thrust Areas.

Lists of 71 Districts and 125 Blocks selected State wise for coverage of the REGP are attached in the Statement 'A' and 'B'.

Bee Keeping Industry

As part of the Rural Employment Generation Programme (REGP), it is proposed to set up 99 National Project for developing the bee keeping industry in the country to generate employment for 0.48 lakhs persons by the terminal year of 9th Five Year Plan. In the second phase, it is envisaged to expand bee keeping activities by introducing improved technology and new colonies in the range of 250/500 colonies per project. The KVIC in collaboration with North Eastern Council has also established a Regional Project at Boko in Assam State for development of Apiculture in the North Eastern Region. The KVIC established the Central Bee Research and Training Institute in Pune. The activities of Institute are run through its three Regional Bee Research Centres and 18 Field observation centres to cater the needs of training and research.

(c) The State-wise disbursement of funds to the various KVI Boards as well as disbursement under Bee Keeping Industry is in the attached Statement 'C' and 'D'.

Statement A

List of 71 selected districts for coverage under the special employment programme for Khadi and Village Industries

- | | |
|--|--|
| <p>I. Andhra Pradesh</p> <ol style="list-style-type: none"> 1. Kurnool 2. Adilabad 3. Mehboob Nagar 4. Prakasam 5. Karimnagar 6. East Godavari 7. Srikakulam | <p>II. Arunachal Pradesh</p> <ol style="list-style-type: none"> 8. Changlang <p>III. Assam</p> <ol style="list-style-type: none"> 9. Marigaon 10. Lakhimpur <p>IV. Bihar</p> <ol style="list-style-type: none"> 11. Saharsa 12. Godda 13. Madhubani 14. Gaya <p>V. Gujarat</p> <ol style="list-style-type: none"> 15. Banaskantha 16. Panchmahal 17. Kutch <p>VI. Himachal Pradesh</p> <ol style="list-style-type: none"> 18. Chamba 19. Kullu & Manali <p>VII. Haryana</p> <ol style="list-style-type: none"> 20. Rewari-Ambala <p>VIII. Jammu & Kashmir</p> <ol style="list-style-type: none"> 21. Anant Nag 22. Jammu <p>IX. Karnataka</p> <ol style="list-style-type: none"> 23. Kolar 24. Raichur 25. Dharwad 26. Chitradurga <p>X. Kerala</p> <ol style="list-style-type: none"> 27. Alleppy 28. Pathanamthitta 29. Thrissur 30. Kozikode-Wyanad <p>XI. Madhya Pradesh</p> <ol style="list-style-type: none"> 31. Sarguja 32. Bhand 33. Guna |
|--|--|

34. Raipur
 35. Jhabua-Dhar
 36. Betul
XII. Maharashtra
 37. Chandrapur
 38. Yavatmal
 39. Raigarh-Ratnagiri
 40. Beed
 41. Nanded
XIII. Manipur
 42. Imphai
XIV. Meghalaya
 43. East Garo Hills
 44. West Garo Hills
 45. South Garo Hills
XV. Mizoram
 46. Lunglei & Aizwal
XVI. Nagaland
 47. Dimapur & Kohima
XVII. Orissa
 48. Kalanhandi
 49. Phulbani-Koraput
 50. Dhenkanal-Kendrapada
XVIII. Punjab
 51. Hosiarpur
XIX. Rajasthan
 52. Dausa
 53. Tonk
 54. Udaipur
 55. Jaipur
XX. Tripura
 56. Tripura (West)
XXI. Tamil Nadu
 57. Ramanathpuram
 58. Tirunolveli
 59. Dharampuri
 60. North Arcot
 61. South Arcot
XXII. Uttar Pradesh
 62. Mau-Belia
 63. Almora & Pithoragarh
 64. Chameli & Utrakashi
 65. Mathura
 66. Shahjahanpur
 67. Jhansi
 68. Jaunpur
XXIII. West Bengal
 69. Birbhum
 70. North 24 Parganas & South 24 Parganas
 71. Malda
 72. Nadia
XXIV. Sikkim
 73. Sikkim

Statement-B*List of blocks identified for implementing 125 Block Development Programme*

S.No.	State	Districts	Blocks
1	2	3	4
1	Andhra Pradesh	1. Chtloor 2. Prakesam 3. Mahaboob Nagar 4. Anantapur 5. Ranga Reddy	1. Madanapatti 2. Karigiri 3. Achampet 4. Madakestra 5. Ibrahim Patnam

1	2	3	4
		6. Warangal	6. Mahaboobabad
		7. Cuddapah	7. Pulivendala
		8. Srikakulam	8. Rasbuddm
	Visakhapatnam (R.O.)	9. West Godawari	9. Polaveram
		10. Visakhapatnam	10. Paderu
2.	Assam	1. Kamrup	1. Rangia
		2. Dibrugarh	2. Kokopather
		3. Darrange	3. Udalgari
		4. Goalpara	4. Matia
		5. Lakhimpur	5. Bihpuria
3.	Arunachal Pradesh	1. Lower Subansari	1. Kimindolmukh
4.	Bihar	1. Dumka	1. Jama
		2. Rohtas	2. Chanari
		3. Sahebganj	3. Bono
		4. Jamui	4. Lakshmipur
		5. Sibhar	5. Sibhar
		6. Paschim-Champaran	6. Gaunha
	Ranchi (R.O.)	7. Ranchi	7. Bero
		8. West Singbhum	8. Chaibasa
		9. Palamau	9. Chandwa
		10. Gumla	10. Raidih
		11. Lohardaga	11. Senha
5.	Gujarat	1. Valsad	1. Dharampur
		2. Surat	2. Patsana
		3. Rajkot	3. Jasdai
		4. Sabarkantha	4. Megraj
		5. Bhavnagar	5. Savarkunda
		6. Surendera Nagar	6. Desada
6.	Haryana	1. Hissar	1. Hissar-II
		2. Mahendragarh	2. Nangal Choudhary
		3. Ambala	3. Narayangarh
7.	Himachal Pradesh	1. Shimla	1. (NRPDS)
		2. Kangra	2. Paraspur

1	2	3	4
8.	Jammu & Kashmir	1. Udhampur	1. Raisi
9.	Karnataka	1. Gulbarga	1. Aland
		2. Belgaum	2. Athani
		3. Mysore	3. Yelandur
		4. Chitradurga	4. Holakere
		5. Bidar	5. Basarskalyana
		6. Raichur	6. Kustagi
10.	Kerala	1. Trivandrum	1. Perunkadawala
		2. Mallapuram	2. Vellanad
		3. Trissur	3. Wandoor
			4. Pathayanur
11.	Maharashtra	1. Solapur	1. Mangabardha
		2. Beed	2. Kej
		3. Nasik	3. Malegaon
		4. Pune	4. Junnar
		5. Bhandara	5. Salekasa
	Wardha (R.O.)	6. Nagpur	6. Ramtek
		7. Yavatmal	7. Kalamb
		8. Amravati	8. Chikhaldhara
		9. Wardha	9. Seloo
12.	Madhya Pradesh	1. Raipur	1. Manipur
		2. Hoshangabad	2. Harda
		3. Morena	3. Vijaypur
		4. Devas	4. Bagli
		5. Bilaspur	5. Pali
		6. Balaghat	6. Kota
		7. Ratlam	7. Bahar
		8. Chindwara	8. Ratlam
		9. Sidhi	9. Chaurai
		10. Raigarh	10. Kusmi
		11. Bastar	11. Bharghada
		12. Khargaoan	12. Jagdhalpur
		13. Durg	13. Pansemel
		14. Guna	14. Baldo

1	2	3	4
13.	Mizoram	1 Mizoram	1 Mizoram
14.	Nagaland	1. Kohima	1. Medziphorma
15.	Rajaasthan		
	Bikaner (R.O.)	1. Barmer	1. Balothara
		2. Bikaner	2. Kolayat
	Jaipur (S.O.)	3. Churu	3. Bikaner
		4. Dungurpur	4. Taranagar
		5. Jaisalmer	5. Simalwara
		6. Sikar	6. Sam
		7. Banswara	7. Neem ka Thana
			8. Bhatol
16.	Tamil Nadu		
	Medurai (R.O.)	1. Kamarajar	1. Narukudi
		2. Chidambarnar	2. Vilathakulam
	Madras (S.O.)	3. P.M. Thevar	3. Singampunan
		4. Dharmapuri	4. Bargur
		5. North Arcot (Ambedkar)	5. Jawadu Hills
17.	Uttar Pradesh		
	Haldwani (R.O.)	1. Nainital	1. Gadapur
		2. Almora	2. Takula
		3. Pithoragarh	3. Pati
		4. Jhansi	4. Mauranpur
	Lucknow (S.O.)	5. Hamirpur	5. Chankhan
		6. Lalitpur	6. Birdha
		7. Kheri	7. Bijua
		8. Baha	8. Baha
	Dehradun (R.O.)	9. Chamoli	9. Ukhimat
	Varanasi (R.O.)	10. Mirzapur	10. Channbey
	Meerut (R.O.)	11. Ghazlabed	11. Razapur
18.	Punjab	1. Sangrur	1. Lehragaga (NRPDS)
19.	Orissa	1. Sambalpur	1. Paikamal
		2. Balasore	2. Nilgiri

1	2	3	4
		3. Mayur Bhanj	3. Badasahi
		4. Koraput	4. Laxmipur
		5. Keonjhar	5. Ghatgam
		6. Boudh	6. Kantamal
		7. Sundergarh	7. Smbdega
		8. Gujapati	8. Gurma
		9. Bolangir	9. Patnagarh
20.	Tripura	1. West Tripura	1. Mohanpur
21.	West Bengal	1. Bankura	1. Ranibandh
		2. Midnapur	2. Jhargram
		3. Purulia	3. Raghunathpur-1
		4. Murshidabad	4. Sagardighi
		5. Burdwan	5. Ausgram-1
		6. Malda	6. Habibpur
		7. Uttar Dinajpur	7. Karandighi
		8. 24 Pargana(s)	8. Canning
		9. Jalpaiguri	9. Alipurduar
22.	Meghalaya	1. West Garo Hills	1. Sei Seka
23.	Lakshadweep	1. Lakshadweep	1. Lakshadweep
24.	Goa	1. North District	1. North District
25.	Manipur	1. Churachandpur	1. Thanglong
		2. Ukhrul	2. Kamjong
26.	Andaman & Nicobar	1. Andaman & Nicobar	1. Andaman & Nicobar

Statement 'C'

Statement showing Statewise disbursement of fund under Khadi & V.I. during the year 1997-98

(Rs. in lakhs)

Sl. No.	State and Union Territories	CBC Source	From KVIC Sources				Total	Grand Total
		CBC	Khadi Loan	V.L. Loan	Khadi Grant	V.I. Grant		
1	2	3	4	5	6	7	8	9
1.	Andhra Pradesh	1885.09	63.02	17.67	188.42	737.29	1006.40	2891.49
2.	Arunachal Pradesh	-	-	-	0.87	-	0.87	0.87
3.	Assam	2.30	19.43	0.37	35.07	6.30	61.17	63.47
4.	Bihar	8.82	30.17	0.14	747.91	4.00	782.22	791.04

1	2	3	4	5	6	7	8	9
5. Goa		1.21	-	31.32	1.12	9.85	42.29	43.50
6. Gujarat		4.70	7.00	13.37	1234.68	94.71	1349.76	1354.46
7. Haryana		114.89	18.75	219.36	590.12	52.24	880.47	995.36
8. Himachal Pradesh		127.80	-	-	120.60	153.98	274.58	402.38
9. Jammu & Kashmir		128.73	0.38	-	81.92	40.53	122.83	251.56
10. Karnataka		1666.56	170.75	68.05	434.42	561.35	1234.56	2901.13
11. Kerala		3.09	3.15	1.47	320.71	15.58	340.91	344.00
12. Madhya Pradesh		1004.54	1.21	48.86	267.03	319.06	636.18	1640.72
13. Maharashtra		589.96	10.84	48.68	113.04	285.31	457.87	1047.83
14. Manipur		585.83	-	-	-	281.50	287.50	873.33
15. Meghalaya		-	-	-	0.77	-	0.77	0.77
16. Mizoram		130.80	-	-	0.12	49.63	49.75	180.55
17. Nagaland		-	-	-	7.18	90.00	97.18	97.18
18. Orissa		148.54	18.95	5.87	30.01	60.50	115.33	263.87
19. Punjab		316.96	-	2.50	609.23	124.79	736.52	1053.48
20. Rajasthan		299.86	28.59	26.21	77.53	314.15	446.28	746.14
21. Sikkim		-	-	-	-	-	-	-
22. Tamilnadu		55.82	0.25	26.57	1161.29	58.76	1246.87	1302.69
23. Tripura		-	-	7.00	0.01	-	7.01	7.01
24. Uttar Pradesh		33.92	61.81	128.90	1929.03	77.72	2197.46	2231.38
25. West Bengal		-	43.15	4.96	170.46	7.60	220.17	226.17
Total - I		7109.42	477.45	651.32	8121.33	3344.85	12594.95	19704.37
II UNION TERRITORIES								
26. Andaman & Nicobar		-	-	-	-	-	-	-
27. Chandigarh		-	-	-	-	-	-	-
28. Dadra & Nagar Haveli		-	-	-	-	-	-	-
29. Daman & Diu		-	-	-	-	-	-	-
30. Delhi		4.59	-	-	21.80	10.75	32.55	37.14
31. Lakshadweep		-	-	-	-	-	-	-
32. Pondicherry		-	-	-	-	-	-	-
Total -II		4.59	-	-	21.80	10.75	32.55	37.14
Total I + II			477.45	651.32	8143.13	3344.60	12627.50	19741.51
III Departmental					616.94	21567.01	22183.95	22183.95
IV Others								
Total (I+II+III+IV)		7114.01	477.45	651.32	8760.07	24992.61	34811.45	41925.46

Statement 'D'

Statement showing total disbursement of fund under Bee Keeping Industry for the past 5 years

(Rs. in lakhs)

Year	KVIC Sources		C.B.C.
	Grant	Loan	
1993-94	19.90	54.62	-
1994-95	9.63	43.10	-
1995-96	43.18	112.72	31.80
1996-97	40.02	47.20	57.28
1997-98	6.66	4.26	8.46

Cotton Supplies to Mills in U.P.

4574. SHRI MOTILAL VORA : Will the Minister of TEXTILES be pleased to state :

(a) whether the some low quality of cotton rejected several times earlier was purchased from the Maharashtra Federation for the cooperative spinning mills of Uttar Pradesh;

(b) whether use of P.B. Yarn in place of cotton yarn was on of the reason for the losses in the above mills;

(c) whether it also a fact that the P.B.'s of various counts were sold at very low prices;

(d) if so, the reasons therefor;

(e) whether the Government have made any appraisal of the work efficiency of the General Manager and all other high officials;

(f) if so, the detail thereof; and

(g) if not, the reasons therefor ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (g) The matters raised by the Honourable Member primarily come under the jurisdiction of the State Government concerned.

Bonds by UTI

4575. SHRI SUSHIL KUMAR SHINDE :
SHRI MADHAVRAO SCINDIA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Unit Trust of India has initiated an Indian Millenium (Fund) Scheme and India Bonds are to be issued to Indian abroad thereunder;

(b) if so, the main terms of the India Bonds;

(c) whether the bonds are denominated in foreign currencies;

(d) the extent to which the scheme has been subscribed so far;

(e) the amount of foreign exchange collected and likely to be collected under the scheme; and

(f) the pattern of utilisation of this fund ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Unit Trust of India has informed that the Scheme is under formulation.

(b) to (f) Do not arise.

Setting up of Rural Industrial and Business Park

4576. SHRI ASHOK NAMDEORAO MOHOL : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have taken any decision for setting up of 500 Rural Industrial and Business Parks in the country;

(b) if so, the State-wise details thereof and the objectives likely to be achieved thereby;

(c) the estimated expenditure involved therein and the mode financing the same;

(d) whether the Government have also consulted the State Governments in regard to identification of village industries to be developed by these parks and the places of their location;

(e) the guidelines framed in this regard; and

(f) the time by which parks are likely to be set up ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) No, Sir. The Government have not taken any decision for setting up of 500 Rural Industrial and Business Parks in the country.

(b) to (f) In view of the reply at (a) above, question does not arise.

Bank Loans to Industrial Sector

4577. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of FINANCE be pleased to state :

(a) whether the amount of loans credit by Banks given to the Industrial Sector has increased as compared to the agricultural sector;

(b) if so, the loans given by Public and Private Sector Banks to the Industrial and Agricultural Sector during each of the last three years, Bank-wise and State-wise, separately;

(c) whether any steps have been taken by the Government to increase the flow of credit to the agricultural sector; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) The outstanding bank credit of scheduled commercial banks to Agriculture, Small Scale Industries and Industry (Medium and Large) as on March 31, 1995, March 29, 1996 and March 28, 1997 is as given below :

Sector	(Rs. crore)		
	March 31, 1995	March 29, 1996	March 28, 1997
Agriculture	23,983	27,044	30,874
Small Scale Industries	27,638	31,884	34,113
Industry (Medium & Large)	74,672	93,053	1,00,025

(b) Information is being collected and will be laid on the Table of the House.

(c) and (d) A number of steps have been taken by Government, Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) to enhance the flow of credit to agriculture sector. Some of these include, inter alia, the following :

- (i) The Commercial banks have been asked to increase the credit flow to agriculture by 25%.
- (ii) With a view to strengthen the financial capability of NABARD, its capital has been raised by Rs. 1000 crore during the past two years.
- (iii) Regional Rural Banks (RRBs) have been given recapitalisation support.
- (iv) Banks have been advised to set up specialised agricultural branches in each State to exclusively deal with high-tech agricultural advances.
- (v) Banks have been advised to extend cash credit facilities for meeting composite credit requirements of farmers having a good track record.
- (vi) With a view of improving the access of small farmers to industrial credit, NABARD has advised co-operative banks to earmark funds in favour of small, marginal and economically weak farmers.

Canada aid for Tourism Infrastructure in U.P.

4578. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of TOURISM be pleased to state :

(a) whether the Union Government have received any proposal from the Government of Uttar Pradesh seeking Canada aid for development of tourism infrastructure of UP; and

(b) if so, the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) No, Sir.

(b) Does not arise.

Agreement with Foreign Countries to promote tourism

4579. SHRI D.S. AHIRE :
SHRI VITHAL TUPE :

Will the Minister of TOURISM be pleased to state :

(a) the number of agreements signed with foreign countries to promote tourism during the last three years along with the names of such countries;

(b) the names of tourism projects introduced in the country under these agreements;

(c) the nature and quantum of assistance received/likely to be received under the agreements from foreign countries for such projects; and

(d) the details of progress made so far in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) During the last three years, India has signed Agreements with the following 10 countries for mutual promotion of tourism :

Turkey, Iran (MOU), Kyrgyzstan, Mexico, Seychelles, Cyprus, Peru, South Africa, Egypt and Greece.

(b) to (d) Tourism Cooperation Agreements are generally broad-based and aimed at mutual promotion of tourism between the parties. No specific tourism projects has been introduced in the country nor any financial assistance is received/likely to be received from foreign countries under these agreements.

Export of Handicrafts

4580. DR. T. SUBBARAMI REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether a attractive export of handicrafts had crossed the Rs. 10000 crores mark by the turn of the century:

(b) if so, whether the healthy growth of 18 per cent in rupee terms and 15 per cent in dollar terms was recorded:

(c) if so, whether national average has dipped below four per cent handicraft exports would touch the landmark figure by 2000-2001;

(d) the details of the steps taken to further improve the handicrafts exports; and

(e) the names of the countries which are in competition with India ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) No target for export of handicrafts by the turn of century have yet been fixed.

During the year 1997-98 the export of handicrafts including hand-knotted carpets has recorded a growth of 14.73% in rupee terms and 4.76% in dollar terms.

(d) The steps taken to further improve the handicrafts exports include: sponsoring of sales-cum-study teams abroad; participation in international fairs/festivals; conducting of workshops and seminars; overseas publicity; organisation of buyer-seller's meets and organisation of Indian Handicrafts and Gift fair and Carpet Expo annually.

(e) The major competitor countries of India in handicrafts are China, Thailand, South Korea, Phillipine, Iran, Nepal, Turkey and Pakistan etc.

Increase in export

4581. SHRI T. GOVINDAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Union Government have identified the areas in which our country's exports have increased due to liberalisation, Privatisation and Globalisation policies pursued by the Government during the last five years;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) The areas in which our country's exports have increased due to liberalisation, Privatisation and Globalisation policies pursued by the Government during the last five years is enclosed in the form of Statement.. However, some variations in year to year growth have been witnessed on account of sectoral factors and other domestic and international factors.

(c) The question does not arise.

Statement

Export of principal commodities showing increase during the last five years (value in US \$ million)

Commodities	Percentage growth									
	1993-94	1994-95	1995-96	1996-97	1997-98	1993-94	1994-95	1995-96	1996-97	1997-98
Plantations	511.63	646.02	799.48	693.99	841.32	9.5	26.3	23.8	-13.2	21.2
Agri & Allied Products	2495.84	2393.66	4240.57	4596.29	4175.72	24.5	-4.1	77.2	8.4	-9.2
Gems & Jewellery	3995.59	4500.37	5275.21	4752.71	5116.01	17.2	12.6	17.2	-9.9	7.6
Sports Goods	444.48	65.82	73.74	78.05	77.81	12	48	12	5.8	-0.3
Chemical & Related	2486.72	3215.54	3790.05	4102.65	4494.02	17.9	29.3	17.9	8.2	9.5
Product Engineering Goods	2697.58	3019.1	3607.43	4055.14	4193.34	19.5	11.9	19.5	12.4	3.4
Electronic Goods	326.25	467.43	751.08	854.91	745.15	60.7	43.3	60.7	13.8	-12.8
Project Goods	22.69	21.49	32.48	52.64	43.39	51.1	-5.3	51.1	62.1	-17.6
Textiles	4904.06	6557.74	7468.72	8045.32	8238.44	13.9	33.7	13.9	7.7	2.4
Handicrafts	318.53	386.32	433.95	475.67	518.58	12.3	21.3	12.3	9.6	9

Source - DGCI & S Calcutta.

India Tobacco Company

4582. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state :

(a) whether the ITC's latest financial results showed that huge profits did not made adequate provisions for excise evasion claims, FERA violation penalties loss of 100% subsidiary ITC Global Limited, Singapore to reflect the true

and fair view of the company as pointed out by several analysts;

(b) if so, the details thereof and the reasons therefor;

(c) whether some inquiry has been conducted in this regard;

(d) if so, the results thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (e) Information is being collected and will be laid on the Table of the House.

[Translation]

ESSAR Group

4583. SHRIMATI SURYAKANTA PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the Income Tax Department have revealed recently that ESSAR group have furnished less returns on profit of several crores of rupees;

(b) if so, the details thereof;

(c) the fine imposed on the company in this regard, till date;

(d) whether any penal action have also been taken against the officials of the company; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (e) The information is being collected and shall be laid on the Table of the House.

[English]

Investment by Foreign Company in Infrastructure

4584. SHRI SUDHIR GIRI : Will the Minister of INDUSTRY be pleased to state :

(a) whether any foreign company has made investment in infrastructure in the country during 1997-98, as on date; and

(b) if so, the details thereof ?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Sir, a total number of 1747 proposals envisaging foreign direct investment amounting to Rs. 46696.94 crores in different sectors including infrastructure, have been approved during the period 1.4.97 to 31.5.98. Total inflows amounting to Rs. 13766.60 crores have been received during this period. The details of such proposal viz. Name and country of Foreign collaborator, percentage of equity, items of manufacture/activity and location of the project are published on a monthly basis in STA Newsletter which is widely circulated, including the Parliament library.

Export Silk Waste

4585. SHRI R. SAMBASIVA RAO : Will the Minister of TEXTILES be pleased to state :

(a) whether a high level meeting was held on shortage in silk waste consequent to the increasing export of silk waste from the country;

(b) if so, whether the Union Minister held a discussion with Chairman of the Silk Board in Bangalore has discussed various issues about silk reeler and spun silk manufacturers and sort out in mutual interest;

(c) if so, whether after discussion, the Government had no choice but to step in and impose restrictions on silk waste exports; and

(d) if so, the price for per Kg. fixed for silk waste ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The previous Union Minister for Textiles had taken a meeting with the representatives of both silk reelers and spun silk mills owners on 15.11.97 in which Chairman, Central Silk Board (CSB) was also present. In this meeting it was decided that a Committee of the representative of the spun silk industry and the reelers will be formed which will decide a mutually acceptable band of silk waste prices that would rule for next one year. However, no acceptable arrangement could be negotiated for implementation.

(c) and (d) No, Sir. No restrictions have yet been proposed by the Government of India.

Financial Assistance by European Commission

4586. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether European Commission has decided to provide Rs. 42.43 crores for implementation of 29 projects under the European Union-Indian Economic Cross Cultural Programme; and

(b) if so, the details of projects which are likely to be undertaken under this assistance, location-wise ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) The projects which are to be implemented by different organisations and agencies located in India and in EU countries pertain to (i) University Dimension (ii) Enterprise Dimension, and (iii) Media Dimension. The projects cover social, economic, environmental and technological issues; development of small and medium enterprises, energy, transport, current affairs etc.

[Translation]

Issue of One Thousand Rupee Notes

4587. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 460 on May, 1998 and state :

(a) whether the Government have taken a final decision to issue one thousand rupee notes again;

(b) if so, the details thereof and the reasons therefor;

(c) whether five hundred rupee notes would also continue: and

(d) if not, the reasons therefor ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) The purchasing power of the rupee has gone down considerably since 1978, i.e. when high denomination notes were demonetised. The wholesale price index (base 1981-82 = 100) has risen from 65.88 in January, 1978 to 319.20 in December, 1996. Similarly, the Consumer Price Index (base 1982 = 100) has also moved up from 65.92 in January, 1978 to 350 in December, 1996, indicating an erosion in the value of the rupee from 100 paise in January, 1978 to 18.8 paise in December, 1996. Thus the average consumer requires notes of a higher face value for his normal transactions. The introduction of the Rs. 1000 denomination bank note will meet the demand for high value cash transactions. This will also considerably improve not supply position in the country as it would greatly relieve the pressure on lower denomination notes.

Introduction of Rupees 1000 note will, however, require amendment to High Denomination Bank Notes (Demonetisation) Act, 1978, action for which has already been initiated. The design for Rs. 1000 note is under preparation.

(c) Yes, Sir.

(d) Does not arise.

[English]

Central subsidy

4588. SHRI A.F. GOLAM OSMANI : Will the Minister of FINANCE be pleased to state :

(a) the estimated amount of direct Central subsidies during 1997-98, item-wise;

(b) the actual subsidy given during each of the last three years, item-wise;

(c) whether the Government propose to reduce these subsidies; and

(d) if so, the reasons therefor ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The expenditure on direct subsidies during the three years from 1995-96 and the estimates there-of in 1998-99 is given by broad details in the table below :

	(Rs. in crore)			
	1995-96	1996-97	1997-98	1998-99
			RE	BE
Food Subsidy	5377	6066	7500	9000
Sugar Subsidy	—	—	400	400
Subsidy on Fertilisers				
Indigenous (urea) fertilisers	4300	4743	6600	6000
Imported (urea) fertilisers	1935	1163	826	983
Sale of decontrolled fertilisers with concession to farmers	500	1672	2600	3000
Export promotion and Market Development	318	20	440	500
Subsidy to Railways	388	466	526	628
Subsidy on mill-made and Handloom clothes	126	98	64	46
Interest and other subsidies	428	1897	688	1468
Total	13372	16125	19644	22025

(c) and (d) Like any other expenditure, the subsidies are also reviewed while finalising Budget/Revised Estimates every year and the provisions are enhanced/reduced as per the requirements assessed.

[Translation]

Woollen Garment Export Policy

4589. SHRI RAVINDRA KUMAR PANDEY :
SHRI RAMESHWAR PATIDAR :

Will the Minister of TEXTILES be pleased to state :

(a) whether Wool and Woollen Garment Export Promotion Council has formulated any policy for earning more foreign exchange from the export of readymade woollen garments during 1998-99; and

(b) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) It has been the endeavour of the Government to earn more foreign exchange through export of readymade garments, including woollen garments. In this direction, the Government has approved various marked development activities of the Wool and Woollen Export Promotion Council which include participation in various trade fairs/exhibitions in various countries. Besides, the Council has also taken steps towards development of new products, product diversification and exploration of newer markets, including Latin America, Australia and New Zealand.

[English]

Visit of Moody's Investor Service

4590. SHRI SUSHIL KUMAR SHINDE :
SHRI MADHAVRAO SCINDIA :

Will the Minister of FINANCE be pleased to state :

(a) whether a team of Moody's, the Credit Rating Agency Investors Services visited New Delhi on June 12, 1998 to discuss and reassess India's sovereign rating; and

(b) if so, the outcome thereof, indicating the factors taken into account in reviewing and revising India's credit ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) As a part of periodic review of Sovereign Rating, M/s. Moody's Investor Service Visited India between 10-12 June, 1998. The rating was revised from Baa3 to Ba2. Rating review considers several parameters including macro economy, external sector etc.

Export of Gems and Jewellery

4591. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of Gems and Jewellery has declined;

(b) if so, the reasons therefor;

(c) whether any steps have been taken to boost the export of Gems and Jewellery; and

(d) the estimated value of Gems and Jewellery exported during each of the last four years, country-wise ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir. In 1997-98, the Gem & Jewellery sector recorded an overall growth of 7.35% as compared to the previous year.

(b) Does not arise.

(c) In order to give a boost to the exports of gem & jewellery, a number of innovative provisions have been introduced in the Exim policy 1997-2002 as revised on 13.4.1998. They include : Provision for establishment of

Private/Public bonded warehouse in EPZ/DTA for import, supply and re-export of rough & cut & polished diamonds, precious & semi-precious stones; revision of value addition & wastage norms for gold/silver/platinum jewellery & articles; export of branded jewellery; extension of existing gold schemes to silver & platinum jewellery; personal carriage of samples of jewellery for export promotion tours; etc. These policy initiatives are aimed at helping the trade to become more competitive besides providing them with opportunities to explore new markets.

(d) The estimated value of gem & jewellery exported countrywise during last four years is given in the statement attached.

Statement

Country-wise export of gems & jewellery during last four years

(Value in US\$ million)

D.G.C.I & S*	1994-95	1995-96	1996-97	1997-98
U.S.A.	1496.26	1649.22	1650.74	1931.76
Hongkong	1094.32	1271.91	1090.65	1184.70
Belgium	623.41	724.69	686.58	747.04
Japan	582.20	746.67	467.02	328.13
Thailand	161.14	230.52	171.95	94.05
Israel	99.47	137.95	124.33	198.75
U.A.E.	87.53	93.18	104.11	139.32
Singapore	74.58	97.39	110.26	78.90
U.K.	68.06	84.20	83.63	119.08
Switzerland	61.35	65.86	81.35	85.55
Germany	51.59	66.53	60.68	56.67
Other countries	100.49	107.32	113.00	129.45
Total	4500.40	5275.44	4744.30	5093.40

* Countrywise figures in Rupees have been converted to US Dollar at the following rates of exchange :

1994-95 = 31.2700 1996-97 = 35.2234

1995-96 = 33.2413 1997-98 = 36.9077

Interest paid on ADB/World Bank Loan

4592. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether almost half of the aid received last year from the World Bank and Asian Development Bank has gone

back to the multilateral agencies in the form of interest paid on earlier loans;

(b) if so, whether the new debts generated from the World Bank and the ADB in 1996-97 totalled \$ 1.592 billion;

(c) if so, the interest paid to the ADB on outstanding debts in 1996-97 and the total repayments made to the ADB in 1996-97;

(d) whether India's outstanding debt repayments to the Organisation of Petroleum Export countries have also declined;

(e) if so, the details thereof; and

(f) the total interest paid to the World Bank and other agencies upto now ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) During 1997-98, the total amount of external aid received from the World bank and Asian Development Bank was Rs. 7434.69 crore and interest paid to them was Rs. 3308.40 crore.

(b) The loans disbursed by the World Bank and the ADB in 1996-97 totalled US \$ 2.287 billion.

(c) The amount of interest paid on outstanding debts and repayment of principal made to the ADB in 1996-97 were US\$ 158.842 million and US \$ 115.320 million, respectively.

(d) and (e) India's outstanding debt repayments to the Organisation of Petroleum Exporting Countries have declined from US \$ 12.373 million in 1996-97 to US \$ 11.181 million in 1997-98.

(f) As per statement enclosed.

Statement

Source-wise payment of interest upto 31.5.98

(Donor Currency in million)

Sl. No.	Country/Institution	Currency	Amount Paid upto 31.5.98
1	2	3	4
1.	ADB	US Dollars	574.233
2.	IBRC	US Dollars	7200.442
3.	IDA	US Dollars	1169.739
4.	IDA	SDR	504.696
5.	IFAL	SDR	17.844
6.	OPEC	US Dollars	14.413
7.	Abu Dhabi Fund	UAE Dirham	26.402

1	2	3	4
8.	Austria	Austrian Schilling	512.204
9.	Balgium	Belgian Franc	615.491
10.	Canada	Canadian Dollar	70.476
11.	Republic of Czech & Slovak	1. Rupees	289.501
12.	Denmark	D. Kroner	10.817
		US \$	0.26
13.	E.E.C. (SAC)	UK Pounds	3.174
14.	France	Franch Franc	4437.376
15.	Hungary	1. Rupees	21.519
16.	I.M.F.	SDR	9.331
17.	Iraq	US \$	6.310
18.	Germany	Deutsche Mark	3118.970
19.	Iran	US \$	196.327
		SDR	66.131
20.	Italy	DM	19.028
		I. Lira	9675.779
		US \$	25.042
21.	Japan	Japanese Yen	371347.104
22.	Kuwait Fund	Kuwait Dinar	31.679
23.	Netherlands	D. Guilder	833.028
24.	Poland	I. Rupees	65.665
25.	Saudi Fund	Saudi Riyal	160.582
26.	Spain	US \$	7.410
27.	Sweaden	Swiss Franc	25.625
		Swedish Kroner	59.301
		US \$	0.168
28.	Switzerland	Swiss Franc	134.091
29.	UAE	US \$	20.734
30.	USA	US \$	2015.353
31.	Yugoslavia	I. Rupees	40.300
32.	Russian Federation	I. Rupees	3234.133
33.	United Kingdom	UK Pounds	166.073
34.	Australia	US \$	0.680

Note : The above figures include Commitment charges.

Funding of Salary Bills of employees of State Governments

4593. SHRI T. GOVINDAN :
SHRI K.S. RAO :
SHRI SAMAR CHOUDHURY :
SMT. BHAVNA KARDAM DAVE :

Will the Minister of FINANCE be pleased to state :

(a) whether Chief Ministers of some of the States have recently requested the Prime Minister for footing part of the State Governments employees salary bills for implementing the pay revision bills of their employees which has been necessitated by the implementation of Fifth Pay Commission's recommendations;

(b) if so, the details of the demands received in this regard indicating inter-alia names of the State Governments and the amount asked for;

(c) whether the Prime Minister has assured Chief Ministers of States that the Union Government process to consider their request sympathetically and favourably;

(d) if so, the details thereof;

(e) whether the Union Government have formulated any guidelines with regard to the funding of the part of the salary bills of the State Governments on account of the Central Pay Commission's recommendations; and

(f) if so, the details thereof ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) A statement is enclosed.

(c) No, Sir.

(d) Does not arise.

(e) No, Sir.

(f) Does not arise.

Statement

Requests received from State Governments seeking additional financial assistance from the Central Government in connection with revision of the pay of their employees

S. No.	State	Request
1	2	3
1.	Andhra Pradesh	Rs. 1500 crore per annum as grant-in-aid.
2.	Assam	Rs. 700 crore per year upto the year 2000 as grant.

1	2	3
3.	Bihar	50% as grant of Rs. 8000 crore projected for the 9th five year plan on salary may be met by Govt. of India.
4.	Gujarat	Grant-in-aid to meet the extra burden in the range of Rs. 2000 crore to Rs. 2200 crore for the year 1997-98 including arrears and Rs. 800 crore - Rs. 1000 crore per annum thereafter.
5.	Haryana	Additional Central assistance of Rs. 500 cr. as annual requirement and Rs. 1200 crore for the payment of arrears etc; modality may be worked out in meeting of Chief Ministers.
6.	Himachal Pradesh	Rs. 800 crore as outright grant or 90% grant and 10% loan or an long term loan.
7.	Karnataka	Rs. 1400 crore per annum. 50% of this amount may be provided as grant.
8.	Kerala	50% of additional annual requirements of Rs. 800 crore may be given by Govt. of India.
9.	Maharashtra	Rs. 5000 crore per annum and Rs. 8000 crore by way of arrear.
10.	Manipur	Rs. 74 crore per annum and Rs. 112 crore for arrear payment in the shape of matching financial assistance
11.	Meghalaya	Rs. 95 crore per annum and Rs. 155 crore for 1997-98 as grant-in aid.
12.	Punjab	50% of the additional annual burden of Rs. 660 crore may be borne by the Central Government.
13.	Rajasthan	Rs. 1200 crore annually in the shape of grand-in-aid/ interest free medium term loan/ways and means advance from RBI at 'zero' rate interest.
14.	Sikkim	Rs. 100 crore as Central assistance.
15.	Tripura	Rs. 350 crore for the year 1997-98 as special grant-in-aid.
16.	Tamilnadu	Additional resources of Rs. 2000 crore annually.
17.	Uttar Pradesh	Special central assistance to the extent of extra expenditure.
18.	West Bengal	50% of the additional burden of Rs. 2500 crore annually as grant from the Central Government.

SBI Foreign Exchange Dealing

4594. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state :

(a) whether State Bank of India is moving its Foreign Exchange Dealing Operations for Calcutta to Bombay;

(b) if so, the reasons therefor;

(c) whether this move is likely to be detrimental to the interest of West Bengal and its industry;

(d) if so, whether there is any proposal under consideration to cancel such scheme of shifting; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) State Bank of India has reported that with a view to enhance its competitiveness and commercial interests, it has become necessary to integrate the Foreign Exchange and the domestic treasury operations, envisaging in the process the undertaking of some dealing room functions from Mumbai instead of from Calcutta as at present.

(c) and (d) No, Sir.

(e) Does not arise.

[Translation]

Bilateral Trade with Oman

4595. SHRIMATI SURYAKANTA PATIL : Will the Minister of COMMERCE be pleased to state :

(a) the steps being taken to increase bilateral trade between India and Oman;

(b) whether these measures will reduce communication gap between the two countries;

(c) if so, the details thereof ;

(d) whether the Government have approved the investment by Oman in Fertilizer sectors; and

(e) if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) These include holding of Joint Commission Meetings, participation in trade fairs & exhibitions, exchange of commercial information, exchange of delegations both at official and business level, diversification of export basket to include non-traditional products, reviewing the trade exchanges continuously to take corrective measures where necessary.

(b) and (c) Yes, Sir. These measures help in reducing the communication gap between the two countries e.g. Joint Commission Meetings, exchange of delegations, provide instant information and clarifications on various issues and remove misgivings, if any, to facilitate trade promotion.

(d) and (e) A Joint Venture Project between India and Oman, in the fertilizer sector, at Sur (Oman) has been approved by Government of India on 1.12.97. The Project, involving Rashtriya Chemical Fertilizers Ltd. (RCF) and Krishak Bharati Cooperative Ltd. (KRIBHCO) from Indian side, is set to manufacture Urea to the level of 14.52 lakhs Metric Tonnes per annum. It involves an estimated investment of US\$ 69 mn. (Rs. 250 crores) each by RCF and KRIBHCO, in the equity while total project cost is estimated at US \$ 1.106 billion (Rs. 4424 crores). The entire urea production will be bought back by RCF and KRIBHCO and will be available for import into India.

[English]

Rise in Export of Textiles

4596. SHRI R. SAMBASIVA RAO : Will the Minister of TEXTILES be pleased to state :

(a) whether India's total textile exports have increased by 24 per cent during the first half of the current fiscal year;

(b) if so, the details of total cotton textile exports, including cotton, synthetic and woollen products;

(c) the extent to which it increased in comparison to the previous year; and

(d) the steps being taken to further improve textile exports ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (b) Data has so far been available only for three months (April, May & June) of current fiscal year. Hence, the question of assessment of exports during the first half does not arise.

(c) According to provisional figures available with the Ministry of Textiles, India's total textile exports (including handicrafts, Jute and Coir) during the first three months of 1998-99 i.e. April-June, 1998) are US\$ 2825.64 millions, which show a negative growth of 3% over the corresponding period last year.

(d) In order to boost the exports of textiles, Government have been taking a number of steps, which include encouraging exporters to participate in buyer-seller meets; fairs and exhibitions; enabling import of capital goods at concessional duty for export production; special arrangements for duty free import of raw materials for export production ensuring increased availability of export credit etc.

[Translation]

Coal Distribution Policy

4597. SHRIMATI SURYAKANTA PATIL : Will the Minister of COAL be pleased to state :

(a) whether the Union Government propose to review the policy of coal distribution and to decentralise the supply of coal to the consumer;

(b) if so, the details thereof;

(c) whether the present system has not been proved effective to some extent and great disparity has been found in it;

(d) whether a large number of irregularities have been found in coal supply being made to the State Governments;

(e) if so, whether the Government have beheld the situation; and

(f) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (c) Coal supplies/distribution to core Sectors are made based on short-term linkages established by Standing Linkage Committee (SLC) for these sectors/consumers. Coal companies are supplying/distributing coal to non-core sector based on the programmes submitted by the consumers in accordance with the linkages and/or sponsorships issued by the respective sponsoring authorities of the concerned State Governments and to the extent of their entitlement. Depending on the market situation the policy of coal distribution is subjected to review from time to time. Presently there is no proposal to review the same.

(d) Government is not aware of any irregularity in supply of coal being made to the State Governments.

(e) and (f) Do not arise in view of reply given to part (d) as above.

12.01 hrs.

PAPERS LAID ON THE TABLE

Annual report and review of The Working of the Delhi State Industrial Development Corporation Ltd., Statement showing reasons for delay etc.

[English]

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : I beg to lay on the Table -

- (1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the

Companies Act, 1956:

- (i) Statement regarding Review by the Government of the working of the Delhi State Industrial Development Corporation Limited, New Delhi, for the year 1996-97.
- (ii) Annual Report of the Delhi State Industrial Development Corporation Limited, New Delhi, for the year 1996-97 alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 1105/98]

- (3) A copy of the Memorandum of Understanding (Hindi and English versions) between the National Small Industries Corporation Limited, and the Department of Small Scale Industries and Agro and Rural Industries, Ministry of Industry for the year 1998-99.

[Placed in Library. See No. LT 1106/98]

Annual report and Review of the working of Cashew Export Promotion Council of India, Cochin and Statement showing reasons for delay

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : I beg to lay on the Table :

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Cashew Export Promotion Council of India, Cochin, for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Cashew Export Promotion Council of India, Cochin, for the year 1996-97.

2. Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 1107/98]

Annual report and review of the Working of Apparel Export Promotion Council, New Delhi for the year 1996-97

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : I beg to lay on the Table :

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Apparel Export Promotion Council, New Delhi, for the year 1996-97 alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Apparel Export Promotion Council, New Delhi, for the year 1996-97.

[Placed in Library. See No. LT 1108/98]

Notification under sub section 2 of section 38 of the Central Excise Act, 1944 etc.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : I beg to lay on the Table :

- (1) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excises Act, 1944 :
- (i) The Central Excise (Twelfth Amendment) Rules, 1997 published in Notification No. G.S.R. 668(E) in Gazette of India dated the 26th November, 1997 together with an Explanatory Memorandum.
 - (ii) The Central Excise (Thirteenth Amendment) Rules, 1997 published in Notification No. G.S.R. 694(E) in Gazette of India dated the 11th December, 1997 together with an Explanatory Memorandum.
 - (iii) G.S.R. 20(E) published in Gazette of India dated the 5th January, 1998 containing Corrigendum to the Notification No. G.S.R. 376(E) dated the 9th July, 1997.
 - (iv) G.S.R. 22(E) published in Gazette of India dated the 7th January, 1998 containing Corrigendum to the Notification No. G.S.R. 524(E) dated the 8th September, 1997.
 - (v) G.S.R. 23(E) published in Gazette of India dated the 7th January, 1998 containing Corrigendum to the Notification No. G.S.R. 668(E) dated the 26th November, 1997.
 - (vi) G.S.R. 21(E) published in Gazette of India dated the 5th January, 1998 containing Corrigendum to the Notification No. G.S.R. 694(E) dated the 11th December, 1997.
 - (vii) The Central Excise 3rd Amendment Rules, 1998 published in Notification No. G.S.R. 106(E) in Gazette of India dated the 2nd March, 1998 together with an Explanatory Memorandum.
 - (viii) The Central Excise (Eighth Amendment) Rules, 1997 published in Notification No. G.S.R. 361(E) in Gazette of India dated the 26th June, 1998 together with an Explanatory Memorandum.
 - (ix) The Central Excise (Ninth Amendment) Rules, 1998 published in Notification No. G.S.R. 375(E) in Gazette of India dated the 1st July, 1998 together with an Explanatory Memorandum.
 - (x) G.S.R. 681(E) published in Gazette of India dated the 1st December, 1997 together with an Explanatory Memorandum making certain amendments in the Notification No. 4/97-CE, dated the 1st March, 1997.
 - (xi) G.S.R. 686(E) published in Gazette of India dated the 3rd December, 1997 together with an Explanatory Memorandum making certain amendments in the Notifications mentioned therein.
 - (xii) G.S.R. 44(E) published in Gazette of India dated the 21st January 1998 together with an Explanatory Memorandum making certain amendments in the Notifications mentioned therein.
 - (xiii) G.S.R. 129(E) published in Gazette of India dated the 10th March, 1998 together with an Explanatory Memorandum making certain amendments in the Notification No. 58/97-CE, dated the 30th August, 1997.
 - (xiv) The Central Excise (Fourth Amendment) Rules, 1998 published in Notification No. G.S.R. 130(E) in Gazette of India dated the 10th March, 1998 together with an Explanatory Memorandum.
 - (xv) G.S.R. 155(E) published in Gazette of India dated the 31st March, 1998 together with an Explanatory Memorandum making certain amendments in the Notification No. 7/98-CE, dated the 10th March, 1997.
 - (xvi) G.S.R. 188(E) published in Gazette of India dated the 17th April, 1998 together with an Explanatory Memorandum making certain amendments in the Notification No. 82/92-CE, dated the 27th August, 1992.
 - (xvii) The Central Excise [Fourth Amendment (Amendments)] Rules, 1998 published in Notification No. G.S.R. 228(E) in Gazette of India dated the 29th April, 1998 together with an Explanatory Memorandum.
- [Placed in Library. See No. LT 1109/98]
- (2) A Copy of the Notification No. G.S.R. 336 (E) (Hindi and English versions) published in Gazette of India dated the 4th June, 1998 directing certain sections of the Insurance Act, 1938 to apply to the Life Insurance Corporation of India issued under sub-section (3) of section 43 of the Life Insurance Corporation Act, 1956.
- [Placed in Library. See No. LT 1110/98]
- (3) A copy of the Notification No. S.O. 485 (E) (Hindi and English versions) published in Gazette of India dated the 4th June, 1998 making certain amendments in the Notification No. S.O. 771(E) dated the 29th December, 1972 issued under section 35 of the General Insurance Business (Nationalisation) Act, 1972.
- [Placed in Library. See No. LT 1111/98]

- (4) A copy of the coinage (Standard weight and remedy of the One Rupee Circular Coins containing iron 82% and Chromium 18% with theme 'Cellular Jail') Rules, 1997 (Hindi and English versions) published in Notification No. G.S.R. 722(E) in Gazette of India dated the 23rd December, 1997 under sub-section (3) of section 21 of the Coinage Act, 1996

[Placed in Library. See No. LT 1112/98]

- (5) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 94 of the Finance Act, 1994 :

- (i) G.S.R. 346(E) published in Gazette of India dated the 15th June, 1998 together with an Explanatory Memorandum regarding exemption to taxable services provided by a tour operator to the specified diplomatic mission from the whole of the service tax leviable thereon.
- (ii) G.S.R. 347(E) published in Gazette of India dated the 15th June, 1998 together with an Explanatory Memorandum regarding exemption to taxable services provided by an air travel agent for booking for the specified diplomatic missions from the whole of the service tax leviable thereon.

[Placed in Library. See No. LT 1113/98]

- (6) A copy each of the following Notifications (Hindi and English versions) under section 296 of the Income-tax Act, 1961 :

- (i) The Income-tax Settlement Commission (Procedure) Rules, 1997 published in Notification No. G.S.R. 361(E) in Gazette of India dated the 4th July, 1997.
- (ii) The Income-Tax (Fifth) Amendment Rules, 1998 published in Notification No. S.O. 259(E) in Gazette of India dated the 27th March, 1998.
- (iii) The Income-Tax (Eighth Amendment) Rule, 1998 published in Notification No. S.O. 476(E) in Gazette of India dated the 29th May, 1998.

- (7) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at item (i) of (6) above.

[Placed in Library. See No. LT 1114/98]

- (8) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :

- (i) G.S.R. 708(E) published in Gazette of India dated the 19th December, 1997 together with an Explanatory Memorandum making certain amendments in the Notification No. 79/95-Cus., dated the 31st March, 1995.

- (ii) G.S.R. 709(E) published in Gazette of India dated the 19th December, 1997 together with an Explanatory Memorandum making certain amendments in the Notification No. 80/95-Cus., dated the 31st March, 1995.

- (iii) G.S.R. 710(E) published in Gazette of India dated the 19th December, 1997 together with an Explanatory Memorandum making certain amendments in the Notification No. 148/95-Cus., dated the 19th September, 1995.

- (iv) G.S.R. 711(E) published in Gazette of India dated the 19th December, 1997 together with an Explanatory Memorandum making certain amendments in the Notification No. 149/95-Cus., dated the 19th September, 1995.

- (v) G.S.R. 712(E) and G.S.R. 713(E) published in Gazette of India dated the 19th December, 1997 together with an Explanatory Memorandum making certain amendments in the Notification No. 30/97-Cus., and 31/97-Cus., dated the 1st April, 1997

- (vi) G.S.R. 200(E) published in Gazette of India dated the 23rd April, 1998 together with an Explanatory Memorandum making certain amendments in certain Notifications mentioned therein.

- (vii) G.S.R. 201(E) and G.S.R. 202(E) published in Gazette of India dated the 23rd April, 1998 together with an Explanatory memorandum making certain amendments in the Notification No. 29/97-Cus., 30/97-Cus., and 31/97-Cus., dated the 1st April, 1997.

- (viii) The adhoc Exemption Order No. 113 dated the 25th November, 1997 together with an Explanatory Memorandum seeking to exempt raw material and components imported by M/s Donyl Polo Petrochemicals Limited, Mumbai, from the whole of the basic, special and so much of the additional duty of customs leviable thereon.

- (ix) G.S.R. 43(E) and G.S.R. 74(E) published in Gazette of India dated the 21st January and 11th Feb. 1998 together with an Explanatory Memorandum making certain amendments in the Notification No. 11/97-Cus., dated the 1st March, 1997.

- (x) G.S.R. 89(E) published in Gazette of India dated the 24th February, 1998 together with an Explanatory Memorandum making certain amendments in the Notification No. 80/97-Cus., dated the 21st October, 1997.

- (xi) G.S.R. 131(E) published in Gazette of India dated the 10th March, 1998 together with an Explanatory Memorandum making certain

amendments in the Notification No. 11/97-Cus., dated the 1st March, 1997.

- (xii) G.S.R. 225(E) and G.S.R. 226(E) published in Gazette of India dated the 28th April, 1998 together with an Explanatory Memorandum making certain amendments in the Notification No. 11/97-Cus. and 12/97 Cus., dated the 1st March, 1997.
- (xiii) G.S.R. 324(E) published in Gazette of India dated the 2nd June, 1998 together with an Explanatory Memorandum seeking to exempt petrol from so much of additional duty of Custom as equivalent to additional duty of Excise of Re. 1 leviable thereon.
- (xiv) G.S.R. 235(E) published in Gazette of India dated the 1st May, 1998 making certain amendments in the Notification No. 11/97-Cus., dated the 1st March, 1997.

[Placed in Library. See No. LT 1115/98]

- (9) A copy of the Wealth-Tax Settlement Commission (Procedure) Rules, 1997 (Hindi and English versions) published in Notification No. G.S.R. 362(E) in Gazette of India dated the 4th July, 1997 under sub-section (4) of section 46 of the Wealth Tax Act, 1957.
- (10) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (9) above.

[Placed in Library. See No. LT 1116/98]

- (11) A copy each of the following Notifications (Hindi and English versions) under sub-section (7) of section 9A of the Customs Tariff Act, 1975 :

- (i) G.S.R. 721 (E) published in Gazette of India dated the 23rd December, 1997 together with an Explanatory Memorandum with withdrawing anti-dumping duty levied on PVC resin.
- (ii) G.S.R. 62(E) published in Gazette of India dated the 2nd February, 1998 together with an Explanatory Memorandum seeking to impose final anti-dumping duty on catalysts imported from Denmark.
- (iii) G.S.R. 186(E) published in Gazette of India dated the 16th April, 1998 together with an Explanatory Memorandum seeking to impose final anti-dumping duty on Vitamin C imported from China and Japan.
- (iv) G.S.R. 223(E) published in Gazette of India dated the 28th April, 1998 together with an Explanatory Memorandum seeking to impose final anti-dumping duty on PTA imported from Thailand, Indonesia and Korea.

- (v) G.S.R. 224(E) published in Gazette of India dated the 28th April, 1998 together with an Explanatory Memorandum rescinding the Notification No. 85/97-Cus., dated the 21st November, 1997.

- (vi) G.S.R. 236(E) published in Gazette of India dated the 4th May, 1998 together with an Explanatory Memorandum seeking to impose provisional anti-dumping duty on all imports of Magnesium exported from China.

- (vii) G.S.R. 243(E) published in Gazette of India dated the 6th May, 1998 together with an Explanatory Memorandum seeking to impose anti-dumping duty on Metallurgical coke exported from China

[Placed in Library. See No. LT 1117/98]

- (12) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 48 of the Life Insurance Corporation Act, 1956 :

- (i) The Life Insurance Corporation of India Class III and Class IV Employees (Revision of Terms and Conditions of Service) Amendment Rules, 1998 published in Notification No. G.S.R. 261(E) in Gazette of India dated the 22nd May, 1998.

- (ii) The Life Insurance Corporation of India (Staff) Amendment Rules, 1998 published in Notification No. G.S.R. 262(E) in Gazette of India dated the 22nd May, 1998.

[Placed in Library. See No. LT 1118/98]

- (13) A copy each of the following Notification (Hindi and English versions) under sub-section (5) of section 17A of the General Insurance Business (Nationalisation) Act, 1972 :

- (i) The General Insurance (Rationalisation and Revision of Pay Scales and other Conditions of Service of Supervisory, Clerical and subordinate staff) Amendment Scheme, 1998 published in Notification No. S.O. 465(E) in Gazette of India dated the 27th May, 1998.

- (ii) The General Insurance (Termination, Superannuation and Retirement of Officers and development staff) Amendment Scheme, 1998 published in Notification No. S.O. 466(E) in Gazette of India dated the 27th May, 1998.

[Placed in Library. See No. LT 1119/98]

- (14) A copy of the Annual Report (Hindi and English versions) of the Institute for Social and Economic Change, Bangalore, for the year 1996-97 alongwith Audited Accounts.

- (15) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (14) above.

[Placed in Library. See No. LT 1120/98]

- (16) A copy each of the following Annual Report and Accounts (Hindi and English versions) of the Regional Rural Banks for the year ended on the 31st March, 1997 together with Auditor's Report thereon :

- (i) Gomti Gramin Bank, Jaunpur.

[Placed in Library. See No. LT 1121/98]

- (ii) Damoh Panna Sagar Kshetriya Gramin Bank, Damoh.

[Placed in Library. See No. LT 1122/98]

- (iii) Samiyut Kshetriya Gramin Bank, Azamgarh.

[Placed in Library. See No. LT 1123/98]

- (iv) Bolangir Anchalk Gramya Bank, Bolangir.

[Placed in Library. See No. LT 1124/98]

- (v) Gurgaon Gramin Bank, Gurgaon.

[Placed in Library. See No. LT 1125/98]

- (vi) Santhal Parganas Gramin Bank, Dumka.

[Placed in Library. See No. LT 1126/98]

- (vii) Bundelkhand Kshetriya Gramin Bank, Tilkamgarh.

[Placed in Library. See No. LT 1127/98]

- (viii) Prathma Gramin Bank, Moradabad.

[Placed in Library. See No. LT 1128/98]

- (ix) Valsad Dangs Gramin Bank.

[Placed in Library. See No. LT 1129/98]

- (x) Basti Gramin Bank, Basti.

[Placed in Library. See No. LT 1130/98]

- (xi) Tungabhadra Gramin Bank, Bellary.

[Placed in Library. See No. LT 1131/98]

- (xii) Aligarh Gramin Bank, Aligarh.

[Placed in Library. See No. LT 1132/98]

- (xiii) Etawah Kshetriya Gramin Bank, Etawah.

[Placed in Library. See No. LT 1133/98]

- (xiv) Nagaland Rural Bank, Kohima.

[Placed in Library. See No. LT 1134/98]

- (xv) Magadh Gramin Bank, Gaya.

[Placed in Library. See No. LT 1135/98]

- (xvi) Kisan Gramin Bank, Budaun.

[Placed in Library. See No. LT 1136/98]

- (xvii) Shahdol Kshetriya Gramin Bank, Shahdol.

[Placed in Library. See No. LT 1137/98]

- (xviii) Vaishali Kshetriya Gramin Bank, Muzaffarpur.

[Placed in Library. See No. LT 1138/98]

- (xix) Tripura Gramin Bank, Tripura West.

[Placed in Library. See No. LT 1139/98]

- (xx) Mandla-Balaghat Kshetriya Gramin Bank, Mandla.

[Placed in Library. See No. LT 1140/98]

- (xxi) Vidur Gramin Bank, Bijnor.

[Placed in Library. See No. LT 1141/98]

- (xxii) Tulsi Gramin Bank, Banda.

[Placed in Library. See No. LT 1142/98]

- (xxiii) Ratlam Mandsaur Kshetriya Gramin Bank, Mandsaur.

[Placed in Library. See No. LT 1143/98]

- (xxiv) Kshetriya Kisan Gramin Bank, Mainpuri. U.P.

[Placed in Library. See No. LT 1144/98]

- (xxv) Rani Laxmibai Kshetriya Gramin Bank, Jhansi, U.P.

[Placed in Library. See No. LT 1145/98]

- (xxvi) Ballia Kshetriya Gramin Bank, Sultanpur. U.P.

[Placed in Library. See No. LT 1146/98]

- (xxvii) Aurangabad Jalna, Gramin Bank, Aurangabad, Maharashtra.

[Placed in Library. See No. LT 1147/98]

- (xxviii) Barabanki Gramin Bank, Barabanki, U.P.

[Placed in Library. See No. LT 1148/98]

- (xxix) Bhilwara-Ajmer Kshetriya Gramin Bank, Bhilwara, Rajasthan.

[Placed in Library. See No. LT 1149/98]

- (xxx) Sangameshwara Grameena Bank, Mahabubnagar, A.P.

[Placed in Library. See No. LT 1150/98]

- (xxxi) Surat-Bharuch Gramin Bank, Brauch, Maharashtra.
[Placed in Library. See No. LT 1151/98]
- (xxxii) Banaskantha Mehsana Gramin Bank, Patan, Gujarat.
[Placed in Library. See No. LT 1152/98]
- (xxxiii) Chambal Kshetriya Gramin Bank, Morena, M.P.
[Placed in Library. See No. LT 1153/98]
- (xxxiv) Raigarh Kshetriya Gramin Bank, Raigarh, M.P.
[Placed in Library. See No. LT 1154/98]
- (xxxv) Marudhar Kshetriya Gramin Bank, Churu, Rajasthan.
[Placed in Library. See No. LT 1155/98]
- (xxxvi) Marwar Gramin Bank, Pali, Rajasthan.
[Placed in Library. See No. LT 1156/98]
- (xxxvii) Vidisha-Bhopal Kshetriya Gramin Bank, Vidisha, M.P.
[Placed in Library. See No. LT 1157/98]
- (xxxviii) Adhiyaman Grama Bank, Dharampuri, Tamil Nadu.
[Placed in Library. See No. LT 1158/98]
- (xxxix) Panchamahar Vadodara Gramin Bank, Panchamahar, Gujarat.
[Placed in Library. See No. LT 1159/98]
- (xl) Sri Saraswathi Grameena Bank, Adilabad, A.P.
[Placed in Library. See No. LT 1160/98]
- (xli) Mizoram Rural Bank, Aizwal, Mizoram.
[Placed in Library. See No. LT 1161/98]
- (xlii) Mayurakshi Gramin Bank, Suri, W.B.
[Placed in Library. See No. LT 1162/98]
- (xliiii) Langpi Dehangi Rural Bank, Diphu, Assam.
[Placed in Library. See No. LT 1163/98]
- (xliv) Murshidabad Gramin Bank, Bharampur, W.B.
[Placed in Library. See No. LT 1164/98]
- (xlv) Kalahandi Anchalika Gramya Bank, Golaghar, Orissa.
[Placed in Library. See No. LT 1165/98]
- (xvi) Cauvery Grameena Bank, Mysore, Karnataka.
[Placed in Library. See No. LT 1166/98]
- (xvii) Mewar Aanchalik Gramin Bank, Udaipur, Rajasthan.
[Placed in Library. See No. LT 1167/98]
- (xviii) Kshetriya Gramin Bank, Hoshangabad, M.P.
[Placed in Library. See No. LT 1168/98]
- (xlix) Mallabhum Gramin Bank, Bankura, W.B.
[Placed in Library. See No. LT 1169/98]
- (I) Haryana Kshetriya Gramin Bank, Bhiwani, Haryana.
[Placed in Library. See No. LT 1170/98]
- (II) Dewas Shajapur Kshetriya Gramin Bank, Dewas, M.P.
[Placed in Library. See No. LT 1171/98]
- (III) Shri Venkateswara Grameena Bank, Chittoor, A.P.
[Placed in Library. See No. LT 1172/98]
- (liii) Bailarani Gramya Bank, Mayurbhanj, Orissa.
[Placed in Library. See No. LT 1173/98]
- (liv) Jhabua-Dhar Kshetriya Gramin Bank, Jhabua, M.P.
[Placed in Library. See No. LT 1174/98]
- (lv) Bikaner Kshetriya Gramin Bank, Bikaner, Rajasthan.
[Placed in Library. See No. LT 1175/98]
- (lvi) Manipur Rural Bank, Imphal, Manipur.
[Placed in Library. See No. LT 1176/98]
- (lvii) Alwar Bharatpur Anchalik Gramin Bank, Alwar, Rajasthan.
[Placed in Library. See No. LT 1177/98]
- (lviii) Siwan Kshetriya Gramin Bank, Siwan, Bihar.
[Placed in Library. See No. LT 1178/98]
- (lix) Sri Sathavahana Grameena Bank, Karimnagar, A.P.
[Placed in Library. See No. LT 1179/98]
- (lx) Hindon Gramin Bank, Ghaziabad,
[Placed in Library. See No. LT 1180/98]

- (ixi) Ganga Yamuna Gramin Bank, Dehradun, U.P.
[Placed in Library. See No. LT 1181/98]
- (ixii) Bhandara Gramin Bank, Bhandara, Maharashtra.
[Placed in Library. See No. LT 1182/98]
- (ixiii) North Malabar Gramin Bank, Kannur, Kerala.
[Placed in Library. See No. LT 1183/98]
- (ixiv) Thane Gramin Bank, Thane, Maharashtra.
[Placed in Library. See No. LT 1184/98]
- (ixv) Fatehpur Kshetriya Gramin Bank, Fatehpur, U.P.
[Placed in Library. See No. LT 1185/98]
- (ixvi) Kanpur Kshetriya Gramin Bank, Kanpur, U.P.
[Placed in Library. See No. LT 1186/98]
- (ixvii) Etah Gramin Bank, Etah, U.P.
[Placed in Library. See No. LT 1187/98]
- (ixviii) Jamuna Gramin Bank, Agra, U.P.
[Placed in Library. See No. LT 1188/98]
- (ixix) Shivallik Kshetriya Gramin Bank, Ropra & Hoshiarpur, Punjab.
[Placed in Library. See No. LT 1189/98]
- (lxx) Manjira Grameena Bank, Medak, A.P.
[Placed in Library. See No. LT 1190/98]
- (lxxi) Kamraz Rural Bank, Baramulla, J & K.
[Placed in Library. See No. LT 1191/98]
- (lxxii) Chitradurga Gramin Bank, Chitradurga, Karnataka.
[Placed in Library. See No. LT 1192/98]
- (lxxiii) Mahakaushal Kshetriya Gramin Bank, Narasinghpur, M.P.
[Placed in Library. See No. LT 1193/98]
- (lxxiv) Surguja Kshetriya Gramin Bank, Surguja, M.P.
[Placed in Library. See No. LT 1194/98]
- (lxxv) Golconda Grameena Bank, Hyderabad, A.P.
[Placed in Library. See No. LT 1195/98]
- (lxxvi) Pithoragarh Kshetriya Gramin Bank, Pithoragarh, U.P.
[Placed in Library. See No. LT 1196/98]
- (lxxvii) Chhindwara Seoni Kshetriya Gramin Bank, Chhindwara, M.P.
[Placed in Library. See No. LT 1197/98]
- (lxxviii) Chhatrasal Gramin Bank, Orai, U.P.
[Placed in Library. See No. LT 1198/98]
- (lxxix) Dungarpur Banswara Kshetriya Gramin Bank, Dungarpur, Rajasthan.
[Placed in Library. See No. LT 1199/98]
- (lxxx) South Malabar Gramin Bank, Malappuram, Kerala.
[Placed in Library. See No. LT 1200/98]
- (lxxxi) Sree Anantha Grameena Bank, Anantapur, A.P.
[Placed in Library. See No. LT 1201/98]
- (lxxxii) Kalpatharu, Grameena Bank, Tumkur, Karnataka.
[Placed in Library. See No. LT 1202/98]
- (lxxxiii) Surendranagar Bhavnagar Gramin Bank, Surendranagar, Gujarat.
[Placed in Library. See No. LT 1203/98]
- (lxxxiv) Vallar Gramya Bank, Cuddalore, Tamil Nadu.
[Placed in Library. See No. LT 1204/98]
- (lxxxv) Singhbhum Kshetriya Gramin Bank, Chaibasa, Bihar.
[Placed in Library. See No. LT 1205/98]
- (lxxxvi) Bhojpur Rohtas Gramin Bank, Arrah, Bihar.
[Placed in Library. See No. LT 1206/98]
- (lxxxvii) Solapur Gramin Bank, Solapur, Maharashtra.
[Placed in Library. See No. LT 1207/98]
- (lxxxviii) Kanakdurga Grameena Bank, Gudivada, A.P.
[Placed in Library. See No. LT 1208/98]
- (lxxxix) Hazaribagh Kshetriya Gramin Bank, Hazaribagh, Bihar.
[Placed in Library. See No. LT 1209/98]
- (xc) Aravali Kshetriya Gramin Bank, Swai Madhopur, Rajasthan.
[Placed in Library. See No. LT 1210/98]
- (xci) Faridkot Bhatinda Kshetriya Gramin Bank, Faridkot, Punjab.
[Placed in Library. See No. LT 1211/98]

- (xcii) Shivpuri Guna Kshetriya Gramin Bank, Shivpuri, M.P.
[Placed in Library. See No. LT 1212/98]
- (xciii) Kapurthala Ferozpur Kshetriya Gramin Bank, Kapurthala, Punjab.
[Placed in Library. See No. LT 1213/98]
- (xciv) Kosi Kshetriya Gramin Bank, Gaya, Bihar.
[Placed in Library. See No. LT 1214/98]
- (xcv) Gopalganj Kshetriya Gramin Bank, Chandragokul, Bihar.
[Placed in Library. See No. LT 1215/98]
- (xcvi) Giridih Kshetriya Gramin Bank, Giridih, Bihar.
[Placed in Library. See No. LT 1216/98]
- (xcvii) Subansiri Gaonila Bank, North Lakhimpur, Assam.
[Placed in Library. See No. LT 1217/98]
- (xcviii) Champaran Kshetriya Gramin Bank, Motihari, Bihar.
[Placed in Library. See No. LT 1218/98]
- (xcix) Netravati Grameena Bank, Karangalpady, Karanataka.
[Placed in Library. See No. LT 1219/98]
- (c) Ranchi Kshetriya Gramin Bank, Ranchi, Bihar.
[Placed in Library. See No. LT 1220/98]
- (ci) Chikmagalur Kodagu Grameena Bank, Chikmagalur, Kamataka.
[Placed in Library. See No. LT 1221/98]
- (cii) Mithila Kshetriya Gramin Bank, Laheriasarai, Bihar.
[Placed in Library. See No. LT 1222/98]
- (ciii) Bhagalpur Banka Kshetriya Gramin Bank, Bhagalpur, Bihar.
[Placed in Library. See No. LT 1223/98]
- (civ) Gaur Gramin Bank, Malda, W.B.
[Placed in Library. See No. LT 1224/98]
- (cv) Pandyan Gramya Bank, Ramanathapuram, Tamil Nadu.
[Placed in Library. See No. LT 1225/98]
- (cvi) Dhenkanal Gramya Bank, Dhenkanal, Orissa.
[Placed in Library. See No. LT 1226/98]
- (cvii) Cuttack Gramya Bank, Cuttack, Orissa.
[Placed in Library. See No. LT 1227/98]
- (cviii) Kakathiya Grameena Bank, Hanamkonda, A.P.
[Placed in Library. See No. LT 1228/98]
- (cix) Muzaffarnagar Kshetriya Gramin Bank, Muzaffarnagar, U.P.
[Placed in Library. See No. LT 1229/98]
- (cx) Malwa Gramin Bank, Sangrur, Punjab.
[Placed in Library. See No. LT 1230/98]
- (cxi) Gurudaspur Amritsar Kshetriya Gramin Vikas Bank, Gurudaspur, Punjab.
[Placed in Library. See No. LT 1231/98]
- (cxii) Sharda Gramin Bank, Satna, M.P.
[Placed in Library. See No. LT 1232/98]
- (cxiii) Shekhawati Gramin Bank, Sikar, Rajasthan.
[Placed in Library. See No. LT 1233/98]
- (cxiv) Sarayu Gramin Bank, Lakhimpur, U.P.
[Placed in Library. See No. LT 1234/98]
- (cxv) Cachar Gramin Bank, Cachar, Assam.
[Placed in Library. See No. LT 1235/98]
- (cxvi) Chandrapur Gadchiroli Gramin Bank, Chandrapur, Maharashtra.
[Placed in Library. See No. LT 1236/98]
- (cxvii) Bilaspur Raipur Kshetriya Gramin Bank, Bilaspur, M.P.
[Placed in Library. See No. LT 1237/98]
- (cxviii) Buldana Gramin Bank, Suwarna Nagar, Maharashtra.
[Placed in Library. See No. LT 1238/98]
- (cbx) Avadh Gramin Bank, Lucknow, U.P.
[Placed in Library. See No. LT 1239/98]
- (cix) Sahydr Gramin Bank, Shimoga, Karnataka.
[Placed in Library. See No. LT 1240/98]
- (cxod) Faizabad Kshetriya Gramin Bank, Reidganj, U.P.
[Placed in Library. See No. LT 1241/98]

(cxxxii) Sir Ganganagar Kshetriya Gramin Bank, Sri, Ganganagar, Rajasthan.

[Placed in Library. See No. LT 1242/98]

(cxxxiii) Eijapur Gramin Bank, Eijapur, Karnataka.

[Placed in Library. See No. LT 1243/98]

(cxxxiv) Thar Aanchalk Gramin Bank, Jodhpur, Rajasthan.

[Placed in Library. See No. LT 1244/98]

(cxxxv) Durg Rajnandgaon Gramin Bank, Rajnandgaon, M.P.

[Placed in Library. See No. LT 1245/98]

(cxxxvi) Kashi Gramin Bank, Varanasi, U.P.

[Placed in Library. See No. LT 1246/98]

(cxxxvii) Bhagirath Gramin Bank, Sitapur, U.P.

[Placed in Library. See No. LT 1247/98]

(cxxxviii) Allahabad Kshetriya Gramin Bank, Allahabad, U.P.

[Placed in Library. See No. LT 1248/98]

(cxxxix) Indor-Ujjain Kshetriya Gramin Bank, Ujjain, M.P.

[Placed in Library. See No. LT 1249/98]

(cxxx) Lakhimi Gaonlia Bank, Golaghat, Assam.

[Placed in Library. See No. LT 1250/98]

(cxxxi) Beguserai Kshetriya Gramin Bank, Kachahari, Bihar.

[Placed in Library. See No. LT 1251/98]

(cxxxii) Vindhyasini Gramin Bank, Mirzapur, U.P.

[Placed in Library. See No. LT 1252/98]

(cxxxiii) Gorakhpur Kshetriya Gramin Bank, Gorakhpur, U.P.

[Placed in Library. See No. LT 1253/98]

(cxxxiv) Pragjyotish Gaonlia Bank, Golpara, Assam.

[Placed in Library. See No. LT 1254/98]

(cxxxv) Rewa Sidhi Gramin Bank, Rewa, M.P.

[Placed in Library. See No. LT 1255/98]

(cxxxvi) Ka Bank Nongkyndong Ri Kashasi Jaintia, East Kshi, Meghalaya.

[Placed in Library. See No. LT 1256/98]

(cxxxvii) Nagarjuna Grameena Bank, Khammam, A.P.

[Placed in Library. See No. LT 1257/98]

(cxxxviii) Godavari Grameena Bank, Rajahmundry, A.P.

[Placed in Library. See No. LT 1258/98]

(cxxxix) Nadia Gramin Bank, Krishnagar, Nadia, W.B.

[Placed in Library. See No. LT 1259/98]

(17) A copy of the Annual Report and Accounts (Hindi and English versions) of the Uttarbanga Kshetriya Gramin Bank, Coochbehar, for the year ended the 31st March, 1996, together with Auditor's Report thereon.

(18) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (17) above.

[Placed in Library. See No. LT 1260/98]

12.01 hrs.

ASSENT TO BILLS

[English]

SECRETARY-GENERAL : Sir, I beg to lay on the Table the following three Bills passed by the Houses of Parliament during the current session and assented to by the President since a report was last made to the House on the 4th July 1998 :

1. The Appropriation (No. 2) Bill, 1998;
2. The Finance (Amendment) Bill, 1998; and
3. The High Court and Supreme Court Judges (Conditions of Service) Amendment Bill, 1998.

BUSINESS OF THE HOUSE

12.02 hrs.

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : With your permission, Sir, I rise to announce that Government Business during the week commencing Monday, 20th July, 1998 will consist of:

Consideration of any item of Government Business carried over from today's Order Paper.

Consideration and passing of:

The Electricity Laws (Amendment) Bill, 1998.

The Narcotic Drugs and Psychotropic Substances (Amendment) Bill, 1998 as passed by Rajya Sabha.

The Prasar Bharati (Broadcasting Corporation of India) Amendment Bill, 1998.

SHRIMATI GEETA MUKHERJEE (Panskura) : Where is the Women's Reservation Bill? ...*(Interruptions)*

MR. SPEAKER: After Submissions, please.

...*(Interruptions)*

MR. SPEAKER : I will allow you after Submissions.

...*(Interruptions)*

SHRI BASU DEB ACHARIA (Bankura) : The Women's Reservation Bill is not there. ...*(Interruptions)*

SHRI SOMNATH CHATTERJEE (Bolpur) : Sir, on what Shri Khurana has said - I do not wish to refer to what transpires in your Chamber or in the Committee Room, where you preside - I would like to say that there was a definite commitment yesterday that during the coming week Women's Reservation Bill will be introduced. ...*(Interruptions)*

MR. SPEAKER: Shri Somnath Chatterjee, after submissions, please. The Member is already making a submission.

SHRI SOMNATH CHATTERJEE (Bolpur) : All right, Sir. ...*(Interruptions)*

[Translation]

SHRI RAM NARAIN MEENA (Kota) : Mr. Speaker, Sir, I request that the following items may be included in the next week's business:

1. Passengers have to travel on rooftops of the train running from Kota to Neemach Via Chittorgarh as the train is short of requisite number of coaches. A new passenger train should be introduced from Kota to Chittorgarh.
2. With a view to combat the condition of unemployment and hunger arisen out of closure of various industries including J.K. Industries, Sudarshan Textiles etc. in industrial town of Kota, arrangement should be made to restart the industries.

SHRI CHAMAN LAL GUPTA (Udhampur) : Mr. Speaker, Sir, the following items may be included in the next week's Business:

1. The distance of the route between Basholi Bliawar and Bani has increased by many kilometres with the constructions of Ranjeet Sagar Dam. A bridge should be constructed on river Ravi to provide relief to the inhabitants of this area.

2. Provide relief to the people of Riyasi Ram Dam by starting the construction work of Bagliar and Sawlabot project and help resolve the power crisis in the country.

[English]

PROF. PREM SINGH CHANDUMAJRA (Patiala) : Mr. Speaker, Sir, I request that the following items may be included in the next week's Business:

Comprehensive plan to make the country flood-proof and to make plan to save the wastage of rain water.

Introduction of new Agriculture Policy.

SHRI BASU DEB ACHARIA (Bankura) : Sir, I would like to make the following submissions regarding next week's Business :

1. Non-payment of salary to the employees of Tea Trading Corporation of India for more than one year and revival of this public sector unit.
2. Revival of National Textile Corporation, IDPL, MAMC, BOGL, Cycle Corporation of India and transfer of the Hindustan Cables Ltd. from the Ministry of Industry to the Ministry of Communications.

SHRI P.C. THOMAS (Muvattupuzha) : Sir, I would like to make the following submissions regarding next week's Agenda :

1. The serious power crisis in India and the need to start more power generating stations.
2. The serious economic crisis faced by Kerala due to fall in prices of rubber, coconut and other agricultural produces.

[Translation]

SHRI RAMANAND SINGH (Satna) : Sir, following items may be included in the next week's agenda: The discussion over the more than three hundred irrigation projects of Madhya Pradesh affected due to Central Forest Act, 1980.

DR. LAXMINARAYAN PANDEY (Mandsaur) . Mr. Speaker, Sir, following items may be included in the next week's agenda:

1. The expansion of transport facilities in Madhya Pradesh is desired keeping in view the allround development of the state. Various cities of the State, like Jabalpur, Ujjain, Neemach and Khandwa should be linked by air-service.
2. A comprehensive plan should be prepared by the Government for initiating a time bound programme for implementation of the inter-state irrigation projects.

SHRI SHYAM BIHARI MISHRA (Bilhor) : Sir, please following items may be included in the next week's Agenda:

"The proposal for the removing the problem of backwardness and unemployment prevalent in Kanpur Dehat should be included."

[English]

MR. SPEAKER : Now, the House shall take up 'Zero Hour'

...(Interruptions)

12.03 hrs.

**RE: STAGING OF A MARATHI PLAY
IN MUMBAI – MEE NATHURAM
GODSE BOI TOYAE**

[English]

MR. SPEAKER: Now, I call upon Shri Sharad Pawar to raise his issue.

(Interruptions)

MR. SPEAKER: Please take your seat. I will allow you. The Leader of the Opposition is on his legs.

[Translation]

SHRI SHARAD PAWAR (Baramati) : Mr. Speaker, Sir, yesterday, the Minister of Parliamentary Affairs had submitted before the House that the Government will lay a statement on Nathu Ram's play over which the controversy has erupted in the House at the most by yesterday's evening or today. But no statement has been made so far ... (Interruptions)

THE MINISTER OF HOME AFFAIRS (SHRI LAL KRISHNA ADVANI) : I had asked for the time upto 1.00 O'clock. If you permit me, I can make the statement right now ... (Interruptions)

SHRI SHARAD PAWAR: There is a need to make statement immediately as situation is emerging in which revealing facts come before the House ... (Interruptions)

[English]

SHRI SOMNATH CHATTERJEE (Bolgpur) : Mr. Speaker, Sir, we wish to make our submission on the Business. Shri Advani ji may kindly wait for five to ten minutes ... (Interruptions)

[Translation]

SHRI SHARAD PAWAR : An interview of Mr. Pradeep Dehalvi, author of this play has been published in which he has said that Censor Board was not giving permission for this play but the new Government of Maharashtra has given us permission ... (Interruptions)

[English]

SHRI SOMNATH CHATTERJEE : Sir, I am not minimising the importance of the issue raised by the Leader of the Opposition. That is very important ... (Interruptions)

MR. CHAIRMAN: Let Shri Sharad Pawar complete

[Translation]

SHRI SHARAD PAWAR: He has also said in the interview that he has done a service by bringing this play 'Main Nathu Ram Boltoay' because for the last fifty years the voice of Nathu Ram was hushed and his image was maligned. I had taken the responsibility to clear his tarnished image on my shoulders. He also said that the efforts were made to portray the image of Nathu Ram as if he were a killer. But I can draw the comparisons of Nathu Ram only with Bhagat Singh and Rani of Jhansi ... (Interruptions) Therefore, I took this job in my hands and I am happy that the people have welcomed it. When asked what does he desire from the play, he replied that I only want that the people should destroy the statue of Mahatma Gandhi after watching the play, and sign boards on the roads and the paths which have been named after Gandhi ji, should be removed. I think that this will deteriorate the law and order situation. What is the policy of the Government in this regard, this need an immediate clarification before the House.

[English]

SHRI SOMNATH CHATTERJEE : Sir, in view of the importance of this subject, let the Home Minister respond to it.

THE MINISTER OF HOME AFFAIRS (SHRI L.K. ADVANI) : During Zero Hour yesterday and again today, a serious concern has been expressed by some hon. Members and today, in my presence by the Leader of the Opposition on the alleged glorification of Nathuram Godse in a Marathi play, 'Mee Nathuram Godse Boltoy'. 'Boltoy' means, I speak. The House was assured that the Central Government would ascertain the facts from the State Government and place them before Parliament. The matter was taken up with the Government of Maharashtra. According to information received from the State Government, the play in question was cleared for performance by the Maharashtra Stage Performance Scrutiny Board, an autonomous body of the State Government. The play was staged on the 10th of July, 1998 in Shivaji Mandir Theatre, Mumbai.

Keeping in view the reported intent of the play and appreciating the concern expressed in Parliament, the Central Government has advised the State Government to prohibit its performance. We also take this opportunity to emphasize that this Government strongly disapproves of anything that denigrates the hallowed memory of Mahatma Gandhi and belittles the unique role he played in leading the nation to freedom from colonialism. ... (Interruptions)

SHRI BASU DEB ACHARIA (Bankura) : The House should condemn it.

SHRI P. UPENDRA (Vijayawada) : The autonomous body which cleared the play must be disbanded immediately. The Censor Committee which cleared the play must be disbanded immediately. ...*(Interruptions)*

SHRI L.K. ADVANI : I may add to this. Immediately after getting the message from the Minister of Parliamentary Affairs that the issue had been raised in the House and an assurance had been given that either yesterday or today the Government would come forth with facts, I first asked my Home Secretary to speak to the Chief Secretary of Maharashtra to find out the facts. Then, later on, in the evening, in a different connection, the Chief Minister came to see me and I told him personally that this is my Government's view. And he said, "Well, if the Government's view is that, I would try to respect it and see what needs to be done." ...*(Interruptions)*

SHRI BASU DEB ACHARIA : What is the view of the Maharashtra Government? ...*(Interruptions)*

MR. SPEAKER : Prof. Kurien, let him complete his speech.

SHRI L.K. ADVANI : I told him as the representative of the Central Government, I disapprove of it and we would like the State Government to take necessary steps to prohibit the performance of the play.

SHRI P. UPENDRA : The Committee which has cleared the play must be disbanded.

PROF. P.J. KURIEN (Mavelikara) : Mr. Home Minister, but the problem is these autonomous bodies are not supposed to work against the fundamental ethos of this country ...*(Interruptions)* Let me formulate my points. How can an autonomous body set up by the Maharashtra Government clear this play? The purpose of the play and the intent of the playwright is quite evident that it is to denigrate Mahatma Gandhi ji and glorify his assassin. How can that play be cleared? On behalf of all the Members, I am requesting that that body should be disbanded and action should be taken against them. They are working against the very fundamental ethos of the country. ...*(Interruptions)*

SHRI SOMNATH CHATTERJEE : This is not an issue of the state.

SHRI AJIT JOGI (Raigarh) : This is not the matter of states, it is the matter of country's honour. ...*(Interruptions)*

PROF. JOGENDRA KAWADE (Chimur) : This has been cleared by the state government. ...*(Interruptions)*

MR. SPEAKER : Please take your seat.

...*(Interruptions)*

MR. SPEAKER : I will allow you.

SHRI P. SHIV SHANKER (Tenali) : The hon. Home Minister has just now in his statement told us that he had advised that State Government to prohibit the play. May I expect of him to issue a direction in terms of article 256 of the Constitution of India so that it is binding on the State? If it is necessary, he can do it.

SHRI L.K. ADVANI : I know that. I know what I can do. But at the same time, I do not think that that advice would be disregarded. It is an advice given to the State Government. But I would plead with the House that there are two issues involved in it. One is the State Government and then it is a body which was set up by the State Government, or working with it. We cannot discuss that. I do not know who the members of that Committee were. We cannot be discussing that.

SHRI A.C. JOS (Mukundapuram) : It is a question of the ethos of the country. Number of autonomous bodies are there. How can they work like that?

MR. SPEAKER : No please. Shri Jos, please take your seat. I have not allowed you. Please understand. Please take your seat.

SHRI INDRAJIT GUPTA (Midnapore) : We understood the hon. Home Minister to say that when he discussed this matter with the Chief Minister and advised him that in view of what has happened, in view of all the concern which has been expressed and so on, it was better that he prohibited the play. I understood him to say that the Chief Minister, in deference to what the Central Home Minister had told him, then said that "All right, if that is the way you feel, then I will carry out your request."

Are we to infer from this that the attitude of the State Government before he had spoken to him was different to what he is now saying because they had allowed this thing to go on? Therefore, should we take it that way? Shri Manohar Joshi when he met him, did he make it clear or not that his request was in deference to that, to prohibiting the play, but that was not the independent view of the State Government? They had allowed it to be staged and they did not do anything to stop it.

SHRI SOMNATH CHATTERJEE : The hon. Home Minister has said that the Central Government's role has only been advisory and he says now that "I believe that my advice will not be disregarded"; may be due to party loyalty. But the question is much more fundamental.

I would like to know how the Central Government itself dealt with the matter. Until the matter was raised on the floor of the House and a great concern was shown by almost all the sections of the House, the Central Government obviously was not aware of the facts. It had come out in every newspaper. But what was the Central Government's response to this? Am I to expect or to take it from the Home Minister of India that the Government feels that it has no

[Shri Somnath Chatterjee]

power, no authority, no legal sanctions in regard to attempts of such type which denigrate the very ethos of this country, the respect with which the Father of the Nation is held? There is a very serious likely danger of breach of peace or breach of communal peace in this country. In this, is the Central Government only a mere spectator? And is it that only when the matter is raised in the House the Central Government would have some role?

I would like to know one thing from the Central Government. The Central Government, we find, has been responding to any and every request to send teams to different States to find out the law and order situation beyond their jurisdiction for a tenuous interpretation of Article 355 of the Constitution. He knows all the provisions of the Constitution. He said, "Well, I know, I have the power. But I believe my party will be accepting my advice." Is this the way that this country will function in a matter like this? Therefore, we want to know categorically what has been the response of the Central Government and when such situations arise what will they do.

And what has happened to the book, the play that has been written? Has it been banned or not? We would like to know. We are against interference with the freedom of the Press or freedom of the authorship, freedom of thinking, but not this type of propaganda, this type of poison which is being spread all over the country. In fact, what is the Government of India's response to this?

SHRI INDRAJIT GUPTA: Has the book been banned?

SHRI SOMNATH CHATTERJEE : I asked him about it.

[Translation]

SHRI RAM VILAS PASWAN (Hajipur) : Mr. Speaker, Sir, this matter is related to the state government of Maharashtra. As stated by the hon'ble Minister of Home Affairs, the decision should not be taken in regard to one state only. Today, the derogatory remarks about Mahatma Gandhi made by some persons have come to notice of the House. Yesterday, the hon'ble Minister for Parliamentary Affairs said, that he did not have full information about it. The article read out by the leader of opposition and the statement made by hon'ble Home Minister confirms that the language used in the Play in the context of the Father of the Nation, Mahatma Gandhi is not only objectionable, but it also lowers the dignity of the nation. It is true that the Hon'ble Minister of Home Affairs has advised them, but the question is not only of the state of Maharashtra. I would like to know whether the government will give any direction to all the states so that any state government should not go against the constitution and should also not try to lower the image of any national leader. This direction should be for the entire country. Otherwise, this type of incidents will be repeated. First, you use the abusive language, and then withdraw the play. What is its use? You have not been able to prevent the initial staging of the play ... (Interruptions)

[English]

SHRI S. JAIPAL REDDY (Mahabubnagar) : The whole House is aware of the fact that this was not an isolated incident in Mumbai. ... (Interruptions)

SHRI MADHUKAR SIRPOTDAR (Mumbai North-West) : We should also be given a chance to speak. ... (Interruptions)

MR. SPEAKER : I am only allowing clarifications.

... (Interruptions)

SHRI CHETAN CHAUHAN (Amroha) : Yesterday, most of the time was spent on this matter. ... (Interruptions)

MR. SPEAKER : Please take your seat.

[Translation]

It is not so.

... (Interruptions)

SHRI TAPAN SIKDAR (Dum Dum) : We have expressed our concern in the matter. But today you are allowing only the Opposition Members. ... (Interruptions)

[Translation]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : Mr. Speaker, Sir, yesterday, this issue was raised. And the hon'ble Members who have spoken today for one hour whether it is Shri Reddy or Shri Somnath had also spoken yesterday. In its reply, I had said on behalf of the Government that after the collection of facts, the hon'ble Shri Advani ji would apprise the House of the view of the Government ... (Interruptions) You should at least listen to me ... (Interruptions) Sir, in Rajya Sabha, the clarifications can be sought after the statement is made but it has been the convention of this House, that no questions can not be asked after the statement of the Minister. You should say something about it.

[English]

SHRI S. JAIPAL REDDY (Mahabubnagar) : Some of us are aware of the rules. ... (Interruptions) It was not a *suo motu* statement. ... (Interruptions)

MR. SPEAKER : Shri I.K. Gujral.

SHRI MADHUKAR SIRPOTDAR (Mumbai North-West) : Sir, in that case we should also be allowed to speak.

SHRI I.K. GUJRAL (Jalandhar) : Sir, I have heard with great respect what the hon. Home Minister has said. There is one more angle which I think should have drawn his attention ... (Interruptions). There is one more aspect of it, to which Home Minister's attention should have been drawn by his Ministry by now. I have seen in the Press this morning

that the Director of the Play, or the writer or whoever it is, has gone to the High Court of Mumbai and asked for a caveat. I would like the Home Minister to clarify to us if this is meant that by left hand the Government will stop it and by right hand the High Court will be sought to get a stay order, and that Play can go on. I want to know what steps the Home Minister is taking in that direction.

MR. SPEAKER : Would you like to say something, Mr. Home Minister?

...(Interruptions)

[Translation]

SHRI MADHUKAR SIRPOTDAR : Sir, I should also be given an opportunity to speak.

[English]

MR. SPEAKER : Shri Sirpotar, yesterday you had explained very well.

SHRI MADHUKAR SIRPOTDAR : Sir, yesterday everybody spoke. Shri Somnath Chatterjee spoke, Shri Ram Vilas Paswan spoke ...(Interruptions)

SHRI RAM VILAS PASWAN (Hajipur) : No, I did not speak.

SHRI MADHUKAR SIRPOTDAR : Sir, I would like to know whether there is even one statement from a Minister where any such discussion is allowed after the statement is made. If this is the convention of this House, it should be continued in future also ...(Interruptions)

SHRI S. JAIPAL REDDY : Mr. Speaker, Sir, I am on a point of order.

MR. SPEAKER : This is Zero Hour, Shri Reddy. Please take your seat.

...(Interruptions)

SHRI S. JAIPAL REDDY : I am on a point of order, Sir.

MR. SPEAKER : There is no point of order. This is Zero Hour. Please take your seat.

SHRI S. JAIPAL REDDY (Mahabubnagar) : Sir, the Parliamentary Affairs Minister has said that after the Minister's statement, nobody else can intervene. The Minister did not make a *suo motu* statement; he made a statement in response to our request ...(Interruptions)

MR. SPEAKER : Shri Reddy, I have given permission to the Minister. Please take your seat.

[Translation]

SHRI L.K. ADVANI : Sir, the Government of India disapproves of any derogatory remark, demonstration and play etc. against Mahatma Gandhi, and will take necessary measures to ban it. This was an autonomous body

constituted by the state government, that is why they were advised in the first stage. As I have said earlier this advice will be acted upon. It was also stated by Shri Inderjit ji. I have never said that Shri Manohar Joshi ji is right or he has said so. I have only stated what I had said. I have not mentioned what the Chief Minister has said. I myself feel that Shri Joshi had agreed with me, he has not expressed any disagreement ...(Interruptions)

SHRI RAJESH PILOT (Dausa) : He has said, it was desired by you.

[English]

That is what he has pointed out.

SHRI L.K. ADVANI : I have said, that I have used the word 'advice', but not the word 'direct'. As stated by Shri Shiv Shanker that according to the constitution that Central Government has a right to give directions to the state governments in special case. I understand that this situation is not of that kind. I have told you that I have advised them and I am sure that they will accept this advice ...(Interruptions)

MR. SPEAKER : No further clarifications on this. Now Shri Hari Kewal Prasad.

...(Interruptions)

SHRI SOMNATH CHATTERJEE (Bolpur) : Sir, what about the Business for the next week? This is a very serious matter ...(Interruptions)

MR. SPEAKER : Shri Hari Kewal Prasad.

...(Interruptions)

MR. SPEAKER : Only the speech of Shri Hari Kewal Prasad will go on record.

...(Interruptions)*

[Translation]

SHRI HARI KEWAL PRASAD (Salempur) : Mr. Speaker, Sir, Uttar Pradesh is affected by flood ...(Interruptions) Shri Advani ji has given clarification. Now, please let me speak ...(Interruptions)

[English]

MR. SPEAKER : Somnath Chatterjee, they are making some arrangements.

SHRI SOMNATH CHATTERJEE (Bolpur) : Let us know what arrangements they are making. ...(Interruptions)

*Not recorded.

SHRIMATI GEETA MUKHERJEE (Panskura) : I want to know from the Minister when the Government is bringing the Constitution (Amendment) Bill providing reservation to women ...*(Interruptions)*

MR. SPEAKER : They are having some arrangements. I will tell you.

...*(Interruptions)*

MR. SPEAKER : Shri Hari Kewal Prasad.

[Translation]

SHRI HARI KEWAL PRASAD (Salempur) : Mr. Speaker, Sir, our friends informed us on telephone that due to the mismanagement by the officials of Bihar Government the Piprasi dam had collapsed as a result of which 50 villages of Bihar and one thousand villages of eastern districts of Uttar Pradesh have been inundated. It is due to Hundreds of people have been swept away in the flood and many have taken shelter on roof tops and trees. The Chief Minister of Uttar Pradesh undertook aerial survey of the flood affected areas. No official of the Bihar Government had visited the site of the accident. 6 crore population is affected by the floods. One and a half lakh people have taken shelter on roofs and trees. The Maharani, Choti Gandak, Ghagra, and Budhi rivers are on spate. Through you, I would like to request the hon'ble Minister to send a team of experts to assess the loss. Arrangement should be made to rescue the people. The hon'ble Minister is present here. The MPs and MLAs of that area are receiving reports that the people, are drowning and cattles are swept away in the floods ...*(Interruptions)*. I demand that efforts should be made to rescue them ...*(Interruptions)*

[English]

MR. SPEAKER : I will allow all of you. Please take your seats.

[Translation]

SHRI RAM NAGINA MISHRA (Padrauna) : Mr. Speaker, Sir, I also want to speak on this point. What hon'ble Shri Hari Kewal Prasad ji has said relate to my constituency. The Piprasi dam had collapsed over there. Hundreds of villages have been inundated. The dam had collapsed due to negligence of the Bihar Government officials. Now, the Ring Dam has also collapsed, due to which thousands of people have drowned and thousands of people are still entrapped in the flood. The situation is beyond the control of the state government. Thousands of people are caught in the floods. A team of experts should be immediately send there. Grant which is given by the Government of India in the event of flood or any other natural calamity should be immediately released this is not an ordinary issue. The news about floods has been published in all newspapers. You can check it. The army was called at Kushinagar, when dam are there collapsed. This is not an ordinary situation. The whole area is inundated.

I would like to make a humble request that government should make a statement in this regard.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : Mr. Speaker, Sir, I would request the concerned Minister to make a statement in this regard ...*(Interruptions)*

12.36 hrs.

[SHRI BASU DEB ACHARIA *in the Chair*]

[English]

SHRIMATI GEETA MUKHERJEE (Panskura) Mr. Chairman, Sir, I earnestly request the Government to make it clear whether the Constitution (Amendment) Bill providing reservation to women in Lok Sabha and State Assemblies will be introduced or not. ...*(Interruptions)*

MR. CHAIRMAN : Geeta ji, your name is not there in the list. You can speak after the list is exhausted.

...*(Interruptions)*

[Translation]

SHRI PRABHASH CHANDRA TIWARI (Bhagalpur) : Sir, I come from Parliamentary constituency of Bhagalpur. In Sultanganj area of this constituency a big fair is held every year in the month of Savana, in which around 50-60 lakh people offer holy water at Babadham - But Bihar Government has made no arrangements there. There is no arrangement of water, electricity and toilet. Due to collapse of Pureni bridge, 50 thousand Kanwaris are trapped over there. Hundreds of villages are inundated.

Link from Bhagalpur to South Bihar and Calcutta has been snapped. I would request that Sultanganj should be declared a tourist place and this fair a national fair. The Railway Station there should be declared Jahanvi Nagar Railway Station. Babadham Devghar and Boskinath should also be declared as tourist places.

SHRI KONIJETI ROSAIAH (Narasaraopet) : Mr. Chairman, Sir, the delay in giving permission for investigation of Elephanta Project in Prakasam district of Andhra Pradesh is resulting in grave concern amongst the people of the region. This project will help in the development of most backward and neglected areas of Prakasam district. This project will roughly bring 4.8 lakh acres of land into cultivation. The Chief Minister of Andhra Pradesh had laid the foundation for this project in the month of March, 1996 and due to delay in granting permission for investigation, even investigation could not be taken up. I would request the hon. Minister of Environment and Forests to accord permission for investigation of this project at the earliest opportunity.

[Translation]

SHRI RAVINDRA KUMAR PANDEY (Gridih) : I would like to draw your attention towards critical condition of Rail Damoder Division scheme. ...*(Interruptions)*

[English]

SHRIMATI GEETA MUKHERJEE (Panskura) : Mr. Chairman, Sir, I want to walk out. ...*(Interruptions)*

MR. CHAIRMAN : Why do you want to walk out?

...*(Interruptions)*

SHRI SOMNATH CHATTERJEE (Bolpur) : Mr. Chairman, Sir, she wants the Government to tell us as to when the Constitution (Amendment) Bill providing reservation to women in Lok Sabha and State Assemblies will be introduced. ...*(Interruptions)*

SHRI P. SHIV SHANKER (Tenali) : Mr. Chairman, Sir, I want to say something in this regard.

MR. CHAIRMAN : Shri Pandey is on his legs. You can speak after he finishes his submission.

[Translation]

SHRI RAVINDRA KUMAR PANDEY : The work related to Damodar Railway Division was started in Bokaro-Khargli area in 1979-80 but it has not yet been completed. There was possibility of securing about 67 lakh metric tonnes of superior quality coal by diverting the line. D.R.D's initial project expenditure was Rs. 200 crores but now this has escalated to billions of rupees. Due to non-completion of diversion work in this area there is no work for the staff of collieries. If this situation is not dealt with the 6000 of staff is likely to be affected. This situation has arisen because of slow work in C.C.L. Who is responsible for slow pace of work by D.R.D. Due to this country's crores of rupees is wasted and staff is paid for sitting idle. I would request the Government to complete the work at the earliest and action should be taken against those who are responsible for delay.

[English]

SHRI P. SHIV SHANKER (Tenali) : Sir, due to intense agitation by the hon. women Members as well as male Members of this House, the hon. Speaker had been pleased to give a ruling. He said that the Government should develop a consensus and introduce the Bill as early as possible. Now, the Government is failing to develop a consensus. They are not even calling for a meeting to develop consensus and they are sitting tight. The Minister for Parliamentary Affairs has to tell us as to why he is sitting tight. Why are they not calling a meeting to develop consensus? ...*(Interruptions)*

SHRI SOMNATH CHATTERJEE (Bolpur) : Sir, consensus is very good ...*(Interruptions)*. Sir, may I have your attention please?

[Translation]

SHRI CHANDRAMANI TRIPATHI (Rewa) : Mr. Chairman, Sir, we may also be given a chance to speak in Question Hour.

MR. CHAIRMAN : You please sit down, your name is in the list and you will be given time.

...*(Interruptions)*

SHRI PRABHUNATH SINGH (Maharajganj) : Mr. Chairman, Sir, we have also given notice.

MR. CHAIRMAN : You will be called, your name is also there.

SHRI RAMA NAND SINGH (Satna) : Mr. Chairman, Sir, we also want to raise important issue during Question-Hour.

MR. CHAIRMAN : You please sit down, I will call everybody.

[English]

SHRI SOMNATH CHATTERJEE : Mr. Chairman, Sir, I am not against consensus ...*(Interruptions)*. A Commitment was given by the Minister for Parliamentary Affairs before the hon. Speaker and leaders of different political parties that the Bill will be introduced ...*(Interruptions)*. We have been saying that after the introduction, there can be discussion and amendments. Everything can take place. But there is no reason for not introducing the Bill. Yesterday, a Commitment was given that in the coming week, it will be introduced. The Minister for Parliamentary Affairs has read out the list of business for the next week. But he has not mentioned anything about the Bill. He does not show respect which the House is entitled to. What has happened to that? We have to raise it again and again to get a reply from the Minister. Sir, I strongly condemn this attitude. I demand that this Bill should be introduced in the coming week.

[Translation]

SHRI MOHAMMAD ALI ASHRAF FATMI (Darbhanga) : Mr. Chairman, Sir, you please listen to me as you have already listened them.

MR. CHAIRMAN : You please sit down, let the Minister speak and if time permits you will be given the opportunity to speak.

[English]

Why are you always rising.

...*(Interruptions)*

[Translation]

MR. CHAIRMAN : Why you people rise again and again. You will also be called.

[English]

SHRI MADHUKAR SIRPOTDAR : I also want to speak on this ...*(Interruptions)*

[Translation]

MR. CHAIRMAN : You please sit down. Why are you so much agitated, all should be reserved. Everybody will be given time to speak. Do not waste the time of the House in this manner.

[English]

The Minister is on his legs. Why are you not allowing him to respond?

...(Interruptions)

SHRI MADHUKAR SIRPOTDAR : Sir, in yesterday's meeting, we were also present ...(Interruptions)

[Translation]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : Mr. Chairman, Sir, the question raised here regarding women bill.

[English]

SHRI V. SATHIAMOORTHY (Ramanathapuram) : Sir, the Congress Party should clear their stand. It is stated in the press that they have changed their stand. It was told that the Congress is going to support it ...(Interruptions).

MR. CHAIRMAN : Please take your seat. Mr. Minister is on his legs.

[Translation]

SHRI MADAN LAL KHURANA : Mr. Chairman, Sir, Hon'ble Shiv Shanker has said that we are not taking any step towards consensus.

SHRI P. SHIV SHANKER : Mr. Speaker has given directions.

SHRI MADAN LAL KHURANA : I would like to tell in the context of whatever you said that, Mr. Somnath must be remembering, in yesterday's meeting consensus could not be reached with regard to presenting Women Bill. Some women staged walk out and some women threatened that same scene would be created as was created earlier. I have submitted the whole report to the Hon'ble Prime Minister. After this meeting Prime Minister has again tried to evolve consensus after having discussion with some leaders.

I want to say that Prime Minister has again started to work for consensus. Without evolving a consensus we shall not present this bill. We do not want to create the same scene which was created earlier. We shall bring the bill only after consensus is reached.

[English]

SHRIMATI GEETA MUKHERJEE (Panskura) : What is this?

SHRI SOMNATH CHATTERJEE (Bolpur) : How many Bills are brought here only upon consensus? Can a minority hold the business of the House to ransom? We strongly condemn this attitude. This is the Government's own trouble because they cannot tackle their own Party Members. This is a deliberate and total failure of the Government. I condemn this.

[Translation]

SHRI PRABHUNATH SINGH (Maharajganj) Mr. Chairman, Sir, please listen to me for one minute.

MR. CHAIRMAN : Prabhunath Singh ji, please sit down. I will call you also. I have asked Ghatowar ji to speak. You please sit down. Shri Ghatowar is on his legs. You please take your seat.

...(Interruptions)

[English]

MR. CHAIRMAN : I am asking you to take your seat. Please take your seat.

SHRI P.S. GHATOWAR (Dibrugarh) : Sir, I want to draw the kind attention of the Central Government to the serious and devastating flood situation in Assam. Almost half of Assam is now under flood waters. The situation in Dhema ji, Nalbari, Lakhimpur, Morigaon, Jorhat, Sonitpur, Darrang, Dhubri, Goalpara and Cachar Districts is very serious and critical. Several thousand villages are submerged and lots of people are rendered homeless. More than 17 lakh people are affected and 80 lives have been lost due to landslides and floods. Many of these affected people are taking shelter at high places under the open sky. In some of these districts, the civil administration has taken the help of the Army to rescue the marooned people. Many villages and roads have been washed away in the recent floods, disturbing the road communication. Some portion of the National Highway is also under water. Several bunds and dikes have breached and the standing crops in more than 1,50,000 hectares have been destroyed in the recent floods.

The State Government of Assam has completely failed to provide timely relief to these unfortunate flood-affected people. There is scarcity of essential commodities due to destruction of road and rail communication.

MR. CHAIRMAN: Please conclude now.

SHRI P.S. GHATOWAR : This is a serious matter. When people are taking so much time on other matters, why should I not be allowed to speak for some more time?

Sir, through you, I request the Central Government to immediately send a Central team to assess the critical flood situation in Assam and also to immediately send Central help and essential commodities, including medicines, to the flood-affected people of Assam.

I also request the Government, through you, to make a statement about the serious flood situation in Assam and the steps being taken by the Central Government to save Assam from these frequently occurring floods.

Sir, the whole of Assam and the North-East are affected. The Government must make a statement. The whole of North-East is suffering. The Government must come out with a statement....(Interruptions)

SHRI RAJESH PILOT (Dausa) : Whatever the hon. Member has pointed out, someone from the Government should react and say what is the situation there. Many people have become homeless in Assam, Arunachal Pradesh, Manipur and Meghalaya.

MR. CHAIRMAN : The feelings of the Members will be conveyed to the Minister.

SHRI RAJESH PILOT : The Government should inform us whether they are interacting with the State Government and about the measures that they have taken. Some relief has to be given by the Central Government. Arunachal Pradesh and Assam are totally cut-off. You may ask the Government to say something on this.

MR. CHAIRMAN : The feelings of the hon. Members will be conveyed to the concerned Minister.

...(Interruptions)

SHRI RAJESH PILOT : The hon. Minister himself should comment on it. The Government is not bothered about the problem. You can ask the Government to comment on the problem of floods in Assam....(Interruptions)

MR. CHAIRMAN : I cannot direct the hon. Minister to give his comments.

...(Interruptions)

SHRI RAJESH PILOT : You can always ask the hon. Minister to comment. Otherwise, what is the use of our raising the issue? ...(Interruptions)

MR. CHAIRMAN : The hon. Minister may like to respond.

SHRI RAJESH PILOT : Please say something about Assam floods.

MR. CHAIRMAN : Can the hon. Minister respond on the flood situation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : The tradition in this House is that the points raised during Zero Hour are either responded if the Minister is present, or whoever is present from the Government side will convey the feelings of the members concerned to the Government. I will certainly do that please.

[Translation]

SHRI LARANG SAI (Sarguja) : Mr. Chairman, Sir, I have also given my name.

MR. CHAIRMAN : Yes, your name is there.

[English]

SHRI T.R. BAALU (Madras South) : Mr. Speaker, Sir, the IDPL of Chennai was established during the days of late Shri K. Kamaraj to manufacture life saving medicines, drugs and surgical instruments at a cheaper price to cater to the needs of millions of people of the nation. The prices of products of this unit were administered by the Government to see that the products are supplied at cheaper rate. But due to the change in policy of the Government, the Budgetary support was stopped and the IDPL unit was about to be closed and it was referred to BIFR. In the BIFR package, it was decided that the labourers would make some sacrifice by way of wage freeze etc., and at the same time, the IDPL management should come forward to infuse not less than Rs. 78 crore to revive the unit. Even though the employees have sacrificed as per the package of BIFR, the IDPL management has not come forward to revive the unit, as promised. Recently the CMD had visited the project during January, 1998 and he promised that he would come forward very quickly to see that the industrial unit is revived. But so far even the salary has not been paid to thousands of employees who are starving. They are starving for the last four to five months. We are happy that the statue of late Shri K. Kamaraj was unveiled by the hon. Prime Minister of India in Parliament House. Shri K. Kamaraj is remembered in Parliament and he is adorned and we are happy about it. But, at the same time, the industrial organisation set up by his efforts in my constituency is being allowed slowly to die. The industry which was established during the days of Shri K. Kamaraj is being starved day to day and it is not at all receiving the help of Central Government as those of other similar industries and the Central Government is not coming forward to revive the unit. It is a tragedy.

I once again demand that the Government should come forward to revive this sick unit and to see that the required funds are provided to revive this unit and the salary of the employees of this unit should be paid forthwith.

SHRI SANAT KUMAR MANDAL (Joynagar) : The Primary Health Scheme for the rural poor was launched upon by the Central and State Governments with much fanfare. But it is a matter of consternation that its functionaries, several thousands of community health guides and Dayees are being paid very meagerly, Rs. 50 per month, almost a day's remuneration. Even the unskilled workers are being paid minimum wages, but this category of employees are being totally ignored.

[Shri Sanat Kumar Mandal]

So, I demand that the wages of these employees who render more useful services in the rural areas are suitably and properly raised with Central Government assistance so that they are able to sustain themselves at least.

[Translation]

SHRI RAM SHAKAL (Robertsganj) : Mr. Chairman, Sir, due to closure of Cement Corporation factories 6 thousand workers are in great crisis. For the last eight months they have not been paid salary. In Uttar Pradesh whole project has sunk. The workers of Uttar Pradesh who have not received their salary for the last eight months are on the verge of starvation. 1500 workers were demonstrating in front of the Legislative Assembly and one of them had died. In this way due to laxity of officers whole project is running in loss. When Mulayam Singh's Government was in power in Uttar Pradesh he handed over the factory to his friend Shri Dalmia, but when Shri Kalyan Singh came to power, he brought this project back in the public sector. Then onwards the project ran smoothly but when Mulayam Singh again became the Chief Minister he brought the project in the same condition as it was during his earlier tenure.

My request to the Government of India is that to run this project smoothly adequate fund should be provided and salary should be paid to those workers who have not received their salary for the last eight months. Efforts should be made immediately to pay their salary.

SHRI SHAILENDRA KUMAR (Chail) : Mr. Chairman, Sir, I am thankful, to you for the opportunity you gave me to speak in Zero-Hour. Through you I want to draw the attention of the Government towards eastern Uttar Pradesh's Allahabad, Fatehpur, Kaushambi districts where Samajwadi leaders and workers are being harassed and false cases are being registered against them and incidents of murder are taking place due to political rivalry ...*(Interruptions)*

12.56 hrs.

(At this stage, some pamphlets were thrown into the House from the Visitors Gallery.)

SHRI PRABHUNATH SINGH (Maharajganj) : Mr. Chairman, Sir, what is this going on? ...*(Interruptions)* In this situation anybody can throw a bomb and get away.

SHRI SHAILENDRA KUMAR : Shri Shiv Sagar Singh, former Chairman, District Cooperative Bank, Shri Vir Abhimanyu former legislator, Shri Shulaki Lal Yadav former corporator, etc. are being booked under Gangster and Gunda Act ...*(Interruptions)* All these leaders had been occupying prestigious positions and they have their own political prestige. I demand from the Home Minister that conspiracy of false case should be stopped without delay and directions should be given to State Government of Uttar Pradesh in this regard ...*(Interruptions)* In Uttar Pradesh there are dozens of Ministers against whom criminal cases are pending. Action should be taken against them also on the basis of their character and conduct ...*(Interruptions)*

Through you, I demand from the Home Minister that he should give directions to Uttar Pradesh Government that the cases against the people who have been implicated in false cases should be withdrawn.

SHRI RAMA NAND SINGH (Satna) : Mr. Chairman, Sir, I want to draw the attention of Government of India towards appointment of teachers on a salary of rupees 500 per month by Madhya Pradesh Government through Panchayats and district Panchayats for primary schools ...*(Interruptions)* But in one Public Interest Litigation Hon'ble Supreme Court has held the recruitment of those teachers as void and has given direction for adopting a system of re-selection. Besides, the Supreme Court has also directed that bonus point should be awarded. Accordingly, those teachers who had served for three years were to be given 25 bonus points, those who had served for two years were to be given 18 bonus points and those who had served for 1 year, were to be given 9 bonus points. But Madhya Pradesh's Panchayats and district Panchayat's are ignoring the directions of the Supreme Court. District Collector of Satna has refused to give bonus points to 167 teachers who have been working for the last three years. Thus 167 teachers are in great distress and are facing difficulty. Through you I request the Government of India to give directions to Madhya Pradesh Government that all teachers should be given points so that they could be re-employed.

13.00 hrs.

SHRI GANGA CHARAN RAJPUT (Hamirpur) (U.P.) : Mr. Chairman, Sir, what type of security is this that everyday papers are thrown from the gallery ...*(Interruptions)*

SHRI GAURI SHANKER CHATURBHUI BISEN (Balagat) : Stern action should be taken in this regard ...*(Interruptions)* People who threw papers might have come through the reference of someone ...*(Interruptions)* This is a very serious matter ...*(Interruptions)* tomorrow someone can throw even a bomb ...*(Interruptions)* Action should be taken in this regard ...*(Interruptions)*

MR. CHAIRMAN : You take your seat.

SHRI SATYA PAL JAIN (Chandigarh) : Mr. Chairman, Sir, action should be taken on this. ...*(Interruptions)*

[English]

MR. CHAIRMAN : It is for the leaders of the political parties to discuss and decide on this.

SHRI S. MALLIKARJUNIAH (Tumkur) : Sir, in my constituency, there are more than 2000 villages spread over eight talukas. All these talukas are hit by drought. There has not been sufficient rain in this area for the past ten years, with the result, the water table has come down. One cannot get water even if the bore is dug at the depth of 450 to 500 feet. Therefore, I urge upon the Government of India to intervene in this matter.

There are small rivers flowing in Sakleshpur taluka and Somarpet taluka. If water is found and dam is built, it can supply water to Tumkur district through Kumardhara River. If there is a dam on this river, then more than 2000 tanks would be supplied with water. The resultant effect of this will be that the water table will go up and all these 2000 villages will have sufficient drinking water. The Government of Karnataka is very weak in taking up this project. They are not showing any interest in it. Drinking water happens to be the basic need of people. Therefore, I would request the Central Government to intervene in this matter and provide sufficient funds to the Government of Karnataka. If the Government of Karnataka does not come forward, the Central Government itself should take up this work and provide drinking water to the people of my parliamentary constituency, Tumkur.

SHRI K. NATWAR SINGH (Bharatpur) : Mr. Speaker, Sir, we have all read in the newspapers that the United States has denied Visa to Dr. Chidambaram, Chairman of the Atomic Energy Commission of India. Dr. Chidambaram is not only an internationally known scientist but he was proceeding to America to attend an International Conference to which he had been invited. I, therefore, request the Government and the Minister present here to let us know as to what Government intends to do because a gesture of this kind on the eve of the visit of the Deputy Secretary of State of the United States to India can only be termed unfriendly.

Reciprocity is a part-of diplomatic life. When I was the Ambassador in Pakistan, if the Pakistanis declared any member of my Embassy *persona non grata*, the Indian Government returned the compliments the next day. Similarly, the United States threw a Russian diplomat out the Russians reciprocated. I am not saying that we should retaliate in this manner. But, would you, Mr. Minister please ask the United States Embassy in Delhi and ask our Embassy in Washington to find out as to why Dr. Chidambaram was denied a visa? He was not going there as a terrorist. He was going there as a scientist. Dr. Chidambaram is the Vice-President of the forum. And, I think, this Government should bestir itself and ask why this has been done. We have had no response from the Government. ...*(Interruptions)*

MR. CHAIRMAN : Shri Suresh Kurup has also given a notice on the same issue.

SHRI A.C. JOS (Mukundapuram) : Sir, we also associate ourselves with him.

SHRI SURESH KURUP (Kottayam) : Mr. Chairman, Sir, the Government of the United States have denied visa not only to Dr. R. Chidambaram but also to some other prominent Indian scientists. The reason mentioned for denying visa to Dr. Chidambaram, a scientist of his eminence, is that 'he violated its 1998 Technology Alert List Regulation.' It is a very silly reason. This Regulation keeps foreigners, who could be engaged in espionage of technology, out of the United States. Like this, so many other prominent persons have been denied visas.

Sir, this is an insult to our country at a time when the Government of India is going out of the way to please the Clinton Administration. Already two rounds of secret negotiations have taken place between the so-called Special Envoy of the Prime Minister and Mr. Strobe Talbott. What was conveyed in these secret negotiations has not been brought before the House or before the country.

So, I would request the Government to come before this House with a statement. How are they going to respond to this dislike, this insult and also about the negotiations that are being conducted?

MR. CHAIRMAN : Now, Shri Lal Bihari Tiwari.

...*(Interruptions)*

SHRI P.C. CHACKO (Idukki) : Sir, let the Minister respond ...*(Interruptions)*

MR. CHAIRMAN : I cannot compel the Minister to respond.

...*(Interruptions)*

MR. CHAIRMAN : If the Government does not like to respond on this issue, I cannot direct them to respond.

SHRI A.C. JOS (Mukundapuram) : Sir, it is very serious matter. The Government should respond. ...*(Interruptions)*

[Translation]

SHRI LAL BIHARI TIWARI (East Delhi) : Mr. Chairman, Sir, a bridge was to be constructed by the Public Works Department of Delhi Government near Dharamshila Cancer hospital, Vasundhara Enclave adjacent to Hindon Canal and Shahdra Outfall Drain on which nearby four crore rupees were to be spent...*(Interruptions)* The part of Hindon Canal's bridge was to be constructed by Uttar Pradesh Bridge Construction Corporation. That bridge is nearing completion ...*(Interruptions)*

MR. CHAIRMAN : Shri Lal Bihari, please wait for a minute.

...*(Interruptions)*

[English]

SHRI P.C. CHACKO (Idukki) : Are we going to ride over and take this insult? ...*(Interruptions)* It is a matter of our country's respect.

SHRI SHARAD PAWAR (Baramati) : The hon. Finance Minister, who is a senior Minister, is very much present here. This is a very serious issue. In fact, yesterday, we saw in the newspapers that there was a statement from the Minister of State in the Ministry of External Affairs just saying 'unwarranted action'. I do not think, it is that simple. It is a question of prestige of this country. That is why, the Government should take this particular subject very-very seriously and the Minister should reply.

MR. CHAIRMAN : Shri Sinha, would you like to respond?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Sir, as I said on an earlier occasion...

SHRI A.C. JOS (Mukundapuram) : It is a very serious matter.

SHRI YASHWANT SINHA : I never said that it is not serious. I have barely started.

Sir, the Government shares the concern of the Members in this regard. I shall convey the feelings expressed here in this House on this issue to the hon. Prime Minister who is also the External Affairs Minister. The Government, I am sure, would like to respond to this. At an appropriate time, the response will be coming forth.

[Translation]

SHRI LAL BIHARI TIWARI : Mr. Chairman, Sir, a bridge was to be constructed by the Public Works Department of the Delhi Government in East Delhi Parliamentary Constituency at Hindon Canal near Dharmshila Cancer Hospital, Vasundhara Enclave whose estimated cost was four crores rupees. One part of that Hindon Canal bridge is about to be ready within three months. But the construction work of the bridge to be constructed on Shahdra drain, is yet to start. National Building Construction Corporation has taken the work order for it, but the construction work has not started yet as a result of which, the people going to Gaziabad from here, have been facing a lot of inconvenience. They have to go via Noida which is six Kilometres away from here, all this results in wastage of a lot of time.

Therefore, I would like to demand from the Government through you to immediately construct this bridge so that the people may get facility and they may not have to face problems in transportation.

SHRI PUNNU LAL MOHALE (Bilaspur) : Hon'ble Mr. Chairman, Sir, I would like to submit that there is a need to install a high power transmitter for D.D.I. and to set up a studio for the metro telecast of Doordarshan in Bilaspur district of Madhya Pradesh. Now, the telecast of the Doordarshan Services to Bilaspur district is being transmitted through low power transmitters situated in Bilaspur, Korba and Shakti. While the low power transmitter Khareed and very low power transmitter Pendra Road are under construction and the plan for the construction and installation of the low power transmitters which are supposed to be set up at Pandaria and Chamba is yet to be approved. With the installation of these transmitters the coverage of Doordarshan Programme in the district is expected to expand. I would like to request the Central Government to set up a high power transmitter and a Doordarshan studio in Bilaspur district of Madhya Pradesh for the programmes of Doordarshan Channel-I and II.

SHRI BASWARAJ PATIL SEDAM (Gulbarga) : Hon'ble Chairman, Sir, the 112 year old MSK Textile Mill situated in

the northern part of Karnataka state in which thousands of workers have been working has been closed due to a petty reason. I had also asked a question in this regard from the Hon'ble Minister and in the written reply of this question it was stated that all the employees were being given the salary. But I say that the families of 255 people who have been working in the factory for the last 15-20 years are on the verge of starvation owing to non-payment of salary to them. I would like to request the Government by drawing its kind attention that the Government should immediately intervene in the matter to resolve problem and to re-open the factory and help pay the salary of those who are not getting it.

SHRI SRIRAM CHAUHAN (Basti) : Hon'ble Chairman, Sir, Eastern Uttar Pradesh is in the grip of flood. All the rivers like Ghagra, old Rapti and Rapti are flowing above the danger mark. Water has been spreading in the whole of the region and thousands of villages have been submerged in flood waters. Crops in lakhs of a acres of land have been damaged. Vikram Dam is situated on river Ghagra in my constituency and Dudhara village in that area is facing erosion. At that place, the distance between the dam and the river water has narrowed down to 50 metres. If that dam breached, it will lead to an extensive loss of life and property. Several erosions are also taking place at Ayalee village in district Gonda. Therefore, I would like to request the Government of India to pay attention towards checking the soil erosion in Ayalee village and make efforts for saving Dudhara village situated near Vikram Dam from being submerged in water. I also appeal that whatever compensation is demanded by Uttar Pradesh Government should also be immediately paid to it.

SHRI SALKHAN MURMU (Mayurbhanj) Mr Chairman, Sir, I would like to bring to your kind notice the gross neglect of education in Adivasi areas of Mayurbhanj. The attitude of the Orissa Government in the matter of both primary and secondary education is highly insulting and deserves to be condemned. There is an acute shortage of teachers in schools at present. Approximately 1600 teachers are needed to be appointed. The appointments have been made in almost all the districts of Orissa except Mayurbhanj. This district is a Adivasi-majority area where education is greatly needed. My request is that appointment of teachers should be made there without delay. Another unfortunate incident that has happened in the field of secondary education is that the present Orissa Government announced the setting up of North Orissa University under which the area of Sundergrah, in the Mayurbhanj district and the Advasi and backward districts of Kionjhar and Baleswar etc. Were proposed to be covered. Its headquarter should be in Baripad which is the headquarter of Mayurbhanj district but the Government has made Bhubneswar as its headquarter i.e. instead of making it in North Orissa. They have made it in South. To go into this issue a Committee was constituted under the chairmanship of Justice S.K. Mohanty. The Government of Orissa is neither placing the report in legislative Assembly nor making it public. Under the

circumstances the neglect of primary and secondary education will continue in this region and the development of this region would not take place. Thus, this area is being exploited. I request the Government to kindly do the above mentioned works immediately.

SHRI RAMDAS ATHAWALE (Mumbai North-Central) : Mr. Chairman, Sir, world famous scientist Lorendo Singer has said in an interview a few days ago that there is a possibility of an earthquake in Mumbai as it is situated on the sea-coast. Maharashtra is said to be the centre of earthquake and there is a possibility of earthquake at many places in India. I would like to convey to the Government of India that it should take some measures to prevent this earthquake, otherwise the city of Mumbai whose population is about one crore will be devastated by the earthquake. Government should conduct a study about it.

[English]

DR. SUGUNA KUMARI CHALLAMELLA (Peddapalli) : Mr. Chairman, Sir, through you, I want to bring this matter to the notice of this august House and the Ministers concerned.

The Solapur police broke into an international uranium smuggling gang. It appears, uranium is smuggled from India to reach Pakistan. It is of a matter of grave concern. Through you, I would like the hon. Minister of Home Affairs to order a thorough CBI investigation. All the people involved - from top to bottom - should be identified, booked and prosecuted and necessary steps should be taken to prevent such happenings in future.

[Translation]

DR. RAM LAKHAN SINGH (Bhind) : Mr. Chairman, Sir, I have been elected from the Bhind and Datliya districts of the Madhya Pradesh. Both of these districts are very backward and therefore, Employment Assurance Scheme has been started there. Under this scheme, 60% of the funds are allocated for the construction of roads in the villages. But 70 to 80% villages are not having proper roads, drinking water facility, electricity, and schools for children. Through you I would like to ask the government that if all districts of Madhya Pradesh have been allocated funds under Employment Assurance Scheme, then why those villages are underdeveloped. The fact is that the officers and workers over there start work at the time of rainy season. By this way the construction of Kuccha roads is shown on the papers. After the rainy season, all the work done in this manner is shown as washed away. I would like to request that funds should be immediately released, but the construction of roads should be carried out in fair weather only. Otherwise it will lead to wastage of funds.

SHRI LARANG SAI (Sarguja) : Mr. Chairman, Sir, there are many Advasi dominated districts in the Madhya Pradesh. In these districts, on one side Adivasis are being troubled by the naxalites and on the other they are being tortured by the officers. Many of them are fleeing their homes. The Adivasis are being harassed by officers, Ministers and the

Chief Ministers. An example of it is; the High Court, Jabalpur has directed SHO, Manendgarh to take appropriate action under the law against Shri Digvijay Singh and Shrimati Devender Kumari Singh. The Advasis are being harassed by the Chief Minister. They are humiliating Advasis. As per the directions of the High Court, Shri Digvijay Singh and Shrimati Devender Kumari Singh should be arrested.

SHRI GANGA CHARAN RAJPUT (Hamirpur) (U.P.) : I would like to draw the attention of the House towards the problem of increasing pollution in the country. Today, the pollution is not only the problem of Delhi Metropolitan, but this problem has reached the smaller cities and townships also. Today the Delhi has become the gas chamber and is most polluted city in the world. 75% of the pollution is caused by the vehicles. According to the white paper issued the content of sulphur dioxide and nitrogen oxide in densely populated areas is 60 to 80 micro milligrams. Similarly, the amount of carbon mono oxide has reached the level of one percent. 45% people are having respiratory problem and 25% people are found to have symptoms of T.B. similarly, many other fatal diseases are spreading. It has been warned in the White Paper that if the adequate measures are not taken to stop this by year 2000, the people of this country have to bear the dangerous consequences. I would suggest that we should use bicycles in the radius of five to ten kilometres and battery-operated vehicles should be encouraged ...*(Interruptions)* The old vehicles which emit smoke should be immediately banned. More and more trees should be planted. The overloading in buses and trucks should be immediately banned. Thank you.

SHRI SHYAM BIHARI MISHRA (Bilhaur) : Mr. Chairman, Sir, the Kanpur Dehat Janpad in Uttar Pradesh, was constituted ten years ago. Its headquarter has already been opened in the Maati. It has got no railway station till now. It has got Rura station on Hawrah - Delhi line. There are 400 industrial units in Jainpur industrial estate and Rana industrial estate. I have requested the government that Rura railway station should be developed as the main railway station of Kanpur Dehat. Till it is done, Muri Express should be provided a halt there.

Sir, I would also like to make another request. Panki railway station comes under Kanpur metropolis. The population of that area is above 40 lakh. Therefore, Panki railway station should be declared as sub-urban railway station of Kanpur metropolis. The level of its platforms which is very low, should be raised. A local train should run from Panaki to Unnao ...*(Interruptions)*. The halting point of Pawan Express should be made at Shivraj and Marudhar Express should be provided a halt at Rawatpur. It will benefit the citizens. I would like to request the Minister of Railways to take immediate action on these suggestions.

SHRI V.V. RAGHAVAN (Trichur) : Sir, extensive sea erosion along the Kerala coast, especially in my constituency, Chawghat, has inflicted heavy damage to the fishermen's dwellings and uprooted hundreds of coconut trees. Till 1982, the Union Government had helped the Kerala Government

[Shri V.V. Raghavan]

in protecting the sea walls. The State of Kerala has a very long sea coast. I do not know why the Central Government had discontinued the help. Now, it has become quite necessary for the Government of India to help the State of Kerala in protecting the sea coast. It is a national issue. It is related to national security also. So, I urge upon the Government to kindly look into the matter and help the State of Kerala to protect the sea coast. ...*(Interruptions)*

SHRI A.C. JOS (Mukundapuram) : Sir, what I am saying is that in B.G. College, Ahmadabad, students from other States are not being permitted to enter. In that College, 15 students from Kerala are not being permitted to enter. ...*(Interruptions)*

MR. CHAIRMAN : Shri Jos, please take your seat.

SHRI A.C. JOS : Sir, they were forced to go out.

MR. CHAIRMAN : I have allowed Shri Krishna Kumar Choudhary to make a submission. Please take your seat.

SHRI A.C. JOS : Sir, it is the son of the soil problem.

MR. CHAIRMAN : Please take your seat. I am strictly following the list.

...*(Interruptions)*

MR. CHAIRMAN : Nothing will go on record except what Shri Krishna Kumar Choudhary says.

...*(Interruptions)**

[*Translation*]

SHRI KRISHNA KUMAR CHOUHARY (Gaya) : Mr. Chairman, Sir, through you I would like to draw the attention of the hon'ble Minister towards the waving off of loans for weavers in the state of Bihar. The Government of India had started process of waving off loans for weavers and workers by declaring Debt Relief Scheme, 1990. Under this scheme the loans upto Rs. 10 thousand given to weavers have been waved off in many districts of Bihar. Secretary Department of Cooperatives 'Bihar had also made an announcement through daily 'Hindustan' dated 13.6.90. If property of weavers had been damaged due to any reason, they would also be provided relief in the matter of debt but I am sorry to say that such is a case in Manpur of Gaya district in Bihar which is a prominent centre of textile production. Here Thousands of weavers are earning their bread by establishing cottage industries, and are also providing employment to backward and the poor. But some weavers have been deprived of the benefit of this scheme. This matter

is related with Margadh Cooperative Bank, Gaya ...*(Interruptions)*

SHRI CHANDRAMANI TRIPATHI (Rewa) : The law and order situation is very poor in my Parliamentary-constituency. Motor cycles and Scooters are being stolen in broad daylight. Police are not arresting suspected persons and crime is flourishing. The Bharatiya Janata Party and other opposition parties are being implicated in false cases at the instance of the ruling party. A false case has been framed against a doctor and the challenge is not being presented in the court. Through you I would like to request the Government of India to give immediate directions to the state government in this matter, so that the state of law and order could be improved in the Rewa district.

[*English*]

SHRI N.K. PREMCHANDRAN (Quilon) : Sir, I would like to draw the attention of the Government to the recent brutal attack on medical students in the B.G. College, Ahmedabad. The reason for the attack is, as has already been mentioned by Shri Jos, the son of the soil issue.

Eighty students have been selected on the basis of Entrance Examination for Medical course. They belong to different States. A gang of 25 persons had entered the hostel and brutally manhandled those students who are from other States. It is a very serious matter which is to be taken into consideration. I urge upon the Government of India to send a special delegation to Ahmedabad so that it can inquire into the matter and report it. ...*(Interruptions)*

SHRI A.C. JOS (Mukundapuram) : Sir, I also have given a notice to raise the same subject. ...*(Interruptions)*

MR. CHAIRMAN : Shri Jos, please take your seat.

SHRI A.C. JOS : On the basis of an All India Examination, admissions are made to the medical colleges and not on any other basis. On that basis, the Government selects students and distribute them to different Universities. In Kerala also, the Universities accept students from other States and we never create any problem.

This is a serious thing which is happening in Gujarat. With the result, the Principal is also taking the side of the hooligans. They are not permitted to enter the place. They have got blank papers signed that they do not want admission there. This is a very serious matter ...*(Interruptions)*

SHRI N.K. PREMCHANDRAN : I urge upon the Government that a delegation of Members of Parliament should be sent to inquire into the matter. The Chief Justice of the High Court should look into the matter, and protect the lives of the students there ...*(Interruptions)*

SHRI HANNAN MOLLAH (Uluberia) : Sir, the whole House and the country are concerned about infiltration from foreign countries to our State. Government is aware of it

and are taking action, identifying and deporting them. This is the job of the Government and everybody is supporting them. But my question is this. The point has been raised repeatedly in this House for the last seven to eight years that people are harassed, arrested, deported and beaten up. They extract money on the grounds of religion and language.

Bengali is the language of Rabindranath Tagore who got the Noble Prize for our country. When they speak in that language, they are branded as foreigners. If they speak in Bengali, is it a crime? It is because all Bengali-speaking people have an identity like the Muslims. I have got ten telephone calls from my house today morning on the atrocities committed on them. About 10,000 persons belonging to my neighbourhood villages are working as *zari* workers in Mumbai city. They are illiterate Muslim workers who do not get jobs elsewhere. They are embroidery *zari* workers working in Mumbai. The Shiv Sena Government and the police have arrested some of them. Their names and addresses are with me. They have no relation with Bangladesh. They are originally from West Bengal but they have been arrested. They are trying to deport those persons. This is an inhuman act. Genuine citizens should not be treated in this way. This is a country of all languages and religions and all should be treated equally.

I urge upon the Home Minister to intervene and stop such atrocities committed on the basis of language and religion. This issue had been raised several times in this House but no action has been taken. The Home Minister should make a statement on the atrocities committed on such persons. This is the situation in the country ...*(Interruptions)*

[Translation]

MR. CHAIRMAN : This is a very serious matter. Shri Hannan had already spoken about it. The Government has listened to it? The action would be taken on it.

SHRI RAMDAS ATHAWALE (Mumbai North-Central) : Mr. Chairman, Sir, this is a serious matter. The Government should take action in this regard ...*(Interruptions)*

MR. CHAIRMAN : Shri Athawale, you have already spoken. Now, you may sit down. You have spoken earlier also. Your statement has been recorded.

SHRI MOHAMMAD ALI ASHRAF FATMI (Darbhanga) : Mr. Chairman, Sir, this is a very serious matter. A few days ago, I went there to attend a party programme. People who go there to serve in various departments of Central services are not allowed to join their duty. The people of ruling party are involved in it. This is very shameful. They are trying to divide the country. The Government should pay attention in this regard.

SHRI DHIRENDRA AGARWAL (Chatra) : Mr. Chairman, Sir, I represent Chatra district of Bihar. It is a backward area affected by terrorism. In spite of the additional funds given

by the Government for the development of rural areas of this district, no development work has taken place there. This is the situation for the last five years ever since this area was given the status of a district. The funds given for the development of rural areas are being spent by the Deputy Commissioner, Chatra, in the name of construction and repairs of government offices and government accommodations. This is leading to a serious problem of unemployment in the rural areas. As a result, people are migrating from villages and terrorism is on the rise. Rural people are being exploited physically and economically. Thus Government funds are being pocketed there. I request the Government to conduct a probe in all those districts of Bihar State where the funds given for the development of rural areas are being misused. I also demand that the Central Government should also conduct a probe into the misuse of funds in Chatra district.

SHRI SUSHIL KUMAR SHINDE (Sholapur) Mr. Chairman, Sir, I would like to draw the attention of the Government towards the situation that has arisen after the nuclear test. After conducting the test we have had talks with U.S.A. two three times and Shri Jaswant Singh was sent there twice and it is being said that he will be going there for the third time. The details of these talks are not being disclosed before the nation. Now, it is being considered to send Shri Jaswant Singh to America again on Monday. Such frequent visits are creating apprehensions in the minds of the people of the country.

I would request the Government that before Shri Jaswant Singh leaves for U.S.A. on Monday for the fourth time, this House should be taken into confidence with regard to the talks that are going on between the two countries. Have the sanctions been lifted or not? What are the other subjects to be discussed? Has there been any secret deal or discussion between the President of U.S.A. and our Prime Minister? The dialogue between the Prime Ministers of India and Pakistan is going to be held in Sri Lanka soon. Whatever the Secretary of State of U.S.A. has told in this regard should be brought before the House so that the members should not have any doubts in this regard.

[English]

SHRI P.C. THOMAS (Muvattupuzha) : Sir, the sanctions against India from various countries are causing a lot of problems in our economic sphere. The Government has been expressing that, on many counts, they will be overcoming them. It is a good sign that the Americans - the Senators, the Congressmen and the people of that country - at least now are thinking on that line. Even the Glenn Amendment, which was standing against the lifting of sanctions or, for that matter, for any kind of mitigating of the sanctions has also to be changed at this stage. Now, they are thinking on that line. So, at this stage, the talks between India and the US and also the talks between India and the other countries with regard to the lifting of the sanctions as well as the matters concerning our boundaries are of great importance.

[Shri P.C. Thomas]

So, I would also support Shri Shinde and urge upon the Government to leave this matter, make these matters more clear and to take up the matter with more seriousness so far as the interests, the security and the economic situation of this country are concerned.

[Translation]

SHRI RAGHUVANSH PRASAD SINGH (Vaishali) : Mr. Chairman, Sir, according to a survey about 1 crore 10 lakh people in the country are affected by 'Hepatitis' disease. It is a killer disease. It has no symptoms and it also damages the liver. It's vaccination is also costly. Poor people infected with this disease cannot survive. An injection costing rupees one lakh has to be given for months together to the affected person. Moreover, if it is in advanced stage, chances of survival are very thin. Therefore, Government is requested to ensure the availability of such injections to protect the people from this disease and to provide proper treatment to the infected persons. The disease is spreading at a large scale due to the contaminated water. Hepatitis and Australia Entigen are diagnosed only after repeated medical tests. Therefore, preventive steps should be taken to save crores of people from dying ...*(Interruptions)*

[English]

MR. CHAIRMAN: I will call all the names.

...*(Interruptions)*

SHRI JAYARAMA I.M. SHETTY (Udupi) : Sir, can you see us from there? ...*(Interruptions)*

MR. CHAIRMAN: I am going strictly by the list. Please take your seat.

...*(Interruptions)*

SHRI JAYARAMA I.M. SHETTY : Sir, you never given us an opportunity to speak ...*(Interruptions)*

MR. CHAIRMAN: I will call the names of those whose names are there in the list. I am going strictly by the list. Please take your seat now.

...*(Interruptions)*

MR. CHAIRMAN: Please take your seat. I have called the name of Shri Radhakrishnan.

...*(Interruptions)*

MR. CHAIRMAN: Nothing, other than what Shri Radhakrishnan is saying, would go on record. Yes, Shri Radhakrishnan.

...*(Interruptions)* *

SHRI VARKALA RADHAKRISHNAN (Chirayinkil) : Sir, after Shri Adi Shankaracharya, we have a great social

reformer in Shri Narayana Guru. He has founded many institutions throughout south India and even in Sri Lanka. Recently, the Kerala Assembly passed a statute, by the provisions of which the administration of all those institutions was taken over by an Administrator. This great social reformer has changed the history of south India in general and that of Kerala in particular. After Adi Shankaracharya, he preached the concept of oneness of man, oneness of God and oneness of religion. He is above all religious parochialism and he preached the concept of oneness of man in the true sense of the term.

Now, a statement has been issued by the Central Office of the BJP to the effect that they would take over the possession of the institutions which are now managed by an Administrator lawfully appointed under the provisions of the statute. The State unit of BJP, with the help of the *Viswa Hindu Parishad* are making all efforts to take over the institutions which are run by the Administrator. This would certainly create some serious problems.

So, I would like to request the Central Government to direct their partymen not to embark on unlawful activities ...*(Interruptions)*

[Translation]

SHRI ASHOK ARGAL (Murena) : Mr. Chairman, Sir, I have been elected from Murena district of Madhya Pradesh. There is no law and order worth the name there. During the last six months, a number of murders and dacoities have taken place. The Sarpanch of Ruhar village alongwith his two companies was murdered by dacoits. 8-10 registered criminal gangs are operating there. No success have been achieved by the police in any of the cases. 11 year old Sudhir Sharma was abducted in Vijaypur. The police has got no clue to this case even after 6 months. Even his dead body has not been recovered. Three prominent persons were abducted from Thana Gathvani. A woman and two other persons were murdered in Babarkhera and their house was looted. Makhan Lal Gupta, resident of Veerpur was abducted. 20 days have passed since then but there is no information about his whereabouts. A prominent person was abducted from Mamchaug. Till date there is no information about him. A person belonging to Jatav Community was murdered in Jakhora Village. Two persons belonging to Harijan Community were murdered in Nagrat Police Station area. A businessman was robbed of Rs. 5 lakh in a crowded market in Murena and Rs. two lakhs were looted from another businessman. Dacoity was Committed in Badkeen and also at Jhundpura but till date police has not got any breakthrough in any of the cases. Through you, I request the Central Government to pay attention toward it and send Central Revenue Police Force to strengthen the law and order situation there..

[English]

DR. BIKRAM SARKAR (Howrah) : Mr. Chairman, Sir, through you, I would like to bring to the notice of the Central

*Not recorded.

Government an important, urgent and sensitive matter for discussion and clarification. In the name of liberalisation these days, we find that privatisation is being branded as the panacea of all industrial ills. But if you look at the private sector companies like Metal Box, Sen Raleigh, Dunlop in West Bengal, there are many other private sector units which have failed due to mismanagement and irregularities like siphoning off of funds by the private proprietor. Almost all of them are now a fit case of BIFR. The most recent example, is Dunlop in West Bengal. The State Government of West Bengal has failed miserably in bringing out the corrective measures to protect the interests of the workers. The workers are suffering due to closure of Dunlop units in West Bengal. On the other hand, Bengal Immunity, IISCO, MAMC, TTCL, NTC, NJMC units and even Durgapur Steel Plant are not being run properly even though the Central Government has taken over the management in the public sector.

The modernisation of IISCO is being talked about for years. At one stage the Chief Minister of West Bengal requested the Minister of Steel to consider handing over the Public Sector unit to the private sector, when the Central Government was well advanced with the proposal for entrusting the modernisation with the Steel Authority of India. Many of the Public Sector Units have not been given the freedom to run professionally. The managers were not given the opportunity to use their expertise and the concerned Ministries misused them as 'Kamdhenus' for milching them for other purposes.

I am of the opinion that if the managers in PSUs are given the freedom to use their expertise and also the responsibility, they would be able to deliver the goods and show good results and performance. Therefore, what is needed is that instead of privatising the existing PSUs, they are to be supported and strengthened.

Where selective disinvestment is thought of, it should be with a view to strengthening the PSU by ploughing back the resources to the PSUs. Any attempt at wholesale privatisation would send wrong signals to the common people, the poor people of India and would thus shake their confidence in the Government's intentions.

This is a very urgent matter which needs discussion and clarification by the Central Government.

[Translation]

SHRI MOTILAL VORA (Rajnandgaon) : Mr. Chairman, Sir, today the farmer of the country is unhappy and worried due to non-implementation of Crop Insurance Scheme. It has been proposed many times to implement the Crop Insurance Scheme but it has not been implemented so far. Consequently, the production of foodgrains is decreasing gradually. A farmer gets the compensation only if the crop gets damaged at the block level. There is shortfall in the production of major crops. The agricultural policy of the Government has not been announced till date. Hon'ble Prime Minister has mentioned several times that our

foodgrains production will be doubled. Today, I will speak on the subject pertains to hon'ble Finance Minister. I request the hon'ble Finance Minister to inform hon'ble Minister about the concerns of the farmers of the country as he has been representing the other ministers also. This matter concerns the farmers. I am sure that hon'ble Finance Minister will come forward and tell the House that he is also concerned about the farmers.

FINANCE (NO. 2) BILL, 1998 - Contd.

13.50 hrs.

[English]

MR. CHAIRMAN : The House will now take up further consideration of the motion moved by Shri Yashwant Sinha on 15th July, 1998.

DR. RAVI MALLU (Nagar Kurnool) : Sir, I have given notice.

MR. CHAIRMAN : You must have given notice after 10 o'clock today.

DR. RAVI MALLU : I have been waiting to raise a very important issue, Sir, I will take only one minute.

MR. CHAIRMAN : You will be given chance on Monday.

DR. RAVI MALLU : I have given notice to raise an important issue regarding law and order situation in Andhra Pradesh.

MR. CHAIRMAN : I have allowed all those Members who have given notices before 10 o'clock today.

...(Interruptions)

MR. CHAIRMAN : I call Shri Motilal Vora to speak. Shri Vora, will you complete your speech in five minutes?

SHRI MOTILAL VORA (Rajnandgaon) : As there was not much time to speak yesterday, I had made a request to the hon. Speaker that my name be called today ... (Interruptions) My name has been approved by the Speaker. I have to be given full time now ... (Interruptions) I will not be wasting the time of the House ... (Interruptions)

MR. CHAIRMAN : Nothing will go on record except what Shri Vora says.

...(Interruptions)*

MR. CHAIRMAN : Dr. Mallu, your matter must be very important but why have you not given your notice before 10 o'clock today?

...(Interruptions)

*Not recorded.

MR. CHAIRMAN : I will not allow you. I have called Shri Motilal Vora. Nothing but what Shri Vora says will go on record. We cannot stretch 'zero hour' further. Please take your seat. Please do not waste the time of the House. Shri Vora.

...(Interruptions) *

MR. CHAIRMAN : Dr. Mallu, I am requesting you to take your seat. Do not waste the time of the House. I have exhausted the list. I have allowed all the Members who had given their notices by 10 o'clock today.

...(Interruptions)

MR. CHAIRMAN : We will have to complete this item of business by 3.30 p.m. today. Private Members' Business will have to be taken up at 3.30 p.m. Please take your seat. I will not allow you. You raise it on Monday.

...(Interruptions)

MR. CHAIRMAN : Nothing will go on record except what Shri Vora says.

...(Interruptions) *

[Translation]

SHRI MOTILAL VORA (Rajnandgaon) : Mr. Chairman, Sir, I would like to draw the attention of the House towards one important point. Today, discussion is going on on the Finance Bill. Hon'ble Minister will also reply today. 15-20 thousand workers were agitating outside the Parliament House today in the morning over the closure of 233 textile mills of the country. I was surprised to hear the reply of the Textile Minister that 7-8 lakh workers working in 233 textile mills have been rendered jobless and in the name of idle wages Rs. 444 crores are being paid to them. Even then the Government did not pay attention towards these workers. I would like to draw the attention of the Hon'ble Minister towards the fact that the composite Mills whether in Maharashtra, or in Madhya Pradesh or in Gujarat or the mills run by the N.T.C. are not being provided with any grant by the Government. Once their bank limit is over, these mills get closed. The Government is ready to give them idle wages. Rs. 444 crores are being paid as idle wages. I would like to submit that the hon'ble Minister should pay attention towards the plight of workers of textile Mills.

Second point is regarding the farmers. Hon'ble Minister has firmly stated that many provisions have been made in the Budget for the farmers. I must thank him for effecting 58% increase in the plan allocation for agriculture. Out of the total cultivable land, only 37% land comes under assured irrigation. Majority of the farmers depend upon the rain water. Hon'ble Minister has stated that in regard to irrigation inputs in agriculture maximum allocation has been made in this year's Budget. Regarding the plan outlay actual

position is not like the one Hon'ble Minister has mentioned. That being so, the Hon'ble Prime Minister has also expressed his concern today. The Prime Minister has stated that the crop production is decreasing. Maximum attention should be given towards agricultural research to achieve the target of 5% increase in agricultural production. This statement was made by him while addressing the meeting of the Indian Council of Agricultural Research held yesterday. A well known economist has said that according to his estimates, there will be a fall of 3% in the production of wheat in India. I am not speaking on agricultural Budget for the year 1997-98 but our country is primarily an agriculture based country. The Hon. Minister has stated that 58% allocation has been made for agriculture. In this regard I would like to state that 170 lakh tonnes of foodgrains were produced in 1996 as against the target of 200 lakh tonnes and thus there was a shortfall of 30 lakh tonnes of foodgrains. If the same situation continues, there will be no foodgrains to feed the people in the coming five years. Production of foodgrains is not in proportion to the increasing population.

Regarding the Central Plan outlay, the Hon'ble Minister has stated.

[English]

We have stepped up the Central Plan Outlay by Rs. 24000 crore raising it from Rs. 81033 crore in RE 1997-98 to Rs. 105187 crore in BE 1998-99.

Mr. Chairman, Sir, he has compared the Budget Estimates with the Revised Estimates. No doubt, he is a very clever Finance Minister. I appreciate his cleverness. He tries to please everybody. In the same way, he has tried to please the farmers of the country. In the Central Plan Outlay, he has compared the Budget Estimates with the Revised Estimates of the previous year, which is non-computable.

1400 hrs.

[DR. LAXMINARAYAN PANDEY *in the Chair*]

As the hon. Finance Minister knows is well, 'the normal practice is to compare between Budget Estimates figures of the comparable year.' He has taken the other side. 'If we take into account the Central Plan allocation for the year 1997-98 at Budget Estimates stage, it was Rs. 91,839 crore. Then the step-up is not Rs. 24,000 crore.' I would like to ask the hon. Finance Minister where from this figure of Rs. 24,000 crore has been raised. It is only Rs. 14,000 crore.

Everywhere, I think, the Finance Minister has tried to take credit of higher allocation of comparing the figures between Revised Estimates of 1997-98 and Budgets Estimates of 1998-99. I think, he knows it full well that in 1997-98, the Central Plan Expenditure was reduced by Rs. 10,000 crore. This Central Plan Outlay has been enhanced. I would like to ask from the hon. Finance Minister why all this jugglery of funds and figures has been done.

[Translation]

Hon'ble Chairman, Sir, I will take only five minutes, with great difficulty I have taken this time from you.

MR. CHAIRMAN : Your suggestions are good, but we have to get this passed before 3.30.

SHRI MOTILAL VORA : For your information I would like to say two-three things about the type of Budget that has been presented. Even if we review the summary of the Budget, there is a lot to be commented upon it. Yesterday it was said by all the states of tea which is consumed by common man in the country have sharply risen. Spices have also become dearer. There are many items prices of which have been steeply raised. Prices of branded butter have also increased. I think all people have mentioned about one thing only and that is price rise and, when the same thing is said again and again, it must have an effect on the hon. Finance Minister. As far as question of spoon is concerned, spoon is mentioned in this as,

[English]

spoons, forks, laddles, etc. of heading 82.15.

[Translation]

In this item also you have increased the price

[English]

'Turbine for hydro-electric equipment of a capacity.'

[Translation]

What do you want to give to the common man of this country through Budget by increasing the rates of all these items. There had been a steep rise in prices. Mr. Chairman, Sir, with your permission I want to mention about the speech of the hon'ble Prime Minister which he delivered when he was the leader of opposition. Since you have ordered that I should conclude, but before that I must ask for whom has this budget been made, for whom is this Finance Bill meant? Are we ignoring the interests of common man, farmers and weaker sections and working for the rich. When the Budget is presented country's farmer, labourer, poor people think that they will get relief, and they have high expectations from the hon. Finance Minister. We are your admirers and about admirers it is said:

*'Nindak Niyary Raakhiye,
Angan Kuti Chhavai'*

You will find many admirers, but the fact is that with the presentation of Budget prices of commodities have increased to such an extent that the backbone of common man has definitely been bent if not broken. Last time also I had asked as to why this is being done.

SHRI VIJAY GOEL (Chandni Chowk) : Has the Budget anything to do with price rise? .

SHRI MOTILAL VORA : Yes.

SHRI VIJAY GOEL : Tell me how these two are related?

SHRI MOTILAL VORA: Presentation of Budget resulted in inflation. So far the extent of increase in the inflation is concerned, the hon. Minister might have noticed that after the presentation of Budget.

[English]

The inflation had jumped from five per cent to 6.35 per cent. Today it is 7.4 per cent.

[Translation]

If this is not the price rise then what is this hon'ble Goel ji?

SHRI VIJAY GOEL : Which is there in the Budget which has led to price rise?

MR. CHAIRMAN : Mr. Goel, let him conclude, time is short.

SHRI MOTILAL VORA : Budget does not mean statistics only. It leaves impact on the whole country. Regarding Finance Bill I want to say that the Budget has resulted in steep increase in prices of every item. Some countries of the world have imposed sanctions against us. You might not have imagined the extent to which these sanction have affected us.

SHRI SHANKER PRASAD JAISWAL (Varanasi) : It must be said and it should be admitted to also that elections have also resulted in price rise.

SHRI MOTILAL VORA : I accepted it but, it is also a fact that because of sanctions which were imposed against us, there is reduction in the work on the projects going on in different areas of the country and some of them have stopped working completely. Even leader of the Telugu Desam Party and the Chief Minister of Andhra Pradesh has said that after the imposition of sanctions the work on, all the projects sponsored by the World Bank has come to a halt.

SHRI OM PRAKASH (Ghazipur) : Mr. Chairman, Sir, I am on point of order. I do not understand as to how seat allotment has been made for us in the House.

SHRI SURENDRA PRASAD YADAV (Jahanabad) : Are these seats allotted according to seniority or juniority? ... (Interruptions)

[English]

MR. CHAIRMAN : I will convey your feelings to the hon. Speaker. That is all. Please sit down. Hon. Speaker will do it. Kindly sit down.

[Translation]

SHRI SURENDRA PRASAD YADAV : We want information.

MR. CHAIRMAN : I will convey your feelings to the Hon. Speaker, because it is he who decides it. Now you please sit down.

SHRI SURENDRA PRASAD YADAV : Our predicament is like that of a patient who was taken to the hospital and the surgeon present said that the patient he shown to the senior doctor ...*(Interruptions)* We have not asked from you, we have asked from Mr. Chairman ...*(Interruptions)* We are also members of the House ...*(Interruptions)*

MR. CHAIRMAN : Please sit down.

...*(Interruptions)*

MR. CHAIRMAN : Nothing will go on record except what Shri Rajendra Agnihotri says.

...*(Interruptions)**

SHRI RAJENDRA AGNIHOTRI (Jhansi) : Hon'ble Chairman, Sir, I rise to support the Finance Bill. The way prices are rising in the country, it has made the life of the common man miserable. I, therefore, request the hon. Minister of Finance to take effective and appropriate measures to control the price rise. I would congratulate the hon. Minister of Finance for presenting such a nice budget. This budget will help in meeting the economic challenges before the country. This budget reveals the commitment of creating a self-reliant and debt-free country. Mr. Chairman, Sir, through you I would like to say clearly to hon. Minister of Finance that regional imbalance is there in various states of the country. You have to remove this imbalance and improve economic condition of the region. In National Agenda a commitment was made to create three new states namely—Uttaranchal, Jharkhand and Chhatisgarh in Madhya Pradesh. Sir, there are several other regions in the country which have more area and population but no decision has been taken about these regions. These are backward areas and on verge of starvation. These areas lack drinking water, roads and industry. The Bundelkhand region consists of seven districts of Uttar Pradesh and nine districts of Madhya Pradesh. Thus it consists of 16 districts, area and population of this region is more than Punjab and Haryana but attention has not been paid to accord it the status of a State. I would like to say to hon'ble Minister of Finance that proper attention should be paid towards development of this region and an economic package should be given for it. A few days back a news item appeared in newspapers that every year 50 or 60 person die due to starvation in Bundelkhand. 60 percent area of this region lacks drinking water. There is no proper arrangement for industry, drinking water, education and health care in this region. I would like to draw the attention of hon. Minister of Finance towards this region and request

*Not recorded.

him to make an announcement for providing an economic package to solve the problems of this region. Proper arrangement should be made to set up educational institutions in the area and agricultural implements should be provided. Unless industry is developed in the region the problem of unemployment cannot be removed from this region. This area cannot be developed without providing work to every youth. Therefore, an economic package has to be given for development of this region. Along with it arrangement for providing loan through banks at a low interest rate should also be made. Power stations should be set up here. This area lacks electricity. About 60 percent area of this region do not have even electricity poles. As per the statistics 16 lakh youth are unemployed in Bundelkhand region.

The budget presented by hon'ble Minister will bring prosperity in the country. But I would like to make a submission that special attention should be paid towards development of such regions. I demand that along with setting up power stations attention should be paid towards development of waste land. I support the issue of insurance scheme which Hon'ble Vora ji has raised. The power sector should be handed over to private sector because State Government is not in a position to strengthen electricity system. Agriculture should be accorded status of industry for its development and for increasing purchasing power of farmers. Villages cannot prosper without increasing the purchasing power of farmers and re-starting the factories in the region.

Sir, perhaps the whole House would support the issue that safai karamcharis engaged in local bodies belong to poor sections of the society and it is their destiny. They are not getting salary for last six, seven months or for the whole year. Whether it is Uttar Pradesh, Madhya Pradesh or any other state of the country but no local body is able to pay salary to safai karamcharis regularly. I would like to say hon. Minister that Government should make arrangements for providing salary to safai karamcharis.

Sir, I again thank the hon'ble Minister of Finance and say if these backward areas are ignored today then it is definite that tomorrow these will prove the cause of unrest in the country. Therefore, it is requested that an economic package should be announced for removing regional imbalances prevailing in various states, only then this situation will improve. ...*(Interruptions)*

[English]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Mr. Chairman, Sir, I rise to reply to a very interesting discussion which has taken place on the Finance Bill in this House spread over the last three days.

A total of 37 Members, out of which two spoke just now, participated in the discussion. As I have said, a number of very important and interesting suggestions have been made in the course of the debate. I would like to say that I am

particularly grateful to the Standing Committee on Finance, headed by my friend, Shri Murlī Deora. The Standing Committee on Finance has examined various issues. They have submitted their Report and they have made some very valuable suggestions. I would like to assure the House that in formulating my reply, I have taken into account the suggestions made on the floor of the House and the recommendations of the Standing Committee on Finance. As I said, when I moved the Bill, suggestions and recommendations have come from a wide variety of sources including through the media.

We set out to discuss the Finance Bill, but not surprisingly, the discussion wandered into a general discussion of the Budget which we had in the earlier part of this Session. It will not be possible for me, at the time which is at my disposal, to go back into a re-reply of the Budget today that we had in this House.

I would, however, like to confine my remarks to two or three very important points which have been made and I think those deserve to be responded to in this House.

Cutting across various party lines, a mention has been made once again about the impact of sanctions on our economy and concern has been expressed about the fact that the Government somehow is concealing the facts from the people of this country and is not tackling this problem up-front. Sir we have had questions in this House on this. I remember, this morning during Question Hour, my colleague, the Commerce Minister, had something to say on this issue. On the question of sanctions, we have had other occasions also when the Government had put its point of view before this august House. But because this matter has been highlighted once again, I think it is important that I respond to this concern.

As the hon. Members are aware, some industrialised countries, following the nuclear tests in May, announced different types of unilateral measures affecting our economic interests. These measures limited new bilateral aid commitments to different degrees in different countries. The G-8 countries have also agreed to defer consideration of new loans from multilateral institutions, except those which are described by them as basic human needs. I would like to make a few things clear. We faced a difficult external environment in 1998. But this is not only because of sanctions; the economic environment all over Asia has deteriorated very significantly because of East Asian crisis which erupted in the middle of last year and now appears to have both deepened and got more prolonged than was imagined initially. This is a very—very important factor that we have to keep in mind when we are talking about the external environment. The Japanese economy is showing signs of persistent weaknesses which is worrying international financial market. The Russian economy is in severe crisis. We are all aware of the fact that recently they have received huge assistance from the International Monetary Fund. These developments are likely to contribute to a slow down in trade and growth of world economy as a

whole. India is obviously affected by these developments and we must recognise this reality and try to deal with it. But we must clearly be able to distinguish the effect of these adverse international factors and sanctions. Often we tend to mix all these and put everything at the door of sanctions. This is a point which I had made even when I was replying to the Budget debate that this is something which we must remember that if India has gone ahead and globalised during the last several years, it cannot be said now that we shall dispel and discard whatever is not in our interest and accept only what is in our interest. You cannot do it in a globalised economy. You have to take the bad with the good and suffer the consequences of globalisation. That is the situation that the country is facing today.

Some concern has been expressed about the downgrading of the credit rating of India as a sovereign nation by the Moody's. I would like to inform the House that because of the apparent slow down in exports which took place last year and the perception that economic reforms last year were stalled, it was in February, 1997 that Moody's changed India's outlook to negative.

It was in January, 1998, a few months before this Government came into power, that they announced a possible downgrade, and the actual downgrading had taken place in June. Now, we came into power in March. All this is ascribed to our door, all this is ascribed to the Budget as if there was no past and nothing happened in 1997-98. I am sorry that my friend and my predecessor Shri P. Chidambaram is not in the House once again. Last time, he showed the courtesy of coming to me. ...*(Interruptions)* He was there in the morning. I wish he was here now because I do not want to say things behind somebody's back. Last time, he had mentioned to me that he had to go for a family function to Chennai and I told him that he could go. I do not know what is holding him up today.

Sir, I have deliberately avoided criticising the previous Governments. I have deliberately done so because it is not in the national interest that we denigrate what has been done in the past, but certain facts have to be brought to the notice of this House and the people of this country. We are being charged as if we are responsible for the Moody's downgrade, for the downgrading by Standard and Poor, and by other credit rating agencies. Last year, everyone knows, was a very bad year. What is it that I received in legacy? On the economic front, it was one of the most difficult situations that this Government inherited and we are trying to do our best to take the country out of this economic crisis in which we plunged last year, the year before and the year before that. Therefore, it is true that spreads have spread. I mean that interest rates have gone up. They have gone up for us internationally because of this downgrade. But I would like to say that even before the Moody's downgrade actually came — the East Asian crisis took place after November, 1997 — the interest spread went up by 250 base-points in November, 1997. I had not presented my Budget then. We were nowhere on the scene. Why did interest rates on credits for India went up by 2.5 percentage point?

[Shri Yashwant Sinha]

We are talking of sanctions. Shri Chidambaram talked of indirect impact of sanctions. Now, what is the indirect impact of sanctions? The indirect impact of sanctions is that interest spreads will rise and some credits might become more difficult. It actually went up when he was the Finance Minister by as much as 2.5 percentage point. I had mentioned it in this House in reply to one of the questions that after the Pokhran tests, the rise in interest rates was only one percentage point. The East Asian crisis erupted once again. The international environment has become, as I said, very adverse and interest rates have increased, but to suggest that all this is happening only because of nuclear tests, all this is happening only because of sanctions is far from truth. This is where I would like to take this House into confidence and say that all these factors have to be taken into account.

Now, it is not that we are not concerned. I would not like to indulge in any bravado on the question of sanctions. We are concerned. We are watching the situation. Every moment, everyday and every week, we are trying to explain our position to these countries and we have reasons to believe that our explanations are carrying conviction. A change in attitude is quite clearly visible. We are hopeful that as the days go by, our position as a sovereign nation - we have not violated any international law - will be better understood. It will be better appreciated and those countries which have imposed sanctions - there is only one country, I have explained in this House, which has imposed sanctions in a legal term and that is the USA - and other countries which have reacted negatively in certain ways will change their position. Ultimately, it will be possible for the country to come out of the present difficulties.

But I would like to make one more point on sanctions. I have made it before in this House and I would like to repeat it once again and, that is, no project in this country, no single project which had contracted any loan internationally which has got delayed or disrupted as a result of these sanctions - there are some US Exim Bank loans which have got disrupted - will be allowed to suffer. I would like to assure the House with all the emphasis at my command that we are in a position, nationally, domestically, to take care of all those projects and not a single project will be allowed to be disrupted as a result of sanctions. We have enough money in our system, we have enough money in foreign exchange to be able to take care of that problem.

Sir, sanctions have been imposed; find... *(Interruptions)* But I would like to plead humbly with the entire House, cutting across party lines - that let us not spread a sense of despair in this country, a sense of despondency and a sense of helplessness in regard to these sanctions. We are a huge country. We have a huge diversified economy. This has been built over the decades. We do not have anything to fear. We can stand to any international blackmail. This country has the capacity to be able to withstand it.

Sir, the other point which was raised from this side, from the side and from all sides of the House when we were discussing the Finance Bill was the question of inflation. It is very natural for Members of this House to express their concern in regard to inflation, reflect on the proposals in the Budget and try and find out whether there is any relationship between the two or not. There have been charges made in the course of the intervention that the Budget is inflationary and that the present rise in the rate of inflation is directly related to the Budget.

Sir, when Shri Motilal Vora was speaking Shri Goel was trying to ask this question as to how inflation is related to the Budget and, once again, I regret the fact that my predecessor Shri Chidambaram is not present in the House. But I have to refer to the fact that while speaking on the Budget and while speaking on the Finance Bill, on both the occasions he made much of the fact that he was in total control of the situation on the price front, that he had broken the back of inflationary expectations in the economy and that this demon was raising its head once again, as if everything has gone wrong in the last 3-4 months that we have been in power and everything was hunky-dory when he was the Finance Minister.

Sir, there has been a spurt in inflation, we know it is causing problems to the people, we share the concern expressed in this House and we are taking various measures to ensure that we get control over inflation. But we have to examine the nature of this inflation and we have to examine the causes as to why inflation has gone up. Inflation goes up for various reasons. One of the most important reasons - any economist worth his salt will tell us - for rising inflation is lack of control, lack of discipline on the fiscal front. And what is the discipline which was shown on the fiscal front last year? Did not the Government of the day say that they would control the fiscal deficit and keep it pegged to 4.5 per cent? Is it not a fact that instead of ending at 4.5 per cent we ended the year with 6.1 per cent fiscal deficit and we have a slippage of that magnitude?

Mr. Speaker, Sir, then no one can prevent its impact on the economy. If Shri Chidambaram had been the Finance Minister, he would be facing the same situation instead of preaching to me from across the House.

Now, what was the M-3 growth? Everyone knows if the money supply which is called M-3, is allowed to rise to a level which is not within the limits of tolerance, then it will have an impact. What was the rate of growth of money supply, namely, M-3 in 1997-98? It was 17 per cent. Everyone knows that when money supply increases it affects the prices and inflation with a time lag of three to six months. We are facing that situation because of the legacy that we inherited, viz., 17 per cent growth rate of M-3.

Did inflation begin to rise after this Government came to power? I have the figures here. Shri Chidambaram may or may not take credit for the fact that in August last year, the rate of growth - I am talking of monthly figures - of inflation

(WPI) touched a low of 3.7 per cent in August. It was 3.8 per cent in September last year and then it started rising. In January, it rose to 5.8 per cent. When this Government came to power in March, the monthly average was five per cent. It was not that the rate of inflation was going down but when we came suddenly the rate of inflation started going up. The rate of inflation had started going up from October, 1997 and it has unfortunately continued to rise. But what is the nature of this inflation?

SHRI T.R. BAALU (Madras South) : Was it not the lowest during the regime of the U.F. Government as compared to 1992-93?

SHRI YASHWANT SINHA : Shri Baalu, I mentioned the figure of 3.7 per cent monthly average. Let us understand the other point because we, sometimes unwittingly or knowingly or deliberately tend to relate the present inflation to the Budget and say that prices have gone up because of this Government's Budget. It is very easy to make this political point. But it is not based on facts. Let us understand the nature of this inflation. The nature of this inflation is that this 2.3 or 4 per cent rise which has taken over five per cent which we inherited is largely accounted for by fruits and vegetables. Eighty-six per cent of the increase is accounted for by these two categories, viz., fruits and vegetables. It is not that we are not concerned. We are concerned and the Government has initiated a number of steps to get over the problem and make sure that the consumers get the best deal possible. But if potato production has declined by 60 per cent, if onion production has gone down this year if the vegetables has dried up in the fields as a result of intense heat, these are natural factors which everybody is aware of ...*(Interruptions)*. Please do not laugh.

SHRI ANIL BASU (Arambagh) : What about edible oil?

SHRI YASHWANT SINHA : The edible oil prices have gone up for the simple reason that Indonesia and Malaysia which are the exporters of palmolein, have run into great difficulties ...*(Interruptions)*. Palmolein used to be imported. It is a product which is on O.G.L. Why are private traders not importing under this facility and bring down the prices? It is for the simple reason that internationally palmolein prices have firmed up. That is why, they are not finding it profitable to import. It is because of this, the Government has decided to import 150 thousand tonnes of palmolein to bring the market prices down. That is why, this Government has decided to reduce the import duty on edible oils by 10 per cent so that our importers could take advantage of that and start importing. These are the measures that we have taken to bring the prices down. I can assure the House— with all the little understanding that I have on these issues— that I see nothing in the price rise which is a cause for concern in the long run.

If we exclude the vegetable prices and fruit prices, then the rate of inflation would be something around 5.5 per cent. I am determined to keep the money supply under check. I am determined to keep the fiscal deficit under check. I would

like to assure the House that I shall not allow the fiscal deficit to slip beyond 5.6 per cent, despite all the concessions that I have given or I might announce today. Despite all those concessions, I would like to assure the House that I have enough cushion in my Budget not only to keep the fiscal deficit to the projected level of 5.6 per cent, but even to be able to bring it down. That is why, we will do all, within our power, on the monetary front, on the supply side to be able to get over this problem of inflation.

Another issue was raised here by many Members and that was the issue of Centre-State relations. Since the Central taxes are distributed to the States, it is important that this issue be raised and it is important that I respond to that issue. The present devolution to the States is taking place on the basis of the recommendation of the Tenth Finance Commission. ...*(Interruptions)*

SHRI VARKALA RADHAKRISHNAN (Chirayinkil) : You have appointed the Eleventh Finance Commission.

SHRI YASHWANT SINHA : I have not even spoken on the subject.

SHRI VARKALA RADHAKRISHNAN : The Tenth Finance Commission has recommended that we should take the aggregate tax income of five years together and then share it between the Centre and the States. The question is, would you implement it?

SHRI YASHWANT SINHA : I have not even started speaking on the subject, when I was confronted with this question. But I would like to say that the present devolution is taking place on the basis of the recommendations of the Tenth Finance Commission. The Government has already constituted the Eleventh Finance Commission. I presented to the House the Terms of Reference of the Eleventh Finance Commission, and the Terms of Reference of the Eleventh Finance Commission are very-very progressive, which will get the States a much better deal than they have been getting in the past.

Sir, the moment I took over, the House will recall, when I presented my Interim Budget in this House in March, I announced that we shall disburse the VDIS collections to the States before the 31st of March, 1998. I stuck to that promise and I have distributed it. In fact, I gave them more than what was perhaps warranted. I did not even wait for the full accounts. Now, this is the attitude which this Government has that we want to help the States. The recommendation which has been supported by all the parties, the recommendation which has been adopted by the National Development Council that the States should get 29 per cent share in the Central taxes calls for a Constitutional amendment. I have introduced in this House a Bill to that effect the other day and, I hope, when that Bill comes up, we will be able to pass it with unanimity. I would like to inform the House that based on 29 per cent devolution, the States will be able to get a much better deal than they are getting at present. That is the commitment of this Government.

[Shri Yashwant Sinha]

A large number of issues have been raised. My good friend, the former Chief Minister of Bihar, Shri Lalu Prasad, is not here. He had given a very vigorous speech in the House on the Finance Bill. He had raised various issues. One of the issues that he raised was that there must be land to the tiller, forgetting that land reforms or revenue is an issue which is a concern of the State. He had been the Chief Minister of Bihar for seven long years without doing anything in that regard. It is very easy to start preaching when you go from this side to that side.

SHRI A.C. JOS (Mukundapuram) : Now, you realise it!

SHRI YASHWANT SINHA : We were preaching you from that side. We have not gone back from here.

When I was responding to the Budget debate, I said that there is hardly anyone in this House, any party or any formation in this House, which has not been in Government before and which has not been supporting a Government.

Therefore, we all must talk with a sense of responsibility. It is very easy to criticise, and it is very easy to preach when you are not in power. But it is very difficult to implement when you are in power ...*(Interruptions)*

Now, I come to the Finance Bill. ...*(Interruptions)* I have already spoken. Probably you were not here. I spoke at length on infrastructure.

The broad approach in the Finance Bill represents the continuation of the tax reforms initiated by previous Governments and I have no hesitation in accepting it. Government is a continuous process. In the medium term, our objective is to have laws which are simple and transparent and improve the quality of tax administration. At the same time, Tax-GDP ratio which continues to be below 10 per cent must be increased significantly to enable the Government to pursue a policy of fiscal prudence. Within this framework, the proportion of direct taxes to gross revenues of the Central Government has also to be suitably enhanced along the lines of all other countries undertaking major tax reform initiatives.

Our policies contained in the current year's Finance Bill are designed to lend stability and continuity of rates of direct taxes – a point which I made when I presented the Budget – enabling individuals and corporates to undertake sensible planning. To widen the tax base significantly, the application of one by six criterion has been made which would increase the total number of people who filed their income-tax returns by 50 per cent, according to our estimate, in three years. Simultaneously, the mandatory application of a permanent Account Number is a major step in minimising incidence of tax evasion and coupled with rapid computerisation, represents a major effect in modernising the direct tax structure. Declogging of the system to realise the revenue locked up in innumerable litigations and bringing about an attitudinal change in the relationship of tax authorities with assesses remains a major priority. As a result of this effort,

the direct tax – GDP tax ratio will increase from 2.91 per cent in the RE of 1997-98 (excluding VDIS collections) to 3.03 per cent in the current year. Over the medium term, the rise will be more significant, as the exercise to widen the tax base gets going.

I would like now to respond to the suggestions which have been made in regard to my proposals relating to direct taxes. Much as I would like to positively respond to all representations for tax exemption, the economic compulsions of moderate tax regime for better compliance by the tax-payers, and bringing about a higher tax-GDP ratio, to bridge the fiscal deficit, restrain me in contributing further to the complications in the fiscal management. After carefully evaluating all the valuable suggestions received, I am moving certain amendments to the Finance Bill.

The Finance Bill proposed to withdraw the status of "not ordinarily resident". It was also proposed to withdraw the exemption available in respect of interest paid on external commercial borrowings. The provisions relating to the status of NOR had lived for a long time on our statute book. A resident Indian going abroad and acquiring the status of non-resident for a few years continued to enjoy the benefit of exemption of foreign income after returning home after nine years. However, it has been represented to me that these proposals, if approved, may adversely affect Government's effort to encourage investment of NRIs in India. The burden of taxes in respect of External Commercial Borrowings would eventually pass on to the Indian Corporate sector and this would be to the detriment of the economy and especially in view of the adverse external environment. I propose to restore the exemption of NOR category and also in respect of interest paid on External Commercial Borrowings.

The proposal to withdraw the levy of Gift Tax on gifts made on or after 1st day of October, 1998 has been welcomed widely. The Finance Bill also contained proposals to tax gifts as deemed income in the hands of donees.

This proposal was mooted for the reason that the abolition of Gift Tax may give opportunity to the people to split their income. The donor-based Gift Tax was also being misused for obtaining bogus gifts from different persons. However, I have received a number of representations raising large apprehensions in the mind of the public with regard to the taxability of gifts as deemed income. Responding to the suggestions and comments received in this regard, I propose to withdraw the proposal to tax the value of gifts as income of the recipient. Consequently, all the gifts made on or after 1.10.1998 shall be free from any tax. I hope that this tax-payer friendly measure would be welcomed by the hon. Members of this House.

In the Budget, I had proposed that the blanket exemption available to educational and medical institutions be withdrawn. The proposal stipulated that these institutions will have to file their returns of income and make an application after adhering to certain conditions which are

similar to those prescribed for persons deriving income from property held for Charitable or religious purposes. This proposal emanated from the background that a large number of educational and medical institutions exist as profitable commercial ventures. But they continue to enjoy the exemption without filing the return of income tax. However, the proposal invited a large number of representations stating that this would impose hardship on small educational and medical institutions which will have to go to the Income Tax Office time and again to avail the tax exemption with all its attendant consequences. In response to these suggestions, I propose that all educational and medical institutions, which are financed and managed by Government, should continue to enjoy the benefit of exemption. Other institutions, whose annual receipts do not exceed rupees one crore per annum which is proposed to be prescribed in the rules, should continue to avail of this exemption as in the past. But the remaining educational and medical institutions would be required to follow the same conditions as are prescribed for Funds, Institutions and Trusts established for Charitable purposes or for public religious purposes. Hence these institutions would be required to make an application to the prescribed authority for grant of exemption. To enable these institutions to shift their investments to specified investments and not use the funds to take over companies, I propose to give them time until March 2001 which is a long enough time. I hope these proposals would also be welcomed by the House and by the medical and educational institutions and they would go a long way in obviating their difficulties.

In the Budget, it was proposed to discontinue the weighted deduction for scientific research and development expenses as it would be difficult to monitor the eligible expenses. This is a point which Shri Chidambaram as also the other Members made. In response to requests from the industry as also the Department of Scientific and Industrial Research, and the points made here by the hon. Members, it is proposed to extend this tax benefit up to 31st March, 2000.

In the Finance Bill, several tax benefits were proposed for the housing sector. In response to various representations including suggestions from the Ministry of Urban Affairs, these provisions have been suitably modified.

The Finance Bill had proposed to extend tax holiday to Radio Paging Services and Domestic Satellite Owners. Now it is proposed to extend this benefit also to Trunk Services and EDI services.

A number of representations were received against the proposal to substitute the fair-market value of land with the value adopted by State Government authorities for the purpose of stamp duty for calculating Capital Gains. These representations point out that as the circle values fixed for the purpose of stamp duty are arbitrary, a large number of *bona fide* transactions shall be affected by the proposed amendment. The value of properties fixed by the State Government do not always represent the fair-market value. I agree with the apprehensions expressed in this regard and

hence withdraw the proposal to calculate capital gains tax on the basis of circle rates of stamp duty.

The proposed *Kar Vivad Samadhan* Scheme evoked intense discussion in this House as also it, in fact, evoked a positive response from a large number of organisations and tax professionals.

The lack of clarity in regard to waiver of interest and penalty in relation to settlement of tax arrears under the Indirect Tax enactment is being taken care of by re-wording the relevant clauses of the Finance Bill. I have also carefully considered the suggestion emanating from various quarters including the Standing Committee of Parliament of Finance to extend the scope of this scheme so as to include tax disputes irrespective of the fact whether tax arrears are existing or not. But as I said, there are two elements. One is litigation and the other is arrears — *Kar* and *Vivad*. If both are not present, then it is very difficult to accept this. The scheme is not intended to settle disputes when there is no corresponding gain to the other party. The basic objective of the scheme at this point of time cannot be altered. We will see what experience we gain from this. And if there is anything which needs to be done, we will come back to the House later when I am presenting the Budget for the next year.

I would like to make one point clear here because a lot of apprehension has been expressed in the House. We are not taking away anyone's right. If somebody has paid tax and has gone in appeal, it is because he has a strong case. It is quite likely that he might win. If he wins and we have to return the money, we shall certainly do so. Maybe, he will end up getting a better deal than what we will give him under the *Kar Vivad* scheme.

My attempts to make available tax concessions to business reorganisations where proprietary concerns or firms are succeeded by a company, have been widely welcomed. It has also given rise to the growing demand to extend such concessions to business reorganisations involving restructuring and demerger of companies for rationalisation of production system and better utilisation of resources. While I am supportive of the need for tax concessions for such reorganisation of business, the subject is quite complicated and requires careful evaluation of tax issues so that the tax incentives are not misused for reasons other than genuine restructuring of business. I am setting up a Committee to examine the issue of business reorganisation in its entirety. The recommendations of the Committee will be examined and incorporated in the next Budget.

The proposal to make it obligatory to quote the Permanent Account Number for certain transactions was made with a view to ensure better tax compliance. However, I accept the suggestion that certain categories of persons such as agriculturists and foreign tourists should be exempt from these provisions. To mitigate the hardship to persons who are not having a Permanent Account Number or a GIR

[Shri Yashwant Sinha]

number, I propose to provide that such persons can file a declaration and also proof of their identity, if the transactions are made in cash. There are representations from the members of the stock exchanges that the limit of Rs. 50,000 for transactions in shares is too low. I propose to raise this limit to Rs. 10 lakhs in the notification to be made in this regard.

[Translation]

Here, I must clarify the position because I have been told that it is being discussed everywhere in the villages that Government have imposed restrictions to open a bank account and also on purchasing property. I would like to clarify that it is not so. A person who is not an income tax assessee and having a Permanent Account Number or G.I.R. Number has to mention the same in a declaration while making transactions. It will facilitate better tax compliance. All income tax cases are not required to be investigated. Authorities have to become more alert when large transactions are made in cash. It is not necessary that every person should have Permanent Account Number or G.I.R. Number. A person who is not an income tax assessee has to file a declaration in this regard which will fulfil the purpose.

[English]

SHRI MURLI DEORA (Mumbai South) : Banks are insisting on this Permanent Account Number.

SHRI YASHWANT SINHA : That is wrong. We will issue clarifications to the banks that they cannot insist in law, on new clients coming to them, to quote their PAN. If they do not have a number, they do not have.

SHRI MURLI DEORA (Mumbai South) : Shri Raja Chelliah who was the Chairman of the Committee, which went into this, himself told this. He has made a statement that banks are insisting on this.

[Translation]

15.00 hrs.

SHRI YASHWANT SINHA : All right, Raja Chelliah is aware of it but I am not and I want to clarify that there is no such need. We do not want to prevent anybody from opening a bank account. I will certainly give my Permanent Account Number while opening the account. If I do not have the number then I will say that I am not an income tax assessee. However, it can come under the income tax range scrutiny of transactions to the tune of millions of rupees are made through this account.

SHRI VIJAY GOEL (Chandni Chowk) : It means income tax assessee has to give his PAN number.

SHRI YASHWANT SINHA : He was to give. He should not have any problem in that. We all know our PAN and G.I.R. Number. There is no problem in this.

[English]

Sir, several other changes have been made in response to demands and suggestions received. These include making the amendment with regard to valuation of inventory prospective, extending the tax concession to investment by financial institutional investors to unlisted securities and making donations to National Culture Fund 100 per cent exempt, a recommendation which I received from my colleague, the Human Resource Development Minister. In addition to the proposals made in the Budget, suggestions for further tax benefits have been received. The proposals made with regard to Section 10 (23G) of the Income Tax Act have invited various suggestions from different quarters. I have examined those suggestions and I propose to modify proposals relating to Infrastructural Capital Funds. The income of such funds including Capital Gains would continue to be exempt if the investee company that is the company in which these funds have been invested, are wholly dedicated to this Infrastructure. This exemption would also be applicable in respect of the secondary market transactions. There would be no restriction on lending institutions. This is an important point. There would be no restriction on lending institutions and the provision for a three year lock-in period for venture capital funds is proposed to be removed. Development of infrastructure is necessary for the country's economic and social development. And hence to give a boost to infrastructure project, it is proposed to include them as eligible business for purposes of this exemption.

The Task Force set up by the Government on Information Technology, and I have taken the House into confidence the other day about the proposals that we were having in that regard, has recommended that benefit as allowed to "supporting manufacturers" under Section 80 HHC may also be extended to "supporting software contractors" under Section 80 HHE. To further augment the country's software export drive, similar benefits are being extended to supporting software contractors. Other concessions announced by me at the time of commencing the discussion on the Finance Bill have also been suitably incorporated in the proposed amendment of the Finance Bill.

Mr. Speaker, Sir, now, I come to the area of Indirect Taxes.

SHRI MURLI DEORA (Mumbai South) : One minute, Sir.

Those who are owning the telephone, they are included to pay the tax or they have to file the return. An 85-year old freedom fighter who gets telephone at half the rate is asked to file the tax return now. It is just not possible. So, please make clarification on this. Several freedom fighters have come and represented to us whether this will entitle or this will be obligation on them to file the tax returns.

SHRI YASHWANT SINHA : Sir, I am glad that Shri Murlid Deora has raised this point. I would like to clarify that it is not the intention of the Government to harass anyone. And,

therefore, we have already taken a decision that elder citizens, senior citizens will be exempted from this category-it is just on one telephone - and we will take care of that properly.

As the House is aware that in the last few years, several creditable steps have been taken to reform the indirect tax structure. The rates of excise duties have been moderated gradually and the excise duty structure considerably rationalized. In order to reduce the cascading effect, MODVAT credit scheme has been extended in its scope and coverage and procedures have been simplified. Sir, I may mention that on the customs side I have inherited so many things and I am saying this because it has been pointed out as if I do not know what I have done with the tax rates. I have spoiled...

SHRI MURLI DEORA (Mumbai South) : Now, Shri P. Chidambaram has come ...*(Interruptions)*

SHRI YASHWANT SINHA : It has been pointed out as if I have done violence to the reforms in the tax system which has been carried on so efficiently in the past years and all that. I may mention, Sir, I have inherited the tax structure on the customs side with seven main rates of basic customs duty ranging from 3 per cent to 40 per cent.

This includes two isolated rates of three per cent and five per cent. I have added one single commodity at 35 per cent and retained the tax structure as such. The perception that I have distorted the tax structure is far from true. I have only made adjustments in duties within the pre-Budget tax structure handed over to me.

I also wish to clarify to the hon. Members the point which I took opportunity to clarify yesterday that once we have signed the WTO agreement, we are committed to follow the binding. It is in this context that the rate of customs duties on products like whisky and other liquors have been moderated. It is not that I have shown any deliberate preference for this particular sector. I would request the hon. Members to appreciate that the Budget proposals in this context have to be judged in a proper perspective.

Many hon. Members, including my distinguished predecessor, have questioned the justification for a Special Additional Duty of Customs.

SHRI MURLI DEORA (Mumbai South) : Dr. T. Subbarami Reddy had also raised this point.

SHRI YASHWANT SINHA : Yes, Shri Reddy also mentioned this point.

SHRI MURLI DEORA (Mumbai South) : He was very upset because you went away.

SHRI YASHWANT SINHA : I know that I went away.

SHRI MURLI DEORA (Mumbai South) : But he is satisfied that the Press has covered his speech.

SHRI BASU DEB ACHARIA (Bankura) : There has been an extensive coverage of his speech by the entire Press.

SHRI YASHWANT SINHA : I was referring to my distinguished predecessor because he is the one single person in this person who I expect will appreciate and understand the difficulties which I face. The others may not be understanding to that extent because he was the Finance Minister for about 125 days or 120 days before me. The ink is not yet dried on what he wrote on the files. I expect better understanding, better appreciation of the problem that I face. He has suggested that it is a very regressive tax. Other Members have also talked about it. Shri Prithviraj Chavan also talked about it that these are regressive taxes and that I should do away with them.

I would take some time to explain once again what is the rationale behind it and what is the coverage of this tax. Shri Chidambaram imposed a duty of 2 per cent across the board in his Budget of 1996 which he raised to 5 per cent through an ordinance in September 1977. Maybe, he had good reasons to do that. But if that 5 per cent was not inflationary, then how can this 4 per cent be inflationary? If his fiscal deficit was not inflationary, how can my fiscal deficit be inflationary? If everything he did was virtuous, how is it that my doing the same things become vicious? This is something which I do not understand.

The House is aware that the country has a heterogeneous commodity taxation structure. I wish to assure the House that the Special Additional Duty of Customs is designed not as a protectionist measure. This is how it has been projected—*Swadeshi* tax, this and that. If I wanted to impose a *Swadeshi* tax, then it would have been much different from this 4 per cent. This is not a protectionist measure. But it is meant to remove the disability which is suffered by indigenous goods on account of Central Sales Tax and other local taxes. This is a point which I made up-front. I did not conceal this. I consulted the various Chambers of Commerce, various people in trade and industry. When it was represented to me that this was not just 8 per cent which was what it was originally, but it was much higher than 8 per cent and that certain sectors of our industry were suffering, then we took this conscious decision. I would like to assure this House and the people of this country through this House that it cannot be the policy of this Government, as indeed it should not be the policy of any Government of this country, that we should build new industries on the ruins of existing industries.

We will not allow that to happen. If Indian industry has been protected, if Indian industry has functioned in a totally protected environment, that is not thanks to us but thanks to you for forty to fifty years. Indian industry needs a little more time to adjust and this Government is prepared to give it that time.

PROF. P.J. KURIEN (Mavelikara) : I fully appreciate what you said. You said that Indian industry should be protected. Of course, that is not by changing the policy.

The tax which you have proposed now is for a level-playing field. If this is so, I am bringing before you a specific case. As a result of import of polyurethane in Kerala and the other Southern States, about 300 small scale industries are suffering. The rubber growers are suffering because polyurethane is imported at a very low rate. I requested your predecessor, the former Minister of Finance to change it. I confess that he did not do it. I am making a request to you. Will you consider it? Two lakh rubber growers in the South are suffering because of this. Three hundred small scale industries are suffering. I agree with this particular policy that you have mentioned. Will you consider it on the basis of this policy so that these small scale industries which are about 300 in number do not suffer? You may just increase the import duty of polyurethane and allied chemicals. Will you consider this?

SHRI YASHWANT SINHA : This is a very very specific and pointed question but I will talk about general principles.

PROF. P.J. KURIEN (Mavelikara) : Why do you not consider it?

SHRI N.K. PREMCHANDRAN (Quilon) : General principles are applicable to specific cases.

SHRI BASU DEB ACHARIA (Bankura) : For a specific question, the reply should also be specific.

PROF. P.J. KURIEN (Mavelikara) : I gave you an example to illustrate your own concern. So, why do you not react? Why do you not try and impress that you are sincere?

SHRI YASHWANT SINHA : I am not able to react because you are not giving me a chance to react.

I have said this in order to mitigate the disability which Indian industry faces as a result of the Central Sales Tax and other local taxes. Why did I roll it back to four per cent and earn the sobriquet, 'roll-back Sinha', in the media? I did it for a very simple and very strong economic reason and that reason is that the rupee had depreciated in the meanwhile and I took that into account. I tried to be honest. I did not stand on prestige. I said: 'I will roll it back to four per cent.'

Professor Kurien, I now come to the specific question which you have raised. My point is, this is the principle and we will examine it. We have received a number of representations in regard not only to the items you have mentioned - I cannot even pronounce it properly - but we have received representations in regard to various other items also. This is a power which the Government has under the statute and the rules in this Finance Bill. It is not our intention to hurt Indian industry by this process. If something which we have done to help them starts hurting them, any responsible Government must look at it. The suggestion

and the point that you have made is something which shall be definitely looked at with keenness by us.

Similarly, on the excise duty, the pre-Budget tariff included eight main rates of excise duty ranging from five per cent to forty per cent. There are a few isolated rates applicable to individual commodities. I have not done anything to cause disturbance to the on-going reform process of our excise duty. I have not raised the number of rates. On the other hand, I had very much desired to further rationalise the excise duty structure and bring compression to a number of rates. But what was the problem that I faced? When I looked at any product, I found that it was going through a slow down, the performance was sluggish, the industry was facing a crisis. It is this which prevented me from strongly achieving that congregation towards the mean rate. But I would like to assure the House that the three rate structure is the direction in which this Government would like to move and when the situation improves, that will be the kind of exercise that we shall undertake in the field of excise.

I wish to respond to specific issues. ...*(Interruptions)*

SHRI PRITHVIRAJ D. CHAVAN (Karad) : You have not answered as to why you have excluded trade on the customs side. Secondly, why is this duty non-MODVATable? Because it is countervailing duty. Also, on the excise duty side, the five per cent disallowance has not been answered.

SHRI YASHWANT SINHA : I need a little time. Various Members have made various specific points. I am keeping them towards the end. If I have time, I will respond.

I have given very careful consideration to the suggestions made by the hon. Members. On seeing the overwhelming response in regard to some of these items, I am persuaded to restore some of the exemptions. Accordingly, I propose to restore the excise duty exemption on branded ghee, skimmed milk powder, butter and cheese. Many hon. Members from this side as well as from that side, including the Leader of the Opposition, had personally requested me to consider this point. ...*(Interruptions)*

To remove the anxiety of many hon. Members, I hasten to add that the excise duty that was imposed on sweetmeats and *namkeens* stands withdrawn. Branded spices shall also be now free from excise duty.

I also restore the exemption to coir mattresses and writing ink. Spectacle lenses shall be exempt from excise duty as before except costly frames, not lenses, above the value of Rs. 500.

I propose to reduce the excise duty on medical furniture from thirteen per cent to eight per cent. Many hon. Members cutting across party lines have suggested withdrawal of excise duty on packaged tea. ...*(Interruptions)* I have decided to meet their demand half way. Henceforth, tea packed in packages upto 100 grams shall continue to enjoy

exemption from excise duty. Packages above 100 grams and upto 25 kgs. shall attract excise duty of eight per cent.

I would like take the House into confidence. Let us not make much of this point. I had detailed discussions with the representatives of the tea industry. I asked them a simple question: What has been the rise in the price of tea since 1991 when the duty was withdrawn? Do you know what it is? It is more than 100 per cent. If industries raise the price of tea, it is customer friendly and if the government imposes a small duty, it become very unfriendly. This should not be the argument which any responsible person, at least not the Members of Parliament, should back.

In my Budget proposals, I had raised the excise duty on marble slabs and tiles from Rs. 30 to Rs. 40 per sq. metre. My friends from Rajasthan may kindly note that I propose to confine the higher rate only to slabs and tiles of value above Rs. 400 per sq. metre.

Textiles is the core sector of our industry. In my Budget proposals, I had announced some duty concessions to this industry. I wish to announce some further concessions. I propose to raise the duty free exemption for shoddy fabrics and shoddy blankets from Rs. 100 to Rs. 150 per sq. metre. Fabrics produced in 100 per cent Export-Oriented Units from indigenous raw materials and sold for domestic consumption shall henceforth be charged excise duty at the normal excise rate and not at the rate related to customs duty on imported fabrics.

I also reduce the rate of compounded levy for embroidered fabrics from Rs. 60 to Rs. 45 per metre length of the machine per shift.

For the textile sector, I have also some proposals on the customs side. I propose to reduce the customs duty on carpet grade wool, flax fibre and nylon tyre yarn by five per cent *ad valorem*. As a singular exception, I propose that the general restriction of five per cent in the availability of MODVAT credit that I had proposed in the Budget shall not apply to POY used as input for making textured yarn and to the removal of yarn and fabrics from one factory to another by multi-locational composite mills. ...*(Interruptions)*

[Translation]

SHRI LAL MUNI CHAUBEY (Buxar) : Sir, I would like to know one thing from the Government. Small scale industries are being set up in the country on a large scale. Government is intending to decentralise the industries. Carpet and other industries come under it which get working capital from the banks to manufacture the goods and then export them. In regard to the export, banks get money directly from the Reserve Bank but they do not provide working capital to the industries. Many industries have been caught in this net. Several cases have been filed against several people and they are forced to repay the money alongwith compound interest. Due to this industries are facing hardships. Whether the Government will stream line the banking system

and will make efforts to revive industries which have been closed by providing them working capital.

[English]

SHRI YASHWANT SINHA: In order to encourage the use of pre-fabricated buildings, I exempt such buildings and their parts from the levy of excise duty. I am glad that my colleague, the Urban Affairs Minister is present here now. The excise duty that was imposed on specified tyres for animal drawn vehicles also stands withdrawn. I have made certain changes in the scheme of excise duty exemptions on specified copper alloys in order to help deserving sectors of user industry.

I also propose reduction in the rate of excise duty applicable to fire works from 18 per cent to 13 per cent.

I have received representations about the service tax on tour operators. My colleague, the Tourism Minister is here. He informed me yesterday that they were going to have a 'Visit India Year' from the list of April 1999 and that tour operators will have a major contribution to make, so as to make that 'Visit India Year' a success. In deference to his wishes, I am giving an exemption to tour operators from service tax for a limited period, for this year and the next year only.

I restore the exemption from basic customs duty on glazed newsprint. I also propose to exempt four specified drugs for AIDS treatment from customs duty. I have decided to reduce the burden on aluminium scrap which is energy saving. This would henceforth be subject to basic customs duty at a concessional rate of ten per cent. I also propose to reduce the customs duty on carbon black feed stock and methanol by five per cent *ad valorem* and bring them in line with all feed stock. In order to reduce the cost of production of paper and newsprint, I propose to exempt waste paper imported by actual users from the special duty of customs.

In my Budget proposals, I had raised customs duty on kerosene imported for parallel marketing to 32 per cent. I have received representations that imported kerosene is also used as feed stock for extraction of N-Paraffin which, in turn, is used for making LAB, an important input for detergents. It is argued that the customs duty burden in this case would add to costs which should be avoided by exempting customs duty in this case. In response to this demand, I have decided not to collect customs duty on the quantity of kerosene actually consumed for such purposes. On the remnant, no duty will be payable if it is sold to public sector company for PDS.

The proposals relating to excise duties are estimated to result in a revenue loss of Rs. 192 crore in one year.

The customs duty changes estimated to result in a revenue loss of Rs. 71 crore in a year. The above proposals relating to changes in excise and customs duties shall be given effect from 18th July, 1998 except for the one relating to kerosene for which notification will be issued in due course

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of time. Copies of the notifications shall be laid on the Table of the House in due course.

I am also proposing certain amendments so as to rectify some drafting errors in Finance (No. 2) Bill, 1998. As I said in the beginning, a number of points have been made by hon. Members of the House. Since I have little time, I would like to respond to that briefly.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) : Sir, under Rule 388 of the Rules of Procedure and Conduct of Business of Lok Sabha, with your consent, I move that, in order to enable the House to complete important financial business, Rule 26 relating to Private Members' Business be suspended.

MR. SPEAKER : If the House agrees, it may be suspended.

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK) : It is only for completing the Finance Bill ... (Interruptions)

SHRI BASU DEB ACHARIA (Bankura) : For half-an-hour, it may be suspended ... (Interruptions)

AN HON. MEMBER : Till what time?

[Translation]

SHRI MADAN LAL KHURANA : It will be suspended till the bill is completed, whether it is in 15 minutes or in half an hour. ... (Interruptions)

[English]

MR. SPEAKER : It is only till the Finance Bill is passed.

SHRI BASU DEB ACHARIA (Bankura) : If it is till the Finance Bill is passed, then it is all right.

SHRI YASHWANT SINHA: Now, a point was made by my friend Shri Chavan that various lobbies were in operation and the tax rates have been increased or decreased under the pressure of lobbies. I would like to assure him and reassure him repeatedly that no lobbies are at work. Even if they are at work, nobody has the capacity to influence this Government. We have taken our decisions in the best interest of the economy of this country and no lobby has been allowed to prevail and no lobby shall be allowed to prevail in future also.

It has been pointed out that revenue targets may not be achieved. This point is something which I cannot answer now. The Budget has just begun. I am confident at this point of time that the revenue targets shall be achieved.

There is another point made by my distinguished predecessor and even Shri Chavan that the moment the Budget was presented, there was thumbs down signal given to the Indian economy. Just because there was some decline in sensex, that was a thumbs down signal! I have earlier explained the position but much has been made of the fact that foreign investors are fleeing this country. They are leaving in droves and that millions of dollars are being withdrawn from this country. I have some figures here which I would like to quote for the benefit of the hon. Members of the House.

The East Asian crisis erupted last year. As a result of that, in November, 1997, 111 million dollars were withdrawn in one month. In December, 155 million dollars were withdrawn. In January, 1998, 81 million dollars were withdrawn. It turned positive in February, 1998 and March, 1998. It turned slightly negative in April. It was around 24.90 million dollars. Before the Budget was presented in the month of April, because of the factors entirely unrelated to the Budget, net disinvestment by Foreign Institutional Investors was 216 million dollars. After the Budget, in June, it came down to 206 million dollars. If the Budget was the reason, then this figure should have gone up. I am happy to inform the House that until 15th July, the net outflow of FIIs has been only 0.80 millions. So, that trend has been stopped.

I would tell the hon. Members with all the frankness and emphasis that are there at my command that this is not related to Budget. After 1st of June, it was said that anything that happened in the country was because of the Budget.

I said, "Thank God, nobody is saying that the crisis in Japan is also because of the Budget presented by Yashwant Sinha. And the crisis in East Asia is because of the Budget presented by me!

Let me assure you that the choices before me are very clear. I could have treaded the path of the previous Governments. I could have kept infrastructure investment low. I could have kept agricultural investment low. I could have kept small-scale industries stalled. I could have kept housing sector by giving it the step-motherly treatment. I decided not to do it because it was not in the interests of the economy of this country to do so. We wanted to give a push to the economy of this country. It is most unfortunate that in the last many years, no major investment has taken place in this country either in the private sector or in the public sector. The Government abandoned its role. They said, "The public sector will not make investment and the private sector investment could not take place because no clearances were forthcoming." What happened to fast tracks is something which is well known not only in this country but also throughout the world. We are trying to encourage both kinds of investments.

Much has been said about IEPR. I will make sure that we fulfil our targets. I will make sure that we put on stream immediately all the schemes which are on the shelf and which are in various stages of approval both in the public sector

and in the private sector. And it is possible by giving encouragement to housing, by giving encouragement to agriculture, by giving encouragement to rural development, and by giving encouragement to all the sectors of the economy. It is the intention of this Government to see that we impart momentum to this economy and take it out of the slow down phase in which it has been caught. That is the direction in which this Government shall continue to move under the able guidance and leadership of our Prime Minister.

A very important point was made by my friend, Dr. T. Subbarami Reddy. This was in regard to Foreign Exchange Regulation Act. I would like to assure the House that we have taken a decision to bring an amendment to the Foreign Exchange Regulation Act to convert it into the Foreign Exchange Management Act as well as the Anti-money Laundering Act. We have considered those suggestions. They are in the last stages of examination. It is my intention to bring them before this House in this Session. So, we shall take all the steps which are necessary to realign our laws and policies and to see that we give a push to the economy of this country.

SHRI MURLI DEORA (Mumbai South) : What about insurance? ...*(Interruptions)*

MR. SPEAKER : There is no time please.

...*(Interruptions)*

DR. T. SUBBARAMI REDDY (Visakhapatnam) : Sir, the most important thing about which the entire House should know is this. I understand that ten lakh tonnes of sugar are available in the market today for free sale. I understand that a substantial quantity of sugar is being imported from Pakistan. I also understand that the customs duty being imposed now is less than the money that the Indian manufacturer is actually paying for sugar. The All-India Sugar Mills Association is feeling very much concerned that if it continues, it might kill the indigenous sugar industry. Therefore, I pointed it out yesterday. But I am surprised that the hon. Minister of Finance has totally ignored this point.

There will be 12 per cent customs duty on imported sugar whereas the tax on sugar manufactured in our country will be 20 per cent. Please clarify it.

SHRI YASHWANT SINHA : This was not in the *The Economic Times* today!

SHRI K. YERRANNAIDU (Srikakulam) : Sir, I and some other MPs represented regarding reduction in duty from ten per cent to five per cent on import of pulp. The former Minister of Finance imposed it at the rate of ten per cent. On representation, he reduced it to five per cent. This year again, it has been raised from five per cent to ten per cent. We have again requested about it. But there is no mention about that.

SHRI PRITHVIRAJ D. CHAVAN (Karad) : Sir, I am trying to help the Minister of Finance. All the hon. Members have

asked him to lower the customs duty and excise duty and he will lose revenue. I am asking him to increase the customs duty. Why has he excluded trade from the special customs duty? On behalf of the manufacturing sector of this country, I am pleading not to introduce this distortion.

SHRI YASHWANT SINHA : Shri Chavan, the simple reply to that is the philosophy under which this tax has been imposed. When the traders import goods into this country they are required to pay tax. Under the rules, we would be making enough provisions to ensure that they pay taxes. This is in lieu of the sales tax and therefore it, cannot be imposed on the traders. That is the simple logic.

To the point made by Shri Reddy about sugar, I would like to submit that it is this Government which imposed a duty on sugar. The hon. Member knows that sugar was being imported absolutely on zero duty. We only have imposed a duty of 12 per cent. This four per cent additional duty would also apply to them. So, we are watching the situation. It was only as a result of the close watch that this Government kept on the sugar situation that we decided to impose that duty. We would continue to keep a close watch on the sugar situation, as indeed on all imports and wherever corrective measures are necessary we shall not shirk from taking them.

Sir, due to paucity of time I have not been able to reply to many of the other issues, like the one raised by Shri Yerrannaidu.

SHRI MURLI DEORA (Mumbai South) : Please clarify the position in regard to the insurance sector.

SHRI YASHWANT SINHA : Sir, I would like to submit that there are various other things and those will be taken care of, not through an amendment to the Finance Bill but through a notification of the Customs Department which we shall place before the House.

Sir, Shri Deora has repeatedly been asking about the insurance sector and I would just like to respond to that. The matter is under the active consideration of the Government. We are formulating specific proposals and as soon as we are ready with IRA Bill, we would come before the House.

SHRI N.K. PREMCHANDRAN (Quilon) : Sir, what about the caprolactic products? The factories producing such goods would be affected.

SHRI YASHWANT SINHA : You please ask Shri Chidambaram about it.

Sir, the point is that there is no unanimity in trade and industry; there cannot be any unanimity in this House as well. There cannot be any unanimity in this House in regard to these various duties. It is because some people would ask for raising the custom duties and some others would ask for reducing the custom duties. It is the responsibility of the Finance Minister to take care of all these things and

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take a holistic view and come to the conclusions that he wishes to come to.

Sir, I think, I have taken care of most of the points which have been raised by the hon. Members. If there are any specific areas which have not been replied to, I would ask to be forgiven by those Members. With these words I would like to conclude.

PROF. P.J. KURIEN (Mavelikara) : Sir, I have a point to make ...*(Interruptions)*

MR. SPEAKER: There is no time now.

...*(Interruptions)*

PROF. P.J. KURIEN (Mavelikara) : Sir, I would like to submit on an issue which is a concern of all the Members of this House ...*(Interruptions)* Mr. Finance Minister, I would like to have your attention please. By deleting clauses 22 and 23 of Section 10 of the Income Tax Act, the Finance Minister has imposed a new tax on the educational institutions and hospitals. Earlier, they were not under the purview of the Income Tax Department. This year, the Finance Minister has brought them within the purview of the Income Tax Department ...*(Interruptions)* The limit is only rupees one crore. But the income and expenditure of the educational institutions and the hospitals, even that of the mediocre level institutions, are beyond the limit of rupees one crore. That means, practically the exemption given to them becomes ineffective. These are the areas where the Government is not fulfilling its duty adequately.

Sir, my request to the Government would be that the hospitals and the educational institutions should be totally exempted. They are doing a great service to the nation which the Government is not able to do ...*(Interruptions)*

MR. SPEAKER : Shri Kurien, please understand that there is no time. The time is very short.

PROF. P.J. KURIEN (Mavelikara) : Sir, I am not speaking for those institutions which are taking capitation fees. But I am speaking for the educational institutions and hospitals that are doing a great service in the areas where the Government is not able to fulfill its duties.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, I have already responded to that point and let me assure you and the House that no genuine institution shall be subjected to any harassment but those who are indulging in mischief and malpractices must be taken to task.

PROF. P.J. KURIEN (Mavelikara) : You should accept all such institutions which do not charge capitation fees.

SHRI SHARAD PAWAR (Baramati) : A request was made that the Member of Parliament Area Development Fund be raised from Rs. 1 crore to Rs. 2 crore. Has any decision been taken on that?

SHRI YASHWANT SINHA : Sir, I am aware of the proposal because I have attended meetings with you. I have attended meetings with the Chairman, Rajya Sabha. This is outside my jurisdiction. An announcement to this effect must come from the Speaker of the Lok Sabha ...*(Interruptions)*

SHRI RUPCHAND PAL (Hoogly) : Are you satisfied with the reply? While major further concessions are being given to richer sections of the society, the poorer sections are being denied of these benefits. Price rise is....

[Translation]

SHRI MADAN LAL KHURANA : We shall settle this matter with you later on ...*(Interruptions)*

SHRI MOHAMMAD ALI ASHRAF FATMI (Darbhanga) : You must announce it in the House itself ...*(Interruptions)* The whole House would like to know about it ...*(Interruptions)*

PRIME MINISTER (SHRI ATAL BIHARI VAJPAYEE) : Serious consideration is being given to demand raised by the hon'ble Members.

[English]

SHRI RUPCHAND PAL : Sir, many questions have been raised from this side, particularly the issue of price rise ...*(Interruptions)*

SHRI K. BAPIRAJU (Narsapur) : Sir, I have to put only one supplementary to the Finance Minister. It is with regard to drinking water. His Excellency, the President of India had said that in the Five Year Plan he would see to it that every village gets sufficient drinking water. The hon. Prime Minister has also said that this is not the intention but the commitment of the Government and that he would see to it that in the next five years the commitment is fulfilled.

I would like to know from the hon. Finance Minister as to how many villages have been identified under this and what is the estimated amount that would be required to fulfil this commitment. You can, at least, spell out the rough estimates.

SHRI BASU DEB ACHARIA (Bankura) : Sir, five years back, customs duty on bifocal lenses was 80 per cent. It has been reduced to 20 per cent now. Because of this reduction, the imported 'flint button' has now become cheaper than the one produced indigenously. There is only one unit in the country which is producing the flint buttons and that is the Bharat Ophthalmic Glass Ltd. There is no other industry in the country which produces this item. As a result of this reduction in customs duty, this industry has become sick. I would like to know from the hon. Finance Minister whether he would enhance the customs duty substantially and bring it to the rate which was prevalent five years back.

MR. SPEAKER : The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1998-99, be taken into consideration."

The motion was adopted.

Clause-by-Clause Consideration

MR. SPEAKER: The House shall now take up clause-by-clause consideration of the Bill.

Clauses 2 and 3

MR. SPEAKER: The question is:

"That clauses 2 and 3 stand part of the Bill."

The motion was adopted

Clauses 2 and 3 were added to the Bill.

[Translation]

SHRI SHAKUNI CHAUDHARY (Khagaria) : Mr. Speaker, Sir, salaries of Government employees have been raised by the Fifth Pay Commission but there is no increase in the allowances of Members of Parliament...*(Interruptions)* Through you, I would like to request the hon'ble Finance Minister to increase the salaries of Members also...*(Interruptions)*

Clause 4

[English]

Amendments made:

Page 3, line 26, for "means, -" *substitute-*

"means a group of assets falling within a class of assets comprising". (52)

Page 3,-

omit lines 35 to 38. (53)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

Clause 5

MR. SPEAKER : The question is:

"That clause 5 stand part of the Bill."

The motion was negatived.

MR. SPEAKER : Clause 5 is dropped from the Bill. Subsequent clauses may be re-numbered accordingly.

Clause 6

MR. SPEAKER : The question is:

"That clause 6 stand part of the Bill."

The motion was negatived.

MR. SPEAKER : Clause 6 is dropped from the Bill. Subsequent clauses may be renumbered accordingly.

Clause 7

Amendments made:

Page 4,-

(a) *omit* lines 4 to 6

(b) for lines 10 to 19, *substitute-*

(ca) in clause (15), in sub-clause (iv), in the *Explanation* after clause (a), the following clause shall be inserted, namely:-

"(aa) the manufacture of computer software or recording of programme on any disc, tape, perforated media or other information device; or". (54)

Page 4, for lines 22 to 40, *substitute-*

(l) in clause (23C) ,-

(A) After sub clause (liia), the following sub clauses shall be inserted, namely:-

"(liiab) any university or other educational institution existing solely for educational purposes and not for purposes of profit, and which is wholly or substantially financed by the Government; or

(liiac) any hospital or other institution for the reception and treatment of persons suffering from illness or mental defectiveness or for the reception and treatment of persons during convalescence or of persons requiring medical attention or rehabilitation, existing solely for philanthropic purposes and not for purposes of profit, at l which is wholly or substantially financed by the Government; or

(liiad) any university or other educational institution existing solely for educational purposes and not for purposes of profit if the aggregate annual receipts of such university or educational institution do not exceed the amount of annual receipts as may be prescribed; or

(iii~~ae~~) any hospital or other institution for the reception and treatment of persons suffering from illness or mental defectiveness or for the reception and treatment of persons during convalescence or of persons requiring medical attention or rehabilitation, existing solely for philanthropic purposes and not for purposes of profit, if the aggregate annual receipts of such hospital or institution do not exceed the amount of annual receipts as may be prescribed; or”;

(B) after sub-clause (V), the following sub-clauses shall be inserted, namely:

“(vi) any university or other educational institution existing solely for educational purposes and not for purposes of profit, other than those mentioned in sub clause (iii~~ab~~) or sub-clause (iii~~ad~~) and which may be approved by the prescribed authority; or

(vi~~a~~) any hospital or other institution for the reception and treatment of persons suffering from illness or mental defectiveness or for the reception and treatment of persons during convalescence or of persons requiring medical attention or rehabilitation, existing solely for philanthropic purposes and not for purposes of profit, other than those mentioned in sub clause (iii~~ae~~) or sub clause (iii~~ae~~) and which may be approved by the prescribed authority;”;

(C) in the first, second, third, fifth and sixth provisos,-

(1) after the word “institution”, the following shall be inserted, namely:

“or any university or other educational institution or any hospital or other medical institution”;

(II) after the words, brackets and letter “or sub clause (v)” the words, brackets and letters” or sub-clause (vi) or sub-clause (vi~~a~~)” shall be inserted;

(D) after the fourth proviso, the following proviso shall be inserted, namely:-

“Provided also that the exemption under sub-clause (vi) or sub-clause (vi~~a~~) shall not be denied in relation to any funds invested or deposited before the 1st day of June, 1998, otherwise than in any one or more of the forms or modes specified in sub-section (5) of section II if such funds do not continue to remain so invested or deposited after the 30th day of March, 2001.”;

(j) in clause (23F),-

(a) the third and fourth provisos shall be *omitted*;

(b) in the *Explanation*, for clause (c) the following clauses shall be *substituted*, namely:-

(c) “venture capital undertaking” means such domestic company whose shares are not listed in a recognised stock exchange in India and which is engaged in the business or generation or generation and distribution of electricity or any other form of power or engaged in the business of providing telecommunication services or in the business of developing, maintaining and operating any infrastructure facility or engaged in the manufacture or production of such articles or things (including computer software) as may be notified by the Central Government in this behalf

(d) “infrastructure facility” means road, highway, bridge, airport, port, rail system, water supply project, irrigation project, sanitation and sewerage system or any other public facility of a similar nature as may be notified by the Board in this behalf in the Official Gazette and which fulfils the conditions specified in sub-section (1A) of section 80-1A;”;

“(k) for clause (23G), the following clause shall be substituted, namely :-

“(23G) any income by way of dividends, other than dividends referred to in section 115-0, interest or long-term capital gains of an infrastructure capital fund or an infrastructure capital company from investments made on or after the 1st day of June, 1998 by way of shares or long-term finance in any enterprise wholly engaged in the business of developing, maintaining and operating any infrastructure facility and which has been approved by the Central Government on an application made by it in accordance with the rules made in this behalf and which satisfies the prescribed conditions.

Explanation. -For the purposes of the clause.-

(a) “infrastructure capital company” means such company as has made investments by way of acquiring shares or providing long term finance to an enterprise wholly engaged in the business of developing, maintaining and operating infrastructure facility;

(b) “infrastructure capital fund” means such fund operating under a trust deed, registered under the provisions of the Registration Act, 1908 established to raise monies by the trustees for investment by way of acquiring shares or providing long-term finance to an enterprise wholly engaged in the business of developing, maintaining and operating infrastructure facility.” (55)

Page 4. after line 49, insert-

"(iv) a project for housing which fulfils the conditions specified in sub-section (4F) of section 80-IA." (56)

(Shri Yashwant Sinha)

MR. SPEAKER: The questions is:

"That clause 7, as amended, stand part of the Bill."

The motion was adopted.

Clause 7, as amended, was added to the Bill.

Clause 8

SHRI BASU DEB ACHARIA (Bankura) : I beg to move:

Page 5, line 8,-

for "one lakh rupees"

substitute "one lakh fifty thousand rupees" (14)

Page 5, line 10,-

for "one lakh rupees"

substitute "one lakh fifty thousand rupees" (15)

MR. SPEAKER: Now, I put amendments No. 14 and 15 moved by Shri Basu Deb Acharia to the vote.

The amendments were put and negatived.

MR. SPEAKER: The question is:

"That clause 8 stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Clause 9 was added to the Bill.

Clause 10 was added to the Bill.

SHRI AKBAR AHMAD (Azamgarh) : There should be increase in the salaries of MP's. The present salary of Rs. 1500 is below the recognised statutory national wages.

YASHWANT SINHA: Before I move my amendments to this clause, let me assure Shri Akbar Ahamed and all the other hon. Members who are raising this question that the question of Member's salary and allowances is under the very active consideration of the Government.

Clause 11

Amendments made:

Page 5, line 29, after "intangible assets", insert acquired on or after the 1st day of April, 1998. (57)

Page 5, line 50, after "claimed", insert "and allowed". (58)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Clause 12

Amendments made:

Page 6, after line 46, insert-

"Provided also that any amount credited in the special account of Site Restoration Account by way of interest shall be deemed to be a deposit." (59)

Page 7, for lines 3 to 8, substitute "the case may be, in the deposit scheme." (60)

Page 7,-

for lines 20 to 25, substitute-

"(5) where any amount standing to the credit of the assessee in the special account or in the Site Restoration Account is withdrawn on closure of the account during any previous year by the assessee, the amount so withdrawn from the account, as reduced by the amount, if any, payable to the Central Government by way of profit or production share as provided in the agreement referred to in section 42, shall be deemed to be the profits and gains of business or profession of that previous year and shall accordingly be chargeable to income-tax as the income of that previous year.

Explanation,- Where any amount is withdrawn on closure of the account in a previous year in which the business carried on by the assessee is no longer in existence, the provisions of this sub-section shall apply as if the business is in existence in that previous year." (61)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 12, as amended, stand part of the Bill."

The motion was adopted.

Clause 12, as amended, was added to the Bill.

Clause 13

Amendment made:

Page 8, for lines 16 and 17, *substitute-*

'13. In section 35 of the Income-tax Act, in sub-section (2AB), after clause (4), the following clause shall be inserted, namely:-

"(5) No deduction shall be allowed in respect of expenditure referred to in clause (1) which is incurred after the 31st day of March, 2000," (62)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 13, as amended, stand part of the Bill."

The motion was adopted.

Clause 13, as amended, was added to the Bill.

Clauses 14 to 19 were added to the Bill.

Clause 20

Amendment made:

Page 9, line 41,-

for "amount of duty leviable under the Customs Tariff Act, 1975 and". *substitute-*

"amount of duty of excise or the additional duty leviable under section 3 of the Customs Tariff Act, 1975 in respect of which". (63)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 20, as amended, stand part of the Bill."

The motion was adopted.

Clause 20, as amended, was added to the Bill.

Clauses 21 and 22 were added to the Bill.

Clause 23

Amendments made:

Page 10, line 14, for "building, machinery, plant, furniture", *substitute* "capital asset". (64)

Page 10, lines 28 and 29, for "building, machinery, plant, furniture", *substitute* "capital asset". (65)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 23, as amended, stand part of the Bill".

The motion was adopted.

Clause 23, as amended, was added to the Bill.

Clause 24

Amendment made:

Page 10, lines 45 and 46, for "the benefit availed by the firm or by the sole proprietor, as the case may be", *substitute-*

"the amount of profits or gains arising from the transfer of such capital asset or intangible asset not charged under section 45 by virtue of conditions laid down in the proviso to clause (xiii) or the proviso the clause (xiv) of section 47". (66)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 24, as amended, stand part of the Bill"

The motion was adopted

Clause 24, as amended, was added to the Bill.

Clause 25

MR. SPEAKER: The question is:

"That clause 25 stand part of the Bill".

The motion was negated.

MR. SPEAKER : Clause 25 is dropped from the Bill. Subsequent clauses may be re-numbered accordingly.

Clauses 26 and 27

MR. SPEAKER : The question is:

"That clauses 26 and 27 stand part of the Bill".

The motion was adopted.

Clauses 26 and 27 were added to the Bill.

Clause 28

MR. SPEAKER: Shri Banatwalla, are you moving your amendment?

SHRI G.M. BANATWALLA (Ponnani) : Sir, the Government has positively responded to the question of the Gift Tax. Therefore, I do not want to move my amendments.

MR. SPEAKER: The question is:

"That clause 28 stand part of the Bill".

The motion was adopted.

Clause 28 was added to the Bill.

Clause 29 was added to the Bill.

Clause 30

MR. SPEAKER: Shri Sangwan, are you moving amendment?

SHRI KISHAN SINGH SANGWAN (Sonepat) : No, Sir, I am not moving.

MR. SPEAKER: The question is:

"That clause 30 stand part of the Bill".

The motion was adopted.

Clause 30 was added to the Bill.

Clause 31

Amendment made:

Page 12.--

(a) line 45 omit "subsection";

(b) after line 53, insert--

'Provided that if any of the conditions laid down in the proviso to clause (xiii) or the proviso to clause (xiv) to section 47 are not complied with, the set off of loss or allowance of depreciation made in any previous year in the hands of the successor company, shall be deemed to be the income of the company chargeable to tax in the year in which such conditions are not complied with.

(5) For the purposes of sub-section (4),--

(a) "accumulated loss" means so much of the loss of the predecessor firm or the proprietary concern, as the case may be, under the head "Profits and gains of business or profession" (not being a loss sustained in a speculation business) which such predecessor firm or the proprietary concern would have been entitled to carry forward and set off under the provisions of section 72 if the reorganisation of business had not taken place;

(b) "unal sorbed depreciation" means so much of the allowance for depreciation of the predecessor firm or the proprietary concern, as the case may be, which remains to be allowed and which would have been allowed to the predecessor firm or the proprietary concern, as the case may be, under the provisions of the Act, if the reorganisation of business had not taken place'. (67)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 31, as amended, stand part of the Bill".

The motion was adopted.

Clause 31, as amended, was added to the Bill.

16.00 hrs.

Clause 32

MR. SPEAKER: Shri A.F. Golam Osmani - Not present

Shri Kishan Singh Sangwan - Not present.

Shri Madhukar Sirpotdar - Not present

The question is:

"That clause 32 stand part of the Bill"

The motion was adopted.

Clause 32 was added to the Bill.

Clause 33

Amendments made:

Page 13, line 50, for "or sub-clause (liihg), substitute" or sub-clause (liihg) or sub-clause (liihh). (68)

Page 13, after line 53, insert-

'(liihh) the National Cultural Fund set up by the Central Government; or

(c) in sub-section (5), in clause (i), the words, brackets, figures and letter "or clause (22) or clause (22A)" shall be omitted.' (69)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 33, as amended, stand part of the Bill."

The motion was adopted.

Clause 33, as amended, was added to the Bill.

Clause 34

Amendment made:

Page 14, line 12, after "Hindu undivided Family", insert "by such family". (70)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 34, as amended, stand part of the Bill."

The motion was adopted.

Clause 34, as amended, was added to the Bill.

Clause 35 was added to the Bill.

Clause 36

Amendment made:

Page 15, line 5 and 6, for "and shall be deemed to have been inserted with effect from the 1st day of April, 1990", substitute "with effect from the 1st day of April, 1999". (71)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 36, as amended, stand part of the Bill."

The motion was adopted.

Clause 36, as amended, was added to the Bill.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Sir, I beg to move:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 71 to the Finance (No. 2) Bill, 1998 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (i) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 71 to the Finance (No. 2) Bill, 1998 and that this amendment may be allowed to be moved."

The motion was adopted.

New Clause 36A

Amendment made:

Page 15, after line 10, insert-

36A '36A. In section 80HHE of the Income-tax Act

(New with effect from the 1st day of April, 1999.— Clause)

(a) after sub-section (1), the following shall be inserted namely:

"Provided that if the assessee, being a company engaged in the export out of India of computer software issues a certificate referred to in clause (b) of sub-section (4A), that in respect of the amount of the export specified therein, the deduction under this sub-section is to be allowed

to a supporting software developer, then the amount of deduction in the case of an assessee shall be reduced by such amount which bears to the total profits derived by the assessee from the export, the same proportion as the amount of the export turnover specified in such certificate bears to the total export turnover of the assessee.

(1A) Where the assessee, being a supporting software developer, has during the previous year, developed and sold computer software to an exporting company in respect of which the said company has issued a certificate under the proviso to sub-section (1) there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of the assessee a deduction of the profits derived by the assessee from the developing and selling of computer software to the exporting company in respect of which the certificate has been issued by the said company.":

(b) after sub-section (3), the following sub-section shall be inserted, namely:

"(3A) For the purpose of sub-section (1A), profits derived by a supporting software developer shall be,—

(i) in case where the business carried on by the supporting software developer consists exclusively of developing and selling of computer software to one or more exporting companies solely engaged in exports, the profits of such business;

(ii) in a case where the business carried on by a supporting software developer does not consist exclusively of developing and selling of computer software to one or more exporting companies, the amount which bears to the profits of the business, the same proportion as the turnover in respect of sale to the respective exporting company bears to the total turnover of the business carried on by the assessee.:

(c) after sub-section (4), the following sub-section shall be inserted, namely:

"(4A) The deduction under sub-section (1A) shall not be admissible unless the supporting software developer furnishes in the prescribed form along with his return of income,—

(i) the report of an accountant, as defined in the Explanation below sub-section (2) of section 288 certifying that the deduction has been correctly claimed on the basis of the profits of the supporting software developer in respect of sale of computer software export to the exporting company; and

(ii) a certificate from the exporting company containing such particulars as may be prescribed and verified in the manner prescribed that in respect of the export turnover mentioned in the certificate, the exporting company has not claimed deduction under this section:

Provided that the certificate specified in clause (b) shall be duly certified by the auditor auditing the accounts of the exporting assessee under the provisions of this Act or under any other law.;

(d) in the *Explanation* below sub-section (5),--

(i) in clause (b), after the words "any such programme", the words "or any customised electronic data" shall be inserted;

(ii) after clause (c) the following clause shall be inserted, namely:-

'(ca) "exporting company" means a company referred to in sub-section (1) making actual export of computer software.;

(ii) after clause (e) the following clause shall be inserted, namely:-

'(ea) "supporting software developer" means an Indian company or a person (other than a company) resident in India, developing and selling computer software to an exporting company for the purposes of export." (72)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That new clause 36A be added to the Bill."

The motion was adopted.

New clause 36A was added to the Bill.

Clause 37

Amendments made:

Page 15, for lines 13 and 14, *substitute*--

'(i) after the words "basic or cellular", the words "including radiopaging, domestic satellite service or network of trunking and electronic data interchange services or construction and development of housing projects" shall be inserted: (73)

Page 15, for lines 29 to 34, *substitute*--

'(ba) in sub-section (4B), in clause (ii), for the figures "1998", the figures "1999" shall be substituted.;

(c) in sub-section (4C), after the words "basic or cellular", the words "including radiopaging, domestic satellite service or network of trunking and electronic data interchange services" shall be inserted with effect from the 1st day of April, 1999:

(d) (i) in sub-section (4E), after the words "commercial production", the words "or refining" shall be inserted;

(ii) in sub-section (4E), the following proviso shall be inserted, with effect from the 1st day of April, 1999, namely:

"Provided that the proviso of this section shall apply in case of refining of mineral oil where the undertaking begins refining on or after the 1st day of October, 1998.;"

(da) after sub-section (4E), the following sub-section shall be inserted with effect from 1st day of April, 1999, namely:

"(4F) This section applies to an undertaking, engaged in developing and building housing projects approved by a local authority subject to the condition that the size of the plot of land has a minimum of one acre, and the residential unit has a built up area not exceeding one thousand square feet;

Provided that the undertaking commences development and construction of the housing project on or after the 1st day of October, 1998 and completes the same before the 31st day of March, 2001.;"

(de) in sub-section (5), after clause (v), the following clause shall be inserted with effect from the 1st day of April, 1999, namely:

"(vi) in the cause of a housing project referred to in sub-section (4F), hundred per cent, of profits and gains derived from such business." (74)

Page 15, line 39, for "1st day of October, 1998", *substitute* "1st day of April, 1999". (75)

Page 15, line 40 and 41, for "and shall be deemed to have been inserted with effect from the 1st day of April, 1991", *substitute* "with effect from the 1st day of April, 1999". (76)

Page 16, *omit* lines 4 to 6. (77)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 37, as amended, stand part of the Bill"

The motion was adopted.

Clause 37, as amended, was added to the Bill.

MR. SPEAKER: The question is:

"That clause 38 stand part of the Bill."

"The motion was adopted."

Clause 38 was added to the Bill.

Amendments made:

Clause 39

Page 16, line 20, for "during the previous year", substitute "in the previous year for three assessment years including the assessment year relevant to the previous year in which such employment is provided" (78)

Page 16, line 28, for "new workman" substitute "new regular workman". (79)

Page 16, omit lines 39 and 40. (80)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 39, as amended, stand part of the Bill."

The motion was adopted.

Clause 39, as amended, was added to the Bill.

Clause 40 was added to the Bill.

SHRI YASHWANT SINHA : I beg to move:

"That this House do suspend clause (l) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 81 to the Finance (No. 2) Bill, 1998 and that this amendment may be allowed to be moved."

MR. SPEAKER: The question is:

"That this House do suspend clause (l) of rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha in so far as it requires that an amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates, in its application to Government amendment No. 81 to the Finance (No. 2) Bill, 1998 and that this amendment may be allowed to be moved."

The motion was adopted.

Amendment made:

New Clause 40A

Page 16, after line 48, insert—

'40A. In section 115AD of the Income tax Act, in sub-

section (l), for clause (a), the following clause shall be substituted with effect from the 1st day of April, 1999, namely:—

"(a) income received in respect of securities (other than unit referred to in section 115AB); or" (81)

(Shri Yashwant Sinha)

MR.SPEAKER : The question is:

"That new clause 40A be added to the Bill."

The motion was adopted.

New Clause 40A was added to the Bill.

Clause 41 was added to the Bill.

Clause 42

SHRI G.M. BANATWALLA (Ponnani) : I beg to move:

Page 17,—

omit line 7 (3)

It is about the scheme which is called one by six. My amendment is directed towards amending that a person satisfying two of the several conditions, namely, having a telephone or a house etc. is to be required to file a return. My submission is that in trying to widen the tax base, the Minister should not cause untold hardship to people who may not be subject to the tax and require them to file the return. I spoke at length when the Bill was under consideration. I hope that the Government would accept the amendment.

MR. SPEAKER: I shall now put Amendment No. 3 to the vote of the House.

The amendment was put and negatived.

Amendment made:

"Page 17, after line 12, insert—

"Provided further that the Central Government may, by notification in the Official Gazette, specify class or classes of persons to whom the provisions of the first proviso shall not apply." (82)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 42, as amended, stand part of the Bill."

The motion was adopted.

Clause 42, as amended, was added to the Bill.

Clause 43*Amendments made:*

Page 17, after line 17, insert-

"(a) in sub-section (I), in clause (ii), for the words "fifty thousand rupees" the words "five lakh rupees" shall be substituted; (83)

Page 17, line 21, omit "not" (84)

Page 17, line 29, for "the form", substitute "the form and the manner". (85)

Page 17, after line 30, insert-

"(f) the manner in which the Permanent Account Number or the General Index Register Number shall be quoted in respect of the categories of transactions referred to in clause (b);

(g) the time and the manner in which the transactions referred to in clause (b) shall be intimated to the prescribed authority." (86)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 43, as amended, stand part of the Bill."

*The motion was adopted.**Clause 43, as amended, was added to the Bill.**Clause 44 was added to the Bill.***Clause 45***Amendments made:*

Page 17, lines 38 and 39, for "and shall be deemed to have been inserted with effect from the 1st day of April, 1986", substitute "with effect from the 1st day of April, 1999". (87)

Page 17, lines 40 and 41, omit "(as it stood immediately before the 1st day of April, 1955)". (88)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 45, as amended, stand part of the Bill."

*The motion was adopted.**Clause 45, as amended, was added to the Bill.***Clause 46***Amendments made:*

Page 18, for line 6, substitute-

"(b) the total undisclosed income relating to the block period shall not include the income assessed in any regular assessment as income of such block period;". (89)

Page 18, line 8, for "every", substitute "any". (90)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

That clause 46, as amended, stand part of the Bill."

*The motion was adopted.**Clause 46, as amended, was added to the Bill.**Clause 47 was added to the Bill.***Clause 48**

MR. SPEAKER: There is an amendment to Clause 48. Shri P.C. Chacko, are you moving your amendment?

SHRI P.C. CHACKO (Idukki) : I beg to move:

Page 18, line 14,-

omit "and shall be deemed to have been inserted with effect from the 1st day of July, 1995." (51)

I would like to have an explanation from the hon. Minister.

In the search cases, there is a period of limitation for making the final assessment. It was one year and subsequently made two years. Now, the new amendment, being proposed by the hon. Minister, is giving a new interpretation to Section 158 (B) (E) of the Income Tax Act. Thereby, the word 'executed' is interpreted in a very wrong way. According to the original clause 'executed' means the date on which the search operations start. According to the present interpretation proposed, it is the last date of issuing of *panchnama* after the search operations are completed. That means, giving officers the unbridled powers to harass the assesses. They can drag on the search operations for an unlimited period of time. This is very unfair.

SHRI P. CHIDAMBARAM (Sivaganga) : Let me explain. This is an important amendment. It is not that we want to start a debate on this. The point is that the amendment is being introduced. It could be that the implications have not been thought of. One year was made to two years. They have two years to complete the assessment. And, what they are saying is from the date the warrant is executed, it is

two years. Now, the word 'executed' is being given an artificial meaning. The search could take place in ten different places over a period of three months. The two years period will now count from the last *panchnama*. All they have to do is to have one more search and extend it again, one more search after three months and extend it again. Let him reflect on it. I do not think this is the intention. I do not think anybody will support it. This will give an unbridled power to the man who searches it.

PROF. P.J. KURIEN (Mavelikara) : Sir, I also move the amendment because this can be used to unnecessarily harass the people. Once the raid is started, you can extend it to any length of time by this amendment. Therefore, it should be limited and our amendment will serve that purpose.

SHRI YASHWANT SINHA : Sir, I will respond briefly. I have considered the point which has been raised by hon. Members here. While it is not the intention of the Department to harass anybody, it is also true that we should not do anything which will hamper searches and seizures. That is why I am not in a position to accept this amendment.

PROF. P.J. KURIEN (Mavelikara) : All right, accepted. But you should look into it because this is an unending process.

MR. SPEAKER : I shall put amendment No. 51 moved by Shri P.C. Chacko to clause 48, to the vote of the House.

The amendment was put and negatived.

MR. SPEAKER: The question is

"That clause 48 stand part of the Bill."

The motion was adopted.

Clause 48 was added to the Bill.

Clause 49 was added to the Bill.

Clause 50

Amendments made:

Page 18, for lines 52 and 53, *substitute*—

(b) "applicant" means any persons who—

(i) is a non-resident; or

(ii) is a resident falling within any such class or category of persons as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(iii) makes an application under sub-section (1) of section 245Q. (91)

Page 19, line 1, for "the proviso", *substitute* "the first proviso". (92)

Page 19, after line 2, *insert*—

'(c) after section 245R, the following section shall be inserted, namely:—

<p>"245RR. No Income-tax authority or the Appellate Tribunal shall proceed to decide any issue in respect to which an application has been made by an applicant, being a resident, under sub-section (1) of section 245R." (93)</p>	<p>Appellate authority not to proceed in certain cases.</p>
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(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 50, as amended, stand part of the Bill."

The motion was adopted.

Clause 50, as amended, was added to the Bill.

Clause 51

Amendments made:

Page 19, lines 29 and 30 for "section 271B, section 271BB, section 272A, section 272AA or section 272B", *substitute* "section 271F, section 272AA or section 272BB". (94)

Page 19, line 33, for "1998", *substitute* "1988". (95)

Page 19, for lines 49 to 51, *substitute*—

'Explanation-- For the purpose of this sub-section, where on or after the 1st day of October, 1998, the post of Deputy Commissioner has been redesignated as Joint Commissioner and the post of Deputy Director has been redesignated as Joint Director, the references in this sub-section for "Deputy Commissioner" and "Deputy Director" shall be substituted by "Joint Commissioner" and "Joint Director" respectively.'. (96)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 51, as amended, stand part of the Bill."

The motion was adopted.

Clause 51, as amended, was added to the Bill.

Clauses 52 and 53 were added to the Bill.

Clause 54

Amendments made:

Page 20, for lines 27 to 49, *substitute*—

'(a) in sub-section (1), in clause (a), after the

words and brackets "Deputy Commissioner (Appeals)", the words, figures and letters "before the 1st day of October, 1998" shall be inserted:

(b) in sub-section (2), in clause (a), after the words and brackets "Deputy Commissioner (Appeals)", the words, figures and letters "before the 1st day of October, 1998" shall be inserted.: (97)

Page 20, line 50, for "(3)", substitute "(c)" (98)

Page 21, line 11, for "appeal", substitute "application". (99)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 54, as amended, stand part of the Bill."

The motion was adopted.

Clause 54, as amended, was added to the Bill.

Clauses 55 and 56 were added to the Bill.

Clause 57

Amendment made:

Page 21, line 20, omit "on or". (100)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"The clause 57, as amended, stand part of the Bill."

The motion was adopted.

Clause 57, as amended, was added to the Bill."

Clause 58

Amendment made:

Page 21, line 23, for "on or", substitute "against an order made under section 254". (101)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 58, as amended, stand part of the Bill."

The motion was adopted.

Clause 58, as amended, was added to the Bill."

Clause 59

Amendment made:

Page 21, for lines 27 and 28, substitute-

"(1A) Where the High Court delivers a judgement

in an appeal filed before it under section 260A, effect shall be given to the order passed on the appeal by the Assessing Officer on the basis of a certified copy of judgement." (102)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 59, as amended, stand part of the Bill."

The motion was adopted.

Clause 59, as amended, was added to the Bill.

Clause 60

Amendments made:

Page 21, for lines 34 to 37, substitute-

"(2) An appeal under this sub-section shall be-

(a) filed within one hundred and twenty days from the date on which the order appealed against is communicated to the appellant;

(b) accompanied by a fee of ten thousand rupees where such appeal is filed by an assessee;

(c) in the form of a memorandum of appeal precisely stating there in the substantial question of law involved." (103)

Page 21, after line 47, insert-

"(6) The High Court may determine any issue which-

(a) has not been determined by the Appellate Tribunal; or

(b) has been wrongly determined by the Appellate Tribunal, by reason of a decision on such question of law as is referred to in sub-section (1)." (104)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 60, as amended, stand part of the Bill."

The motion was adopted.

Clause 60, as amended, was added to the Bill.

Clause 61

Amendment made:

Page 22, lines 6 and 7, for "on or before the 1st day of October, 1998 or an appeal made to the High

Court after that date" *substitute-*

"against an order made under section 254 before the 1st day of October, 1998 or an appeal made to High Court in respect of an order passed under section 254 on or after that date". (105)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 61, as amended, stand part of the Bill."

The motion was adopted.

Clause 61, as amended, was added to the Bill.

Clause 62

Amendments made:

Page 22, *omit* lines 14 to 16. (106)

Page 22, line 22, *omit* "In the case of an order which has been passed". (107)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is"

"That clause 62, as amended, stand part of the Bill."

The motion was adopted.

Clause 62, as amended, was added to the Bill.

Clause 63

SHRI KISHAN SINGH SANGWAN (Sonepat) : Sir, I beg to move:

Page 22, line 29,-

for "one thousand rupees"

substitute "five hundred rupees" (30)

[*Translation*]

It has been stated in the election manifesto of BJP that income-tax limit will be raised to 60 thousand, but in the Budget it has been raised to only 50 thousand.

[*English*]

MR. SPEAKER: I shall now put Amendment No. 30, moved by Shri Kishan Singh Sangwan, to the vote of the House.

The amendment was put and negatived.

Amendment made:

Page 22, line 28, for "on or before the due date" *substitute* "before the end of the relevant assessment year." (108)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"The clause 63, as amended, stand part of the Bill."

The motion was adopted.

Clause 63, as amended, was added to the Bill.

Clauses 64 to 68 were added to the Bill.

Clause 69

Amendment made:

Page 23, line 44, for "sever", *substitute* "ten". (109)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 69, as amended, stand part of the Bill "

The motion was adopted.

Clause 69, as amended, was added to the Bill.

Clause 70

Amendments made:

Page 23, for lines 54 and 55, *substitute--*

Amendment 70. In section 5 of the Wealth-tax Act, of with effect from the 1st day of April, 1999.- section 5

(a) in the proviso to clause (i), the words, brackets, figures and letter "clause (22) or clause (22A) or" shall be omitted;

(b) for clause (vi), the following clause shall be substitute, namely:--

(vi) one house or part of a house or a plot of land belonging to an individual or a Hindu undivided family:

"Provided that wealth tax shall not be payable by an assessee in respect of an asset being a plot land comprising an area of five hundred square meters or less.". (110)

Page 24, *omit* lines 1 and 2. (111)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 70, as amended, stand part of the Bill."

The motion was adopted.

Clause 70, as amended, was added to the Bill.

Clause 71

MR. SPEAKER: The question is:

"That clause 71 stand part of the Bill."

The motion was negatived.

MR. SPEAKER: Clause 71 is negatived and dropped from the Bill. The subsequent clauses may be re-numbered accordingly.

Clause 72

Amendment made:

Page 24, for lines 24 to 31, substitute--

*'Explanation--*For the purposes of this sub-section, where on or before the 1st day of October, 1998, the post of Deputy Commissioner has been redesignated as Joint Commissioner and the post of Deputy Director has been redesignated as Joint Director the references in this sub-section for "Deputy Commissioner" and "Deputy Director" shall be substituted by "Joint Commissioner" and "Joint Director" respectively.'. (112)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 72, as amended, stand part of the Bill."

The motion was adopted.

Clause 72, as amended, was added to the Bill.

Clause 73

Amendments made:

Page 25, for lines 21 to 24, substitute--

"(a) in sub-section (1), after the word and figures "section 23", the word, figures and letter "section 23A" shall be inserted. (113)

Page 25, after line 29, insert--

'(d) in sub-section (4), for the words "two hundred rupees", the words "one thousand rupees" shall be substituted.'. (114)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"The clause 73, as amended, stand part of the Bill."

The motion was adopted.

Clause 73, as amended, was added to the Bill.

Clause 74

Amendments made:

Page 25, omit lines 35 to 37. (115)

Page 25, lines 44 and 45, omit "in the case of an order which has been passed". (116)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 74, as amended, stand part of the Bill."

The motion was adopted.

Clause 74, as amended, was added to the Bill.

Clause 75

Amendments made:

Page 25, line 49, for "sixty days", substitute "one hundred and twenty days". (117)

Page 26, after line 14, insert--

"(7) Assessing Officer shall give effect to the order of the High Court on the basis of a certified copy of judgement delivered under sub-section (6)". (118)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 75, as amended, stand part of the Bill."

The motion was adopted.

Clause 75, as amended, was added to the Bill.

Clause 76 was added to the Bill.

Clause 77

Amendment made:

Page 26, for lines 21 to 23, substitute--

'(b) in sub-section (2), after the word and figures "section 27" the words, brackets, figures and letter "or in sub-section (7) of section 27A" shall be inserted.'. (119)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 77, as amended, stand part of the Bill."

The motion was adopted.

Clause 77, as amended, was added to the Bill.

Clauses 78 to 82 were added to the Bill.

Clause 83

Amendments made:

Page 27, omit lines 3 to 5 (120)

Page 27, line 11 omit "in the case of an order which has been passed". (121)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 83, as amended, stand part of the Bill."

The motion was adopted.

Clause 83, as amended, was added to the Bill.

Clauses 84 and 85 were added to the Bill.

Clause 86

Amendments made:

Page 27, omit lines 28 to 30. (122)

Page 27, line 36, omit "in the case of an order which has been passed". (123)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 86, as amended, stand part of the Bill."

The motion was adopted.

Clause 86, as amended, was added to the Bill.

Clauses 87 to 89 were added to the Bill.

Clause 90

Amendments made:

Page 28, for lines 16 and 17, substitute-

'(i) "disputed tax" means the total tax determined and payable, in respect of an assessment year under any direct tax enactment but which remains unpaid as on the date of making the declaration under section 91. (124)

Page 28, for lines 24 and 25, substitute-

52 of 1962. '(j) "indirect tax enactment" means the Customs Act, 1962 or the Central Excise Act, 1944 or the 51 of 1975. Customs Tariff Act, 1975 or the Central Excise Tariff Act, 1985 or the relevant Act and includes the rules or regulations made under such enactment.'; (125)

Page 28, for lines 41 to 46, substitute-

"(i) in relation to direct tax enactment, the amount of tax, penalty or interest determined on or before the 31st day of March, 1998 under that enactment in respect of an assessment year as modified in consequence of giving effect to an appellate order but remaining unpaid on the date of declaration;

"(ii) in relation to indirect tax enactment,-

(a) the amount of duties (including drawback of duty, credit of duty or any amount representing duty), cesses, interest, fine or penalty determined as due or payable under that enactment as on the 31st day of March, 1998 but remaining unpaid as on the date of making a declaration under section 91; or

(b) the amount of duties (including drawback of duty, credit of duty or any amount representing duty), cesses, interest, fine or penalty which constitutes the subject matter of a demand notice or a show-cause notice issued on or before the 31st day of March, 1993 under that enactment but remaining unpaid on the date of making a declaration under section 91,

but does not include any demand relating to erroneous refund and where a show-cause notice is issued to be declarant in respect of seizure of goods and demand of duties, the tax arrear shall not include the duties on such seized goods where such duties on the seized goods have not been qualified.

Explanation - Where a declarant has already paid either voluntarily or under protest, any amount of duties, cesses, interest, fine or penalty specified in this sub-clause, on or before the date of making a declaration by him under section 91 which includes any deposit made by him pending any appeal or in pursuance of a court order in relation to such duties, cesses, interest, fine or penalty, such payment shall not be deemed to be the amount unpaid for the purposes of determining tax arrear under this sub-clause.'; (126)

Page 28, line 47, for "in this scheme but not defined" substitute "and not defined in this scheme but defined". (127)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 90, as amended, stand part of the Bill."

The motion was adopted.

Clause 90, as amended, was added to the Bill.

Clause 91

SHRI BASU DEB ACHARIA (Bankura) : Sir, I beg to move:

Page 29, line 8,-

for "thirty-five per cent."
substitute "forty-five per cent." (36)

Page 29, lines 10 and 11,-

for "thirty per cent."
substitute "forty per cent." (37)

Page 29, lines 13,-

for "thirty-five per cent."
substitute "forty-five per cent." (38)

Page 29, lines 13 and 14,-

for "thirty per cent."
substitute "forty per cent." (39)

Page 29, lines 26 and 27,-

for "one per cent."
substitute "ten per cent." (40)

Page 29, line 32,-

for "two per cent."
substitute "twenty per cent." (41)

MR. SPEAKER: I shall now put Amendment Nos. 36, 37, 38, 39, 40 and 41, moved by Shri Basu Deb Acharia, to the vote of the House.

The amendments were put and negatived.

Amendments made:

Page 29, line 36, for "tax arrears", substitute disputed value of the gift. (128)

Page 29,-

for lines 51 and 52, substitute-

"(1) where the tax arrear is payable under the indirect tax enactment-

(i) in a case where the tax arrear comprises fine, penalty or interest but does not include duties (including drawback of duty, credit of duty or any amount representing duty) or cesses, at the rate of fifty per cent, of the amount of such fine, penalty or interest due or interest, due or payable as on the date of making a declaration under section 91,

(ii) in any other case, at the rate of fifty per cent, of the amount of duties (including drawback of duty, credit

of duty or any amount representing duty) or cesses due or payable on the date of making a declaration under section 91,;" (129)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 91, as amended, stand part of the Bill."

The motion was adopted.

Clause 91, as amended, was added to the Bill.

Clause 92 was added to the Bill.

Clause 93

Amendments made:

Page 30, line 5, after "such determination", insert "towards full and final settlement of tax arrears". (130)

Page 30, line 8, for "authority", substitute "designated authority" (131)

Page 30, after line 10, insert -

"Provided further that the designated authority may amend the certificate for reasons to be recorded in writing." (132)

Page 30, line 22, after "withdrawn", insert "on the day on which the order referred to in sub-section (2) is passed". (133)

(Shri Yashwant Sinha)

MR. SPEAKER : The question is:

"That clause 93, as amended, stand part of the Bill,"

The motion was adopted.

Clause 93, as amended, was added to the Bill.

Clause 94 was added to the Bill.

Clause 95

Amendment made:

Page 30, after line 35, insert-

"Provided that in case an appeal is filed by a Department of the Central Government in respect of such issue relating to the disputed chargeable expenditure, disputed chargeable interest, disputed income, disputed wealth, disputed value of gift or tax arrear (except where the tax arrear comprises only penalty, fine or interest), the appellate authority shall decide the appeal irrespective of such declaration." (134)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 95, as amended, stand part of the Bill."

The motion was adopted.

Clause 95, as amended, was added to the Bill.

Clauses 96 and 97 were added to the Bill.

Clause 98

Amendments made:

Page 30, line 47, *after* "enactment" *insert* "or in respect of a person who has been convicted for concealment on or before the date of filing the declaration.;" (135)

Page 30, lines 48 and 49, *for* "any direct tax enactment", *substitute* "sub-section (4) of section 245D of the Income-tax Act or sub-section (4) of section 22D of the Wealth-tax Act, as the case may be." (136)

Page 30, *for* lines 51 to 53, *substitute*

"(c) to a case where no appeal or reference or writ petition is admitted and pending before any appellate authority or High Court or the Supreme Court on the date of filing of declaration or no application for revision is pending before the Commissioner on the date of filing declaration.;" (137)

Page 31, *after* line 5, *insert*—

"(c) in a case where no appeal or reference or writ petition is admitted and pending before any appellate authority or High Court or the Supreme Court or no application for revision is pending before the Central Government on the date of declaration made under section 91.;" (138)

Page 31, line 7, *after* "Indian Penal Code", *insert* "the Foreign Exchange Regulation Act, 1973". (139)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 98, as amended, stand part of the Bill."

The motion was adopted.

Clause 98, as amended, was added to the Bill.

The Schedule to Chapter IV

Amendment made:

Page 32, *after* line 35, *insert*—

"23. The Industries (Development and Regulation) Act, 1951;

24. The Tea Act, 1953;

25. The Sugar Export Promotion Act, 1958;

26. The Sugar (Regulation of Production) Act, 1961;

27. The Marine Products Export Development Authority Act, 1972;

28. Any other enactment imposing the auxiliary duty of customs or the special duty of excise." (140)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That the Schedule of Chapter IV, as amended, stand part of the Bill."

The motion was adopted.

The Schedule of Chapter IV, as amended, was added to the Bill.

Clauses 99 to 106 were added to the Bill.

Clause 107

Amendment made:

Page 38, in line 20, *omit* "but excluding drawback"; (141)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is :

"That clause 107, as amended, stand part of the Bill "

The motion was adopted.

Clause 107, as amended, was added to the Bill.

Clauses 108 to 118 were added to the Bill.

Clause 119

SHRI G.M. BANATWALLA (Ponnani) : Sir, I beg to move:

Page 47, —
omit lines 24 and 25 (4)

Page 48, —
omit lines 8 to 11 (5)

Sir, these amendments seek to delete the service tax imposed on the slaughter of bovines. Even sacrificial slaughter will also be subject to this service tax and the service tax is Rs. 1,000 per animal. It will be disastrous for the meat industry. I have spoken at length on this subject. I fervently appeal to the Finance Minister to accept my plea. ... (Interruptions) He does not even respond also.

MR. SPEAKER: I shall now put the Amendment Nos. 4 and 5 moved by Shri G.M. Banatwalla to the vote of the House.

The amendments were put and negatived.

Amendment made:

Page 47, for lines 34 and 35, *substitute* "tourist vehicle covered by a permit granted under the

59 of 1988 Motor Vehicles Act, 1988 or the rules made thereunder"; (142)

(Shri Yashwant Sinha)

MR. SPEAKER: The question is:

"That clause 119, as amended, stand part of the Bill."

The motion was adopted.

Clause 119, as amended, was added to the Bill.

Clause 120 was added to the Bill.

Clause 121

SHRI G.M. BANATWALLA (Ponnani) : Sir, I beg to move:

Page 50, line 32, --

for "Rs. 3.00"
substitute "Rs. 2.00" 6

Page 50, line 34, --

for "Rs. 3.00"
substitute "Rs. 2.00" (7)

Sir, it is about postal rates.

Rs. 2 for envelopes instead of Rs. 3 should be maintained. At least somewhere let the Finance Minister respond. I hope it will be accepted.

substitute "Rs. 2.00"

MR. SPEAKER: I put amendment Nos. 6 and 7 moved by Shri G. M. Banatwalla to the vote of the House.

The amendments were put and negatived.

MR. SPEAKER: The question is:

"That Clause 121 stand part of the Bill."

The motion was adopted.

Clause 121 was added to the Bill.

Clause 122 was added to the Bill.

MR. SPEAKER: Shri Kishan Singh Sangwan - Not moving.

The question is:

"That the First Schedule stand part of the Bill."

The motion was adopted.

The First Schedule was added to the Bill.

The Second Schedule and the Third Schedule were added to the Bill.

Fourth Schedule

MR. SPEAKER: Shri G. M. Banatwalla, are you moving your amendment Nos. 8 to 12?

SHRI G.M. BANATWALLA (Ponnani) : I beg to move:

Page 62, line 11, --
Omit "3907.91" (8)

Page 63, --
Omit lines 8 to 14 (9)

Page 64, --
Omit lines 2 to 5 (11)

Page 64, --
Omit lines 10 to 19 (12)

Sir, I do not move my amendment No. 10 because the hon. Minister has kindly responded to the question of excise duty of rubberised coir industry. But then he added excise duty on such items as vegetarian food packages. Already a service tax of Rs. 1,000/- on slaughter of bovine animals and then this excise duty of 8 per cent on non-vegetarian food packages is levied. The question of spectacles and lenses is very partially and grudgingly responded to and the Government must not be so grudging. In the case of tea also, a grudging response has come. Instead of buying big packages, we may continue to buy small packages.

MR. SPEAKER: Shri Basu Deb Acharia, are you moving your amendment Nos. 16 and 17?

SHRI BASU DEB ACHARIA (Bankura) : I beg to move:

Page 64, line 4,--
for "8%"
substitute "NIL" (16)

I am not moving amendment No. 17 because the hon. Minister has already exempted excise duty on *masala*. But the hon. Minister has partially exempted tea. I want that the 8 per cent excise duty which is being levied should be exempted. It is a very simple amendment. The hon. Minister has partially exempted. Total exemption should be there for tea.

[Translation]

SHRI MOHAN SINGH (Deoria) : Mr. Speaker, Sir, the Hon'ble Minister has given some tax-relaxation as desired by me. He has accepted my suggestion but I would like to bring him home the fact that the day he submitted the

proposal in the House for tax reduction, people enhanced the prices. I would like to have an assurance from your side that when you are giving relaxations, its benefit should reach the consumers.

If the Government takes the initiatives, and the benefits reach the consumers I will not press for my amendment but if the hon. Minister wants to roll back the prices after increasing them first, in order to stabilise them, then I will surely move my amendment. I want an assurance from the Hon'ble Minister in this regard.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Mr. Speaker, Sir, I am fully optimistic that wherever we have reduced the taxes, the price of commodities, if they had increased, will surely get down. As the hon'ble Members know that there is a concept called 'injust enrichment' and the traders who pass on the excise duty on their products to the consumers without paying it themselves, have been indulging in unjust enrichment, and this unjust enrichment has been declared invalid even by the Court. Therefore, I am hopeful that our consumers will get the full benefit of this.

SHRI MOHAN SINGH: Then, I am not moving the amendment.

[English]

MR. SPEAKER: I shall now put Amendment Nos. 8, 9, 11, 12 moved by Shri G.M. Banatwalla and the Amendment No. 16 moved by Shri Basu Deb Acharia to the vote of the House.

The amendments were put and negatived.

MR. SPEAKER: The question is:

"That the Fourth Schedule stand part of the Bill."

The motion was adopted.

The Fourth Schedule was added to the Bill.

The Fifth Schedule was added to the Bill.

The Sixth Schedule was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI YASHWANT SINHA: Sir, I beg to move:

"That the Bill, as amended, be passed."

MR. SPEAKER: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

SHRI BASU DEB ACHARIA (Bankura) : We are walking out. Since our suggestion has not been accepted by the

Minister and since there is no concern for the poorer sections of the people, as a mark of protest, we are walking out.

16.48 hrs.

At this stage, Shri Basu Deb Acharia and some other hon. Members left the House.

16.49 hrs.

PRIVATE MEMBERS' RESOLUTIONS

(I) National Housing Policy - Contd.

[English]

MR. SPEAKER: The House will now take up the Private Members' Business.

Hon. Members, before further discussion on the Resolution regarding National Housing Policy by Dr. Laxminarayan Pandey is resumed, I would like to mention that 4 hours and 38 minutes have already been taken on this Resolution, as against 4 hours and 30 minutes allotted for its discussion. The House has now to extend time for further discussion on the Resolution.

Is it the pleasure of the House that time for this Resolution be further extended by one hour?

SEVERAL HON. MEMBERS: Yes.

MR. SPEAKER: The time is extended by one hour.

THE MINISTER OF URBAN AFFAIRS AND EMPLOYMENT (SHRI RAM JETHMALANI) : May I make a submission? On this resolution, the time allotted has been 4 hours and 30 minutes. We have already spent 4 hours and 39 minutes. The Resolution asks the Government to have a Housing Policy. The Housing Policy is ready. It is awaiting the formal sanction of the Cabinet and within the next one week, we will Table this before this House so that, along with the Resolution, the whole policy may be considered. Instead of wasting time now on the Resolution that the Government should have a policy, we have a policy, we have framed it, and we will place it within the next ten days.

16.52 hours

[SHRI P.M. SAYEED in the Chair]

[Translation]

DR. LAXMINARAYAN PANDEY (Mandsaur) : Mr. Chairman, Sir, as the Hon'ble Habitat Minister has just said that a fresh National Housing Policy is being prepared by his Government. It will be announced within a week.

SHRI RAM JETHMALANI : I can assure all the hon. Members that I have heard their speeches very very carefully and respectfully. I must say that every proposal will find a place in the Policy which we are going to place before you. Kindly allow us ten days' time.

[Translation]

DR. LAXMINARAYAN PANDEY: I clearly remember that a meeting of all the Ministers of Housing of the states from all over the country was called in which officers were also invited and this subject was discussed in detail and Minister of Housing gave their suggestions. I would like that while drafting the National Housing Policy the Hon'ble Minister of Housing will keep them in his mind. I am happy to learn that the Hon'ble Minister of Housing has given an assurance for announcing the National Housing Policy very soon. So no further debate on this issue should take place, either it should be postponed till the time of its announcement or till the further instructions from the Chair are issued in this regard.

SHRI CHAMAN LAL GUPTA (Udhampur) : Mr. Chairman, the resolution should be withdrawn only in that condition when the Housing Policy comes first and then a resolution comes and is discussed in the House.

[English]

SHRI RAM JETHMALANI : I promise you that we are placing it within ten days and the House can then debate on it.

MR. CHAIRMAN : Shri Gupta, the Minister has already replied that the Policy has already been framed, and it will come before this House.

...(Interruptions)

SHRI CHAMAN LAL GUPTA (Udhampur) : We should have a discussion on that policy in this very session.

MR. CHAIRMAN : The Mover of the Resolution has to demand whether that policy is going to come in this very Session or not. He may then seek the pleasure of the House to withdraw the Resolution.

[Translation]

SHRI RAJENDRA AGNIHOTRI (Jhansi) : Mr. Chairman, Sir, the hon'ble Minister has apprised the House of his announcement about Housing Policy.

MR. CHAIRMAN: Mr. Agnihotri, you are not a new Member, you must know about the procedure. The Debate has ended and his reply is awaited.

SHRI RAJENDRA AGNIHOTRI (Jhansi) : Mr. Chairman, Sir, he has not yet withdrawn.

MR. CHAIRMAN: Only his reply is awaited, this is not a debate, the debate is over, now only his reply is being awaited.

Agnihotri ji, the debate is over. Now the reply from his side is awaited. The reply is being given by Dr. Laxminarayan Pandey.

DR. LAXMINARAYAN PANDEY : Hon'ble Chairman, Sir, the hon'ble Minister of Housing has assured all of us here that he is soon going to announce a National Housing Policy and I hope he will do so within a week or 10 days. If he assures us that he will bring forward the National Housing Policy in this session, as he has said earlier in this regard, I urge him to formulate and bring forward a comprehensive and effective policy, keeping in view the various suggestions given by the Hon'ble Members, the various housing related problems being faced by the country and the extent of the improvement in that regard, the financial needs of the States, the various private institutes in the sector and their financial needs and the nature of financial assistance needed by the people engaged in construction work. After this kind of assurance I would like to seek the permission of the House to withdraw this resolution.

[English]

MR. CHAIRMAN: Are you withdrawing your Resolution?

DR. LAXMINARAYAN PANDEY: Yes, Sir. I seek leave of the House to withdraw my Resolution.

MR. CHAIRMAN: Is it the pleasure of the House that the Resolution moved by Dr. Laxminarayan Pandey be withdrawn?

The Resolution was, by leave, withdrawn.

(II) Rehabilitation of Sick Public Sector Undertakings

MR. CHAIRMAN: The House will now take up the Resolution on Rehabilitation of sick Public Sector Undertakings by Dr. Asim Bala.

Before we take up the Resolution for discussion, we have to fix the time for it. Shall we fix it for two hours?

SEVERAL HON. MEMBERS: Yes, Sir, two hours should be fixed.

MR. CHAIRMAN: All right. So, two hours have been fixed for this Resolution.

Now, Dr. Asim Bala to initiate the debate.

...(Interruptions)

SHRI P.S. GADHAVI (Kutch) : Sir, what about the third Resolution of Shri Vaiko? *...(Interruptions)*. There is a third Resolution also in today's List of Business. That also is a very important Resolution. If you spare some time for it, say one hour for the second Resolution and one hour for the third Resolution, that will be better.

MR. CHAIRMAN: There are three or four speakers to participate in the second Resolution. I think, we will get the time for the third Resolution also.

SHRI P.S. GADHAVI (Kutch) : Sir, the third Resolution is of Shri Vaiko on Nationalisation of Inter-State rivers.

MR. CHAIRMAN: Let us see how the things progress.

Now, let Dr. Asim Bala speak.

DR. ASIM BALA (Nabadwip) : Mr. Chairman, Sir, in 1954, Parliament accepted the socialistic pattern of society as the national objective and the industrial policy was revised in 1956.

Under the revised new policy, industries were specified in two schedules, Industries specified in Schedule A and Schedule B. Industries specified in Schedule A were such as arms and ammunition, Defence equipment, atomic energy iron and steel, minerals, oil, aircraft, air transport, railway transport, ship buildings, telephone, electricity, etc.

Industries specified in Schedule B were such as ferro-alloy and tool steel, basic and intermediate products required by chemical industries, such as the manufacture of drugs, dye stuff and plastics, antibiotics, fertilisers, synthetic rubber, chemical pulp, road and sea transports, etc.

Sir, the concept of the public sector as envisaged by our first Prime Minister, Pandit Jawaharlal Nehru was that the public investment should be made in the core sectors where the infrastructure has to be built, and because of its long gestation period and low profitability, private investment would not be possible.

Sir, out of the 242 Central public sector units, 130 made profits and nearly 112 units are in the red book during the last few years.

17.00 hrs.

Over 80 public sector units have transit facility. Only ten companies, including the Navratnas, have been contributing over two-third of the profit. Some of the companies originally set up by the Government have become sick over a period of time and their names have been registered with the BIFR. They are about sixty.

The nine top public sector units called Navratna are: Bharat Heavy Electrical Ltd., Bharat Petroleum Corporation, Indian Oil Corporation, Indian Petro-Chemicals Ltd., National Thermal Power Corporation, Oil and Natural Gas Corporation, Steel Authority of India, and Videsh Sanchar Nigam. These are called the Navratnas. Out of 242 Central public sector units, sixty are referred to the BIFR. As I mentioned, they were in the list as on 31.3.1997. Besides, about forty and odd public sector units are making losses for various reasons.

The total accumulated loss of some of the public sector enterprises in 1989-90 was Rs. 9511 crore. The public sector

could achieve several objectives in removing inter-regional disparities and earning a reasonable rate of return for generating surpluses for further investment, for building of infrastructure, generation of employment opportunities, diversification of the economy and promotion of rapid economic growth. Can we think of our economy without public enterprises today? If we close them, the economy may come to a halt. All the infrastructural services are provided by them, all the basic, key and strategic goods are manufactured by them. All the finances are provided by them. A large measure of managerial and technical talents are supplied by them.

The public sector units employed totally about three million of workers. Now only about twenty lakh of workers are working there after the reform process was set in in 1991. The compensation of the loss-making and sick public sector units reveals that they can be the vital sector of the industrial economy comprising fertilizer, steel, coal, heavy electricals, engineering, textile, construction, wagon building, besides consumer goods. The products of most of the sick and loss-making public sector units are having active demand in the market. Many of them relate to food security of the country and input availability in the industrial sector. The Central public sector contributes nearly 100 per cent of the products like coal, petroleum, copper, primary lead and lignite, and more than 60 per cent of steel, aluminium and zinc. This clearly indicates that a key position is occupied by the public sector in the nation's economy.

Once a sick public sector undertaking is referred to the BIFR, from the date of registration with the BIFR it could be seen that the revival of most of the sick public sector undertakings are hurdled basically because of the negative stance of the concerned Government when it comes to acting as a promoter. There are many such cases. For example, there are the cases of Haldia Fertilizers and the IDPL. It is very much essential to revive the IDPL.

In Maharashtra, the National Textiles Corporation has about 606 hectares of surplus land valued by the Central Board of Direct Taxes at Rs. 2, 389 crore. Of this, over Rs. 1,900 crore worth of land is located in Mumbai. Some industry is interested in the land of the sick but not in the company itself, which is the sad story of our country.

The plea taken by the Government and the anti-public sector lobby in the polity is that spending for revival of sick public sector undertakings is unproductive. It is totally unfounded. While considering the cases for revival of sick public sector undertakings, only their losses and liabilities are taken into account but not the opportunity cost and the replacement cost of the sick public sector undertaking considered for closure.

In most of the cases, sickness results because of the Government's failure to ensure timely modernisation. As on date, the Government wants to wash off their hands of the sick public sector undertakings by denying them support in a most unfair manner.

The Reserve Bank has studied the reasons for sickness about ten years ago and found that fifty-two per cent of sickness was due to bad management of the company and the embezzlement by the management such as diversion of funds, conflict between management and workers, etc. Only two per cent of the sickness was due to the workers and employees. This is the picture in most of the cases.

In many cases, restructuring of finances would help the sick public sector undertakings to come out of the BIFR and tide over the problem. But in most of such cases, the Government assumes a negative attitude. For example, the current Budget has demonstrated the totally negative attitude of the Government towards revival of sick public sector undertakings. The sick public sector undertakings were referred to in the Budget only while stating the provisions relating to closure, payments to be made on retrenchment and no voluntary retirement. Such an approach is injurious to the interests of the national economy. When the budgetary proposals indicate the path of abolition of the public sector undertakings, it is very dangerous for the nation.

If a public sector undertaking is referred to the BIFR, the banks and financial institutions stop giving advances even for the working capital. As a result, productive work suffers and loss gets multiplied, complicating the prospect of revival. It is a matter of record that while many of the sick and loss-making public sector undertakings have to suspend production owing to non-availability of working capital and various other reasons, the same products are being imported in increasing quantities, spending precious foreign exchange. The case of fertilizers is one example in this regard.

I have given the inputs.

Coming to raw jute, in 1995-96, 42,000 tonnes of raw jute was imported at the cost of Rs. 48 crore. In 1996-97, 48,000 tonnes of raw jute were imported at the cost of Rs. 76 crore.

As far as fertilizer and fertilizer mate is concerned, the quantity imported was 10585 tonnes at the cost of Rs. 5626 crore. During 1996-97, the quantity imported was 7045 tonnes at the cost of Rs. 3235.

In the case of medicines and pharmaceutical products also, Rs. 1358 crore worth of goods were imported during the year 1995-96 and during 1996-97 the value was Rs. 1089 crore. In the case of iron and steel also, the import has been increasing day by day. When the demand is growing, instead of making our public sector revived, we are making them sick. To meet the demand, we are importing these goods from other countries thereby wasting valuable foreign exchange. This in turn liquidates the public sector units.

Eight fertilizer plants are languishing in sickness. Side by side fertilizer import is increasing every year which is also provoking urea scam. For example, one fertilizer plant

at Durgapur could be revived by investment of a few hundred crores of rupees while to have a new fertilizer plant like Durgapur it would cost more than Rs. 4000 crore.

Bharat Ophthalmic Glass Limited, the only producer of flint button in the country could be revived by an investment of only few crores. But the Government prefers to close it down to indulge in imports. Government may argue that import is cheaper. But what about the social cost due to loss of productive employment. Unemployment not only affects the workers but also their families. The families are affected due to the closure of the public sector units. It has vitiated the socio-economic aspects also.

The Government is denying support of even wagon-building industry in public sector although the country is suffering from shortage of wagon supply affecting the goods traffic. Cost of closure and non-revival of wagon-building units would be much higher than the investment cost for revival which is not being taken into account. Many more similar examples can be cited to expose the ill-conceived idea of doing away with the sick Central Public Sector Units.

I know the Railways' share in the freight traffic has come down from eighty per cent to twenty per cent. We are not using wagons and we are importing containers. If we want containers, we can use these companies for manufacturing containers instead of wagons. In that way we can revive the wagon industry.

To summarise, the Government policies towards sick public sector undertakings are not only permanently blocking the prospect of revival of sick public sector undertakings, but also causing severe damage to the health of industrial economy of the country. The production capacity lying with the sick public sector undertakings and the employment therein, could in no way be recreated or compensated once they are closed down; and the market would be built by the foreign companies. Will it serve the national interest?

The Government must consider the social and employment costs, the opportunity cost and also the cost of over-dependence on import, while considering the cases of revival of the sick public sector undertakings with all seriousness and particularly in considering the above things and also the vital sectors represented by those sick public sector undertakings. The Government must take positive steps for revival of sick public sector undertakings. Minimum commitment to national interest warrants positive and expeditious steps for revival of sick public sector undertakings.

The Tewari Committee Report in 1985 on industrial sickness has argued that the primary effort should be rehabilitation which would inevitably require sacrifices from the State and the Central Governments, banks and financial institutions, management and labour.

The IMF pointed out that only petroleum companies were profitable, but not those producing textiles, fertilizers, steel, heavy engineering products. It is quite absurd, and

[Dr. Asim Bala]

the intention of the IMF and the World Bank is to dismantle our public sector. That is why they are saying all these things. Why are they telling all this? After the process of delicensing and industrial liberalisation which began in 1991, technology-driven-PSUs found themselves rapidly losing ground to multinationals. The public sector is one area of the economy because it is politically very sensitive in nature when liberalisation has failed to make an impact. Unless the PSUs are overhanded, India's economic growth may lose the momentum it has attained at present.

Certainly, the PSUs require changes in its *modus operandi*, but the causes of welfare - regional and sectoral balances - are rather in the names of public sector which is needed to our country. It also requires economic and fiscal developments of the PSUs which needs political will. It is lacking in our Government.

I also have some suggestions to make. We have to detect irregularities early, in any account and we have to take remedial measures. Lesser the time taken in having remedial measures, lesser the chances of sickness. Early detection and quick action are paramount in combating the problem of industrial sickness. Regular review statements and subsequent steps are essential for solving any problem in industries. Serious action should be taken against sticky accounts and persistent delays.

I have to mention one more point. Technological upgradation, modernisation, renovation, diversification, etc., on a continuous basis will prevent industrial sickness. Sometimes, the management itself makes the companies sick intentionally. It is due to the new economic policy of the Government as well as of the international trade situation. In developed countries, production and growth are very fast and they are not searching for a new market in Asian countries where huge demand is available for their market.

At the end, I would just read out a portion of the record of the Report of the World Health Organisation, November, 1997.

"It is thus clear that the Uruguay Round of negotiations were largely dominated by industrialised countries and that developing countries were constrained to accept commitments sometimes running counter to their economy and social development. According to the World Development Report for 1997, if the poor countries are very often the losers in globalisation, this is because the rules of the games, especially in international trade are not in their favour."

I know that the revival of the public sector is very important. If our public sector is not revived, then the production of our country will not improve. The previous Minister of Commerce gave free licence for import of some agricultural products and also some essential commodities which we need everyday. The New Economic Policy is in the interest of the multinationals and the big foreign

companies. So, we should take into account our national interest and revive our sick industries by any means.

With these words, I conclude my speech.

SHRI SHIVRAJ V. PATIL (Latur) : Sir, I thank you for giving me the time. Dr. Asim Bala has come before this House with a very important Resolution. You may allow me to say that he has presented the case in the best possible manner and we should congratulate him also. His Resolution reads like this:

"This House urges upon the Government to take concrete and effective steps to rehabilitate the sick Public Sector Undertakings under the control of the Central Government and formulate a comprehensive policy to improve the functioning of the Public Sector Undertakings."

This Resolution can be divided into two parts. One part relates to the sick industries and the other part relates to the policy of the Government of India to see that the public sector industries are encouraged. We shall have to look at this Resolution from these two angles. I think that, in India, we have public sector industries which are doing well. I am not going to give the statistics and all that. Dr. Asim Bala has done it very well and the Hon. Minister also has statistics which I do not have readily with me. There are some industries which are not sick and are not doing very well also. And there are industries which are sick.

Public sector industries are sick. Now, it would be necessary for us to see that the industries which are doing very well are encouraged. About the industries which are not doing very well but which can do well or which can become sick, we shall need a kind of a policy. Sick industries will certainly have to be looked into and we shall have to take a decision either to continue with them or we have to discontinue them. That kind of a decision would be required. This is about the public sector industry.

What about cooperative sector industry? The cooperative industries are not really public sector industries nor are they private sector industries. They are industries which are run by the private individuals coming together for the benefit of all those who are members of the cooperatives. Fortunately in some areas, cooperative industry has done very well. The cooperative industry has not done very well in some other areas. In some areas, the cooperative industry has become sick. What is true about the public sector industry is also true about the cooperative sector industry. We do have private sector industry also in the country. We know that there are private sector industries which are doing extremely well and which can compete with the industries in any other part of the world which are doing well. But there are industries which are not doing well and which can become sick or which can improve their working. Certainly, there are many private sector industries which have not done well. Now, one of the sectors of the private sector industry is the textile industry. The textile industry in Maharashtra

and Gujarat and in some other parts of India has not done well. It has become sick. That is exactly why the textile industry in private sector had to be taken over by the Government and had to be run as National Textiles Corporation mills.

The jute industry in West Bengal has not done well. The jute and the textile industries were the first industries which were started but which have not done well and which have gone sick. In Uttar Pradesh and Bihar, we have the sugar industry which is in the private, the cooperative and the Government sectors and which have also gone sick.

If we have to consider the sickness or capability of the industries to manage their affairs and do well, we do not have only to see the industries in public sector or industries in cooperative sector or industries in private sector. Let us treat all these industries as national sector industries. Let us apply our mind to it.

The policy which we have followed in India is that of mixed economy. We do not want the private sector industries to go out or we do not want public sector industries also to go out. We do not want that the cooperative sector industries be closed down. We would certainly allow the private sector industries to increase in the area of their activities if there are private persons willing to take that risk and come forth and start the private industries. If there are cooperative industries, we would like to encourage the cooperative industries. And public sector industries also are necessary.

It is very interesting to examine what is the position in other developed countries - in the 'Socialist' countries and the erstwhile 'Communist' countries. My impression is that in the United States of America, they have the Government industries, the public sector industries, the cooperative industries as well as the private sector industries. The private sector industries in that country are very strong. The cooperative industries are not that strong. And the public sector industries are certainly working in areas which are using the advanced technology. The futuristic industries are there. If you go to the countries which call themselves as 'Socialist' countries, you will find that the public sector industries are very strong. They do have some cooperative industries which are not very strong and the private sector industries are very weak. That means, the public sector, the cooperative sector and the private sector industries are existing in India. They are existing in countries which have accepted the principle of *laissez faire*, free economy, market economy or whatever you call it. And they are existing in the areas where the Socialist type of economy or the Communist type of economy is accepted. So, what are the conclusions that we can draw from these things? The private sector industries or the cooperative sector industries or the public sector industries can suffer. Why will they suffer?

Now, we shall have to examine why have they suffered? What can be done to see that they do not suffer? One of the reasons is that they have not kept pace with the modern technology which is developed. The industry once

established may be modern. But after some time, it does not remain modern. If the process of modernisation of the industry is not continued, that industry is bound to suffer. The textile industry, the jute industry and the sugar industry were modern industries. But now those industries are suffering. Today, we have the automobile industry. Probably, it is prospering. But a time may come that if they do not modernise, they will also suffer. We have the oil industry which is doing well. It is mainly in the public sector. It is doing well because it is using the most modern technology. It is prospering. But if they do not keep pace with the technology, which is available all over the world and use that technology, they are also bound to suffer.

One of the things which have been happening in our country is that when they earn, they earn a lot of profit. The textile industry did earn a lot of profit; the jute industry did earn a lot of profit; the sugar industry of Maharashtra is earning a lot of profit but I am afraid that the sugar industry, especially in the cooperative sector, might go sick. Why would they go sick? It is because when they are earning, they are not saving for modernisation. When they have enough money with them, if they save and set aside a certain amount of money for modernisation, then they will not suffer in the future. But if they are earning and pocketing the money, using the money and if they are earning and diverting that money to the most modern industry and not using that money for purposes of modernisation of their industry, then they are likely to suffer. That is what has happened to the private sector industries; that is what is going to happen to the cooperative sector industries and that is what is happening in the public sector industries as well.

There is scope for modernisation in the public sector industries. But then the procedure is such that they do not keep on modernising and because they do not keep on modernising, they suffer. If you talk to the people in the public sector industries and discuss the matter with them they would tell you that there is political interference in it. Again, if you talk to the politicians they would tell you that these industries are you being managed on a commercial basis and that is why they are suffering. I think, there is a grain of truth in both these arguments. There may be some political interference and there could also be mismanagement by the industry as well. Both these things have to be controlled.

They are asking for autonomy. I know and I had also the opportunity of dealing with public sector industries which had autonomy. I found that the industries which were having autonomy were not doing well and the industries which were having less autonomy were doing well. So, that is not the only issue. The aspect of scientific management of the public sector industries or the cooperative sector industries or the private sector industries has to be very very carefully examined. Let them have the best technology available; let them keep on updating that technology and also save for modernisation. The modern kind of management is available to help the industries.

[Shri Shivraj V. Patil]

There are two very important things in the public and private sector industries to which we just cannot refuse to look at. The public sector industries are answerable to the Parliament. They are answerable to the Minister and the Ministry and also are responsible to the public at large. They have no stakes and it is managed in a fashion in which it should not be managed. The private sector industries are not run in that way. There, the decisions are taken quickly and the decisions are taken in such a fashion that they can save money by going in a circuitous route and overstepping the laws and things like that. The public sector industries are required to compete with the private sector industries. Now, that creates a lot of problem.

Sir, my point was that let us look at these industries from these two angles. Today, we are talking about the free market economy and the market forces. I am one of those who is not opposed to the market forces *per se*. I am not saying that the market forces are not required; the private enterprises are not required and the private initiatives are not required. I am not going to say that. But I am of the firm view that today we need public sector industries and tomorrow, probably, we would need public sector industries more than we do it today. I could be asked to as to how I could dare to make a statement of this kind when the world is moving towards privatisation and not towards public sector. I do feel that if we are going to exist in the present circumstances, in the present situation, probably, the private sector industries will become very very important but we are not going to stand here. We are going to march in a different direction which has not yet been visualized by some of us.

If tomorrow the ocean resources are going to be used by the industry, the raw material coming from the ocean is going to be used by the industry, take it from me that for the next 50 years, the private sector industries are not going to enter into that area. It would be necessary for the public sector industries to see that the resources which are there in the ocean are utilised. We do not realize that a country like India has an economic zone which is equal to two-thirds of our land mass and two-thirds of this land mass is having a lot of raw materials which are not being used.

It is virgin land. It is not being used because the private sector is not paying attention towards it, and the public sector is not attracted towards it today. But soon the time is going to come when we would be using resources of the ocean and at that time it would be the public sector industry which would initiate utilizing resources of the ocean. The same would be the case with respect to the utilization of potentials in Space. In all other countries, like America, Soviet Union, China and India also, there are both private sector and public sector industries which are engaged in the Space industry but that is an area which is unlimited. There is a limit to the land or the ocean but there is no limit to the Space and there is no limit to the potentials that are available in Space. If the human ingenuity is used and technology is developed,

and if today we wish to tap the potentials available in the Space, we need a public sector industry. The private sector industry will not enter that area because it needs a lot of gestation period. The private sector will not enter an area where a lot of funds are required. The private sector will not enter an area where there is a lot of uncertainty, where there is no assurance of a profit. But for the good of the country as a whole or for the good of the society or the humanity as whole these areas cannot just be left unattended. These areas cannot be allowed to go un-utilized. And, if these areas are to be utilized, we shall have to develop the public sector industry.

What is the situation in our country with regard to the development of technology? Who develops the technology? In America the technology is developed by the industry. Knowledge is developed by the university and technology is developed by the industry. They too have laboratories like our National Laboratory. In India, what is the position? If we have to develop a technology, no private sector industry is willing to spend money for developing the technology. Technology is going to be an industry in itself. Nothing is going to be more important or more expensive than the technology or the knowledge in the ultimate analysis. We have the raw materials. We have the machines to produce machines but technology is not available. And, if we have to develop technology, we would need a public sector's initiative, the Government's initiative and the society's initiative also and that is why I am very humbly submitting to the hon. Minister and to this House to have a policy in which we would mark the areas which would be occupied by the public sector industries up to a specific time. Let the public sector industries vacate those areas and let them be taken over by the private sector industries. If they have the strength, the muscles and the aspiration to do something in that area, we should allow them to take those areas. But there are new areas which are unattended, which have not yet attracted our attention. Those areas cannot go unattended. Let the public sector industries enter those areas. Let them show their mettle in those areas. Having shown their mettle in those areas, if again the private sector industries want to enter those areas, let them take over. There would be "सितारों से आगे जहाँ और भी है"। I think the hon. Minister can understand this couplet very well. "सितारों से आगे जहाँ और भी है"। There are many worlds beyond stars. There are many areas which could be attended to by the public sector industries. So, the policy of the Government of India. I am not saying the policy of only India but the policy of the humanity, should be to allow individuals to use their potentials to the maximum. Let the cooperatives also develop and use their potentials to the maximum. Let the public sector units develop inter-need area. Let there be the initiators in the new areas. If we have a policy of this kind, I think we would be able to see that the strength which is developed in the public sector is transferred to the private sector.

The public sector should enter new areas and develop new technologies. If you expand, you are not going to sink. If you do not expand, if you stop expanding, you are going

to sink; the industry is going to sink and ultimately it is going to die. Expansion is the sign of existence. If you expand, things will happen.

I would say that the hon. Member has brought a very important resolution here. Attendance in the House may be thin; it may be a Private Member's Bill; it may have been taken up at the last moment; but it is a very important thing. If we have an occasion to discuss this matter at the time of discussing the Budget or on any other occasion; if some time is utilised to discuss this Bill, it is properly utilised. We need a policy which is very progressive; we need a policy which is not bound by the narrow ideologies the ideology of public sector, the ideology of private sector, the ideology of cooperative sector. Our ideology should be nationalistic ideology, humanistic ideology. The ideology should be as big as that and then only it will help.

SHRI S. MALLIKARJUNIAH (Tumkur) : Thank you, Mr. Chairman, for giving me an opportunity to speak on this Private Members' Bill. I heartily congratulate Dr. Laxminarayan Pandey who had piloted a Private Members' Bill following which the Government had agreed to bring an exhaustive Bill. Secondly, Dr. Asim Bala has also piloted a very important Private Members' Bill. He also deserves to be heartily congratulated.

We have got one public undertaking in Tumkur known as HMT. It started 15-20 years back. It was doing very well. It was making a huge profit. The Managing Director and the Chairman who were at the helm of affairs of that undertaking were men of very high standards. They were the people who ran this industry very successfully. Unfortunately the Tumkur HMT and Bangalore HMT are being tagged on with the Nanital Watch Manufacturing Unit and also Srinagar Watch Manufacturing unit. As a consequence of this, the company is running in loss when the profit made by the company as a whole is taken.

There is keen competition to HMT watches. Some of the officers who were working in HMT earlier were allowed to retire. They were appointed in various other competitive watch manufacturing companies. As a result of this, the knowhow which was in the hands of the HMT became available to the other companies in the field. This has contributed to losses to a great extent. In the Tenth Lok Sabha, I brought this issue to the notice of the then Minister of Heavy Industries, Shrimati Krishna Sahi. I appraised her of the bad situation the HMT was in. She immediately appointed a Committee consisting of eminent people with deep knowledge in heavy industries. The Committee made its recommendations. Implementation of those recommendations had resulted in the revival of the company which was till that time virtually living on oxygen.

Unfortunately, HMT is once again sinking now. It has more than 20000 people who are dependent on it. Pujya Swami ji of Shivaganga Mutt has given more than 100 acres of very valuable land which was attached to the Mutt. Swami ji gave this land because a new industry is coming up just

by the side of the Mutt. Unfortunately, that industry is sinking now. It needs huge inflow of funds.

I brought the matter to the notice of the hon. Minister of Heavy Industries. I have also written a letter requesting the authorities to at least sanction Rs. 100 crore to this industry in the form of loan so that it could survive and pay back the amount in time. We request the hon. Minister to provide Rs. 100 crore for this industry.

Why should the industry become sick? The reason is sufficient funds are not flowing well in time.

Manufactured goods reach the market and the same are sold. But they are not getting back the money immediately due to various reasons. There is a nexus between the officer and the dealer. For some short period and sometime for a longer period, money is left in the hands of the dealer and they treat it as capital and for further investment.

Efficient people shall have to be appointed as Managing Directors and as Chairmen. But unfortunately people are appointed on the basis of caste or relationship. This is one of the weaknesses. They should really search and choose the people who have been well-versed in the industrial management. If that is the case, I think, industries may not go sick. Accountability shall have to be fixed on the concerned authority.

When I was a Member of the Legislative Council and when Shri S.R. Bommai was a Central Minister for Industries, I asked him, why does he choose IAS officers as Managing Directors of these public sector undertakings, as if they know everything and they are the best persons to head the organisations? I have not at all received any reply for five to six years. When I personally met him, he said that there are a lot of secrets and I should not know them. This is the unfortunate state of affairs. Of course, it needs a lot of managerial tactics and good knowledge in business management. But unfortunately, the Government is not appointing the people who are in the field of industries. They should appoint well-trained person in trade or business as Managing Directors or Chairmen.

Unfortunately, the previous Government had not applied its mind very seriously in this direction. I think, the present Government will certainly take into account the suggestions made by us and consult the efficient people in the industries. Their knowledge would also be taken into consideration.

Government is giving subsidy but it is not received in time. This is one of the reasons for not releasing the manufactured goods to the market in time. Banks are not advancing money in time. Unnecessarily they ask the manufacturers and company people to come to their banks now and then. They consume a lot of time and in the process disbursement is delayed. There is a lot of pilferage and corruption at this stage. It is up to the Ministry of Heavy Industries to go very deep into this matter and to see that

[Shri S. Mallikarjuniah]

such industries are revived and those which are sick, should be brought to life. We should keep in mind that huge sums of money is spent in starting these industries.

Research and development work should also be provided. Corrupt officers and inefficient officers should be removed. There should be a Committee consisting of very efficient people in the field of industry. Their suggestions shall have to be taken into consideration. We should find out the units which are functioning very well, and which are the units that are very sick. They shall have to be assessed impartially. Huge funds shall have to be provided on loan basis and not on grant basis.

Efficient managers and efficient Chairman and Managing Director should be appointed. Accountability should be fixed on them and they should be made responsible for any loss which is incurred by the corporation.

We had one NGF, which is still lingering. Of course, during the period of one or two persons, it was running well. But when appointments were made on the basis of caste or on political basis, virtually the most prime industry like NGF is about to be sunk and the property around the vacant site of NGF is regularly sole just to meet the salary expenses. This is an unfortunate state of affairs. I would like to know from the Government, why such things have happened. Who is mainly responsible for this? Who is responsible for the appointment of such inefficient officers who have no farsightedness? Who is there to question all these things?

Over and above, this matter was raised on the floor of this House as well as in the Karnataka Assembly, but unfortunately, our Government has not opened its mind to go deep into it.

Lastly, I thank the Chairman for having given me an opportunity. I would once again draw the attention of the hon. Minister that HMT of Tumkur is life for us. More than 50,000 people are working there and their lives are in the hands of the hon. Minister. I would request the hon. Minister to sanction Rs. 100 crore immediately and appoint efficient people to manage it. I would also request the hon. Minister to appoint a Committee to go deep into the subject. Let it suggest some model things and let them be implemented so that the industry could run very well.

[Translation]

DR. LAXMINARAYAN PANDEY (Mandsaur) : Mr. Chairman, Sir, we are discussing a serious topic related to the industrial development and economy of India. The spirit behind the original resolution moved by my hon'ble friend is that the sick industrial units which are known as public undertakings should show signs of improvement and be made economically viable, so that they become helpful to all of us. I would like to state in this context that at the time of setting up of these public undertakings there was a feeling that they would provide employment to many people and there would be a healthy competition between them and other private industries. These public undertakings did this

work for sometime, many people were employed in these industries and initially production was also heavy. But gradually the Government took control of these public undertakings which led to mismanagement. Due to mismanagement and Government control these organisations lost their autonomy. With the loss of autonomy, their production also declined and now they are no more viable units. Due to continuous fall in their production capacity, they had to bear the financial loss. I would like to cite the examples of undertakings which have suffered a heavy loss. Today, they are not in a position to be revived. I would like to urge that presently Fertilizer Corporation of India is running in loss of Rs. 538.02 crore. Hindustan Fertilizer Corporation Rs. 532.64 crore, Eastern Coal fields-Rs. 341.15 crore, Bharatiya Coking Coal - Rs. 322.81 crore, Air India -Rs. 296.49 crore, Rashtriya Ispat Nigam-Rs. 245.94 crore, Indian Iron and Steel Company- Rs. 213.03 crore, Cement Corporation of India-Rs. 159.41 crore, Indian Drugs and Pharmaceutical Limited-Rs. 151.24 crore and Hindustan Shipyard Rs. 150.80 crore. I have mentioned the names of certain undertakings which are continuously running in loss and the total loss has reached the figure of Rs. 5862 crore. Today, the state of affairs is so bad that we are forced to think about these undertakings and what should be done in this regard. About some undertakings, it has been said that they should be handed over to B.I.F.R and it should decide the policy to revive them and should also suggest some measures in this regard.

It is true that a generous view has been taken about these undertakings in the Ninth Five Year Plan and an attempt has been made to suggest how their generation should be increased, how they should be made viable by mobilising their resources. I understand that the health of these undertakings could be improved by making them viable. Presently 53% of funds have been invested in eight industries of public undertakings. It includes steel industry, coal industry, chemical industry, fertilizers, pharmaceuticals, petroleum and heavy engineering industries etc.

Our hon'ble Member, Shri Shivraj Patil was speaking on Cooperative Undertakings, Private Undertakings and Public Undertakings. It is true that in some areas public undertakings have been very successful, but they have not gained success everywhere. In the fields where public undertakings cannot succeed, priority should be given to Cooperative undertakings and they should be given an opportunity to come forward. But the government control is continuously increasing even in Cooperative undertakings. Due to this reason, their position is no better than that of the public undertakings. A decision is needed in this regard after serious consideration of the matter.

I would like to make a request that these undertakings should be given an autonomy and be freed from the government control. Today, the position is so bad that the I.A.S. officers, the officers of Secretary level, who are appointed as Managing Director at some place and Director at other place are getting hefty salaries and enjoying many facilities, but the industries under them are running in loss.

Today, the sugar industry in Madhya Pradesh comes under Cooperative Sector and is suffering heavy losses, because they have come under government control and their cooperative structure is on the wave.

Just now mention was made about the National Textile Corporation. What is its present state? N.T.C is functioning properly but it is also facing problems. What is the position of cement industry? There are two-three cement factories in my constituency. Today their position is miserable. These factories are capable of giving very good production. They are having good machines.

[English]

SHRI SHIVRAJ V. PATIL : Let us understand that the national textile industry is not an industry started by the Government of India. The sick industries in the private sector are taken over by the Government of India.

DR. LAXMINARAYAN PANDEY: But also, the National Textiles Corporation is in loss.

SHRI SHIVRAJ V. PATIL: All the sick industries are run by the Government of India.

17.57 hrs.

**MOTION RE: CONTEMPT OF THE HOUSE
BY SOME PERSONS FROM THE
PUBLIC GALLERY**

[English]

MR. CHAIRMAN: I have to inform that as the House is aware, at about 12.55 hours today, two visitors calling themselves Devender Negi aged 33 years, son of Shri Sher Singh Negi and Brij Mohan Upreti, aged 34 years, son of Shri Bal Kishan Upreti attempted to shout slogans and threw some leaflets from the Visitors' Gallery. The Security Officers took them into custody immediately and interrogated them. The visitors have not expressed regrets for their action.

I bring it to the notice of the House for such action as the House may deem fit.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND
MINISTER OF TOURISM (SHRI MADAN LAL KHURANA) :
Sir, I beg to move:

"That this House resolves that the persons calling themselves Devender Negi aged 33 years, son of Shri Sher Singh Negi and Brij Mohan Upreti aged 34 years, son of Shri Bal Kishan Upreti who attempted to shout slogans and also threw some leaflets from the Visitors' Gallery, at about 12.55 hours today, and whom the

Security Officers took into custody immediately, have committed a grave offence and are guilty of the contempt of the House.

That this House further resolves that they may be let off with a stern warning on the rising of the House today."

MR. CHAIRMAN : The question is:

"That this House resolves that the persons calling themselves Devender Negi aged 33 years, son of Shri Sher Singh Negi and Brij Mohan Upreti aged 34 years, son of Shri Bal Kishan Upreti who attempted to shout slogans and also threw some leaflets from the Visitors' Gallery, at about 12.55 hours today, and whom the Security Officers took into custody immediately, have committed a grave offence and are guilty of the contempt of the House.

That this House further resolves that they may be let off with a stern warning on the rising of the House today."

The motion was adopted.

18.00 hrs.

MR. CHAIRMAN : The Finance Bill has taken one hour and 20 minutes from the time of the Private Members' Business. The House can sit up to 7.20 P.M. If the sense of the House is to sit, we can sit.

PROF. P.J. KURIEN (Mavelikara): That should be with the sense of the House. Accordingly we should get that much time some other day from the Government.

MR. CHAIRMAN : I am seeking the permission of the House. Is it the pleasure of the House that the House should continue to sit up to 7.20 P.M.?

SEVERAL HON. MEMBERS: No. Some other day we can sit.

MR. CHAIRMAN: Dr. Laxminarayan Pandey, you can continue next time.

The House now stands adjourned to meet on Monday at 11.00 a.m.

18.02 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on
Monday, July 20, 1998/Asadha 29, 1920 (Saka)*