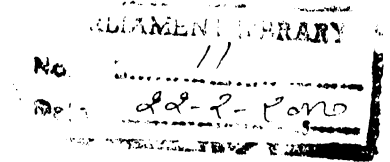


LOK SABHA DEBATES

(English Version)



Fourth Session
(Twelfth Lok Sabha)



(Vol. VIII contains Nos. 1 to 10)

LOK SABHA SECRETARIAT
NEW DELHI

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LOK SABHA DEBATES

LOK SABHA

Friday, March 5, 1999/Phalgun 14, 1920 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

[Translation]

SHRI LALU PRASAD (Madhepura): Mr. Speaker, Sir, the Bihar issue has been discussed in the House for two full days and you allowed everybody to speak on the matter. What we decided in regard to article 356, was immediately to be taken up in the Upper House also. But the Union Ministers are giving contradictory statements which, in turn, is giving birth to several kind of doubts in our minds. Somebody speaks of moving to the Supreme Court and somebody says that a decision in this regard would be taken finally by 8th day of this month. This situation has created a kind of chaos in the country, particularly in Bihar. We want to cooperate with you and run this House but it seems as if there is no Government in this House. They are making mockery of our Constitution. We want the Government to let us know as to when they propose to take this issue in the Upper House? Why don't they let us know about this?

[English]

MR. SPEAKER : Shri Lalu Prasad, I will ask the Government after Question Hour is over. Please cooperate.

[Translation]

SHRI LALU PRASAD : Mr. Speaker, Sir, the stand taken by the Government in this regard should be made clear today after Question Hour. They are destroying the entire democratic institutions in the country. The presence of the Government seems nowhere visible. They are involved in their own inner fighting. We people abide by your decision.

[English]

SHRI BASU DEB ACHARIA (Bankura) : After Question Hour, the Government should make a statement. ... (Interruptions)

MR. SPEAKER : I will allow you after Question Hour. Question No. 141. Shri Motilal Vora.

[Translation]

SHRI RAGHUVANSH PRASAD SINGH (Vaishali) : Mr. Speaker, Sir, the Bihar Budget is also to be taken up. If it is not revoked, the Bihar Budget will not get passed and resultant there would be a constitutional crisis in the country.

[English]

MR. SPEAKER : Shri Raghuvansh Prasad Singh, please raise it after Question Hour.

[Translation]

SHRI RAGHUVANSH PRASAD SINGH : This Government is hell bent upon breaking the constitutional machinery. They want to create constitutional crisis in the country.

[English]

MR. SPEAKER : Question No. 141. Shri Motilal Vora—not present. Question No. 142. Shri Ramchandra Bainsa—not Present. Shri Madan Patil—not present.

Question No. 143. Dr. Madan Prasad Jaiswal—not present. Shri Mohammad Ali Ashraf Fatmi—not present.

SHRI BASU DEB ACHARIA : Yesterday, a CPI leader was shot at ... (Interruptions)

ORAL ANSWERS TO QUESTIONS

[English]

Recommendations of S. Mohan Committee on CPSEs

*144. SHRI BASU DEB ACHARIA :
SHRI SUNIL KHAN :

Will the Minister of INDUSTRY be pleased to state:

(a) the main recommendations of Justice S. Mohan Committee Report on revision of pay structure of executives of Central Public Sector Enterprises (CPSEs);

(b) whether any indepth study of the implication of the recommendations has been made by the Government;

(c) if so, the details thereof; and

(d) the time by which the final decision by the Government on the recommendations of the Report is likely to be taken?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) A Statement is laid on the table of the House.

Statement

(a) The Justice Mohan Committee on the revision of pay structure of executives of Central Public Sector Enterprises has made the following major recommendations:

- The proposed pay scales would be effective from 1.1.97.
- The recommended scale of pay for Executives in Schedule 'A' posts is Rs. 27,750—31,500, Schedule 'B' posts is Rs. 25,750—30,950, Schedule 'C' posts is Rs. 22,500—27,300 and in Schedule 'D' posts is Rs. 20,500—25,000.
- 100% neutralisation of cost of living for PSE employees covered by the terms of reference of this Committee.
- The next pay revision for executives in PSEs should be after a period of 10 years or co-terminus with pay revision for Government employees.
- HRA based on the reclassified list of cities as notified by Government of India based on the recommendations of 5th Central Pay Commission.
- An increasing proportion of payments to executives, apart from salaries, should be performance related, thus constituting incentive/disincentive payments. Perquisites and allowances may not exceed 50% of basic pay. Payment over and above the ceiling of 50% should be entirely in the nature of performance related payments.
- In respect of sick enterprises, including those referred to BIFR, revision in pay scales should be allowed only after a strategic plan of

restructuring for revival with adequate funds, has been implemented. In respect of enterprises which the Government decides to close down, a generous VRS should be implemented.

(b) to (d) The Government are examining the recommendations.

SHRI BASU DEB ACHARIA : Sir, the Industry Minister has given a long statement in regard to wage revision of the Executives of public sector undertakings. Sir, I want to know from the Minister about the financial implication because of the implementation of wage revision for the Executives of public sector undertakings.

The Minister has not replied to that question. I want to know from the Minister as to what will be the financial implications arising out of this pay revision.

SHR: SIKANDER BAKHT : Sir, I am trying to settle down. I have not been able to understand that we would straightaway come to question No. 144.

SHRI BASU DEB ACHARIA : Sir, I think, there was no briefing meeting or the Minister has not done the homework.

SHRI SIKANDER BAKHT : The details of the proposed pay scales for different levels of executives, both at the Board level and below the Board level, are like this. At the highest level, that is, the Chief Executive, the pay scale recommended by them is Rs. 27,750—31,500. For the junior level officers, the pay scale of Rs. 6,500—11,350 has been recommended. The financial implications will be of the order of Rs. 2,000 crore.

SHRI BASU DEB ACHARIA : Sir, there are a number of public sector undertakings which have been referred to BIFR where, in case of workers and employees, there had not been any revision of their pay and allowances. So, when Justice Mohan Committee had submitted its Report regarding wage revision for the executives of the PSUs, whether the Government has taken any action in regard to the revision of wages for the executives of the PSUs which have been referred to the BIFR. What action is Government contemplating to take?

MR. SPEAKER : Today, Shri Basu Deb Acharia is very brief!

SHRI BASU DEB ACHARIA : Sir, I am always brief.

SHRI SIKANDER BAKHT : The next round of wage negotiations which was due on general basis from 1st of January, 1997 with the trade unions of Central Public Sector Enterprises may be commenced by the management. The managements of PSEs will be free to negotiate the wage structure of the employees not covered by Justice Mohan Committee keeping in view and consistent with the generation of resources of the enterprises concerned.

The Committee recommended that a core Group of Secretaries should be formed to look into the problems and prospects of sick enterprises and identify sick enterprises which can be nursed back to health. In case of those which cannot be restructured, it was recommended that steps should be taken to close down their operations.

SHRI BASU DEB ACHARIA : I did not ask that question. I asked about the implementation of Justice Mohan Committee recommendations on wage revision with regard to the executives of the PSUs which have been referred to the BIFR.

SHRI SIKANDER BAKHT : I will give you all the details.

SHRI G.M. BANATWALLA : Sir, this happens when questions are brief.

SHRI BASU DEB ACHARIA : I want to know the position with regard to those PSUs which have been referred to the BIFR.

DR. ASIM BALA : Sir, the Minister should do his homework. ...*(Interruptions)*

SHRI BASU DEB ACHARIA : The Minister is replying.

SHRI SIKANDER BAKHT : In respect of the enterprises, including those referred to BIFR, revision in pay scales should be allowed only after a strategic plan of restructuring for revival with adequate funds has been implemented.

SHRI SUNIL KHAN : I want to know from the hon. Minister whether the scales of pay, dearness allowance, etc., will be revived notionally from 1.1.1987 to 1.1.1992.

It is stated here that for the executives of public sector enterprises the period should be ten years. I want to know whether in other cases the pay revision will be done after five years, why not 5 years for Public Sector enterprises.

SHRI SIKANDER BAKHT : It has been decided to convert it to ten years.

SHRI SUNIL KHAN : Will the pay scales and dearness allowance be revised notionally from 1.1.1987 and 1.1.1992 as the case may be, as also 1.1.1997 on the basis of such revisions.

SHRI SIKANDER BAKHT : The whole question is under examination. All the Mohan Committee recommendations have not yet been taken up. There are some Ministries which have not yet conveyed their recommendations to us up-till now. This question will be taken up after their recommendations are received. The issue is under examination.

[Translation]

6 SHRI RAJO SINGH : Mr. Speaker, Sir, the reply given by the Government constitutes six parts. It has been said that HRA would be given on the basis of the reclassified list of cities as notified by Government of India based on the recommendations of 5th Pay Commission. I, through you, want to know from the Government as to why have they not taken any decision so far in regard to the implementation of revised pay scales w.e.f. 1.1.1997 ?

The Government have said in their reply that they are examining the recommendations. I want to know from them as to why did not they take any decision in this regard from 1997 to 1999? I have clearly asked why the recommendations, which includes HRA as well, have not been implemented?

SHRI SIKANDER BAKHT : I have told you that there are 34 ministries wherein these recommendations are to be implemented. Out of these 34 ministries, 25 have conveyed their recommendations to us and the remaining 9 ministries have not yet conveyed. They are awaited. We will start our examination and next course of action after we get their recommendations.

6 DR. BIZAY SONKAR SHASTRI : Mr. Speaker, Sir, I, through you, would like to ask a very clear question from the Minister and that is—whether it is a fact that an allegation accusing the bank officers of having nexus with capitalists was made by the Central Vigilance Commissioner on occasion of a seminar on computerisation in Banks due to which non-performing assets are increasing continuously in Banks?

[English]

MR. SPEAKER : Shri Shastri, you have to understand the question first. This question is on Central public sector enterprises.

[Translation]

DR. BIZAY SONKAR SHASTRI : I thought, that first question is being taken up.

† SHRI SATYA PAL JAIN : Mr. Speaker, Sir, the Minister has given a lot of information about the recommendations of Mohan Committee in his reply. This is a fact that several public sector undertakings are running in loss. One of the reasons behind this is that there are several surplus posts in these undertakings which have got no work to do. They come in surplus category. Shri Yashwant Sinha ji, while presenting his Budget, has said that these surplus posts are no more required, therefore, their number is being reduced and they are being surrendered.

Now, I would like to know from the Minister whether his ministry propose to conduct any survey of several public undertakings in this regard so that a proper assessment of total surplus posts in these undertakings is made and they are surrendered and reduced in order to save the unnecessary expenditure incurring on their salaries and other amenities or, to a larger extent, this factor has been responsible for their continuous losses.

SHRI SIKANDER BAKHT : This has been a continuous feature. The basic question, which he has derived from the speech of the Finance Minister, does not arise in this context. But, generally, the point is that efforts are on to reduce the amount of expenditure of public sector undertakings and Ministries also.

[English]

DR. ASIM BALA : Sir, the answer is given here in respect of the enterprises which the Government had decided to close down. They have said that a generous VRS should be implemented.

During the last Session, the Government had announced that eight public sector units had been closed down, and they would be given VRS. Recently, some packages have come up. We have also read about it in the newspapers. We heard that some eight closed public sector industries including the Cycle Corporation of India, MMCL, BOGL and National Instruments Industries were going to be revived.

MR. SPEAKER : Dr. Asim Bala, the question relates to the recommendations of the Justice Mohan Committee Report.

DR. ASIM BALA : So, I would like to know whether the Government has revived those eight closed down industries.

SHRI SIKANDER BAKHT : Sir, his question does not arise from the main Question listed here. But I might tell him that we have already decided to extend three months period to have another look at all these things.

8 PROF. P.J. KURIEN : Sir, these days, the Industrial administration is quite different from the Government administration or Revenue administration because the Industrial administration entails the technocrats, technologies and all that. Therefore, it is highly necessary to have a separate cadre for Industrial administration. So, is the Government considering to have a separate cadre for the Industrial administration so that it is carried out effectively?

Nowadays, there is a tendency of transferring the IAS officers to the Industrial units. But after serving there for a few years, they go back. With the result, whatever experience they get from the industries does not get utilised for the benefit of industries. This stopgap arrangement has contributed much to the industrial sickness. Therefore, will the Government consider a separate cadre and long-term policy in this regard?

SHRI SIKANDER BAKHT : I can only say thanks very much for his suggestion. But again, this does not arise from the original question. The original question relates to the recommendations of Justice Mohan Committee Report. But thank you very much for your suggestion. ...((Interruptions))

PROF. P.J. KURIEN : Sir, this is related to the question. The Minister is too technical. ...((Interruptions))

[Translation]

SHRI H.P. SINGH : Mr. Speaker, Sir, the Minister of Industry should explain about all the cases pertaining to public sector undertakings and the officers and employees since the cases about the change in their consolidated salaries and allowances are referred to the commission and committees as it has been stated in the recommendations made by Justice S. Mohan Committee. The last part 'D' of this question seeks information about the time by which the final decision will be taken by the Government on the recommendations made in the report? If a decision is taken in this regard now, since this issue has been lingering on since 1997, will the Government make extra payment on the basis of the rise in prices to compensate the delay caused in the wage revision of

the workers as fine is charged in the matter of late payment of electricity bill, late fee fine is charged from the students in school-colleges.

[English]

SHRI SIKANDER BAKHT : Sir, the capacity to pay differs from PSU to PSU.

[Translation]

That is quite different. There are so many P.S.U.s., about 234 in numbers. The ministries have expressed different views about them. It is difficult to accommodate their views at this stage because all the Ministries have not given their views. When views from all the Ministries are received, then we will take some decision.

[English]

9-16
Map of Underground Mines & Minerals

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

(a) the date on which the map of underground mines of Bharat Coking Coal Limited was prepared;

(b) the number of times the map of underground mines has been updated, so far, after the nationalisation of Coal Industry;

(c) whether the cases of theft of cables and illegal mining are on the increase in the underground collieries of BCCL through various ways which are unknown to the management inspite of blockade of gates of these underground collieries;

(d) if so, the officers found responsible for it; and

(e) the action taken/being taken to check such thefts and illegal mining and also against the guilty officers?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (b) A statement is laid on the Table of the House.

Statement

(a) and (b) Under the statutory provision of Coal Mines Regulation a number of maps/plans are required to be maintained for every working underground mine. Such maps/plans are being maintained for every working

underground mine of BCCL under the statute. These maps/plans are required to be updated once in three months (every quarter). As per information received from BCCL, the statutory plans are updated every quarter for every working mine of BCCL.

(c) to (e) According to information given by the coal company there has been no increase in the instance of illegal mining and theft of property in the underground mines of BCCL. However, it is submitted that, theft of pilferage coal as well as illegal mining is carried out stealthily and surreptitiously without the knowledge of or any assistance from the coal company's staff and as such it is not possible to keep total track of these activities. However, the coal companies are taking the following measures to curb these occurrences:

- (i) To the extent possible exposed coal faces in disused opencast mines have been covered with debris. Trenches have been cut around such opencast mines, wherever required, to make these unapproachable by bullock cart etc. Opening to underground working have also been blocked with debris to prevent access into the mines. Whenever it comes to the notice of colliery authorities that coal faces so blocked have been re-exposed, action is taken to cover the same again.
- (ii) Whenever such activity comes to the notice of the colliery authorities, patrolling by CISF/ Company watch and ward is intensified. At times, raids of such area are also conducted jointly by CISF and the police.
- (iii) At places theft prone areas have been converted into regular mines. Examples of such mines are Bhatdee colliery & Borea colliery in BCCL.
- (iv) Management maintains close liaison with state authorities/police to check such activity.
- (v) Colliery authorities on getting information of any such activity, file FIRs with local police.
- (vi) Regular liaison with state law & order authorities and collection of intelligence.

[Translation]

PROF. RITA VERMA : Mr. Speaker Sir, my question is very important because this is related to the safety of mines. The Congress party remained in power for 50 years after independence. The coal mines were

nationalised during their period but it is a matter of great pity that they never paid attention towards sketching the map of colliery and particularly sketching of the map of underground mines. ...*(Interruptions)* I am telling you truly, it was never updated. ...*(Interruptions)* You can not tell me about the Coal. Only I can tell. The maps were never updated. Due to this a serious accident occurred in Gajali Tal during their regime in which 96 labourers were drowned, because they did not know the escape route, they have no map, the labourers were not told as to in which direction was the escape route and the escape route was not maintained properly. Therefore the labourers met their painful end by drowning into the water and we could not recover even their bones. Therefore, their insurance could not be decided. Our Government is a welfare Government, but what steps the Government have taken in this direction after coming to power and what they are going to do, so that the security of the mines is maintained and the security of the labourers working in the mines could be ensured? In this regard, my suggestion was that the officers posted in the Coal Ministry, should be sent to study the mines for one month before they are posted in the Ministry and atleast it should be made compulsory to have ten trips in the underground mines upto the very face. Are you going to make it compulsory and considering suggestion, so that the map are updated every three months?

[English]

SHRI DILIP RAY : I must thank the hon. Member to have brought such an important question to the House. As far as I know, this is the first time this question is coming to this Ministry. The hon. Member is a senior Member of the House and belongs to Dhanbad. She knows the answer to this question also.

Coal is an exhausting asset. Regular planning is necessary. This mapping or planning, whatever the hon. Member means, is needed for preservation of coal and for safety of mines. We take into consideration the proximity of the river, railways, highways and other mines for safety reasons.

These plans of the mines are updated once in every three months under the statutory provisions of C.M.R. Act, 1957. This planning or mapping has been done right after nationalisation. The first one was done in 1973-74 where BCCL prepared this plan for 83 collieries.

The second one in 1975 for Moondih and Sudamdih collieries was updated.

The 1976 master plan for Jharia was prepared.

The 1978-79 master plan for BCCL for nine open cast and 21 underground mines was prepared.

In 1997 when BCCL was reorganised, plans were prepared in 13 areas for 89 collieries.

Recently we have taken very strict measures to see that these plans are updated every three months. Earlier, this mine planning used to be a localised affair. Now we have made it more specific and we are coordinating and connecting it to the national grid.

Moreover, we have recently installed GPS, the geophysical positioning system which is the most modern facility available in the world. We are also conducting computerised surveys with the help of a satellite. Right, now, we are mapping 100 kilometers radius of Jharia Coalfields.

[Translation]

PROF. RITA VERMA : Mr. Speaker Sir, I would like to congratulate the Minister of State for Coal through you that he had paid attention towards this after years of neglect because it appears from his reply that the maps prepared in the past were never updated and they are being updating now. ...*(Interruptions)*

[English]

MR. SPEAKER : You should not obstruct the hon. lady Member.

[Translation]

SHRI H.P. SINGH : Mr. Speaker Sir, nothing has been said by the Minister about the labourer ...*(Interruptions)*

[English]

MR. SPEAKER : Shri Har Pal Singh, the same applies to you also. Please take your seat.

[Translation]

PROF. RITA VERMA : Mr. Speaker, Sir, three-four years back when they were in power, cable pilferage had occurred in Gudakya mine at that time. Such incidence of cable thefts are very frequently occurring there because the maps were not updated. The C.I.S.F. was deputed there to apprehend the thieves. After two days it came to light that cable theft had occurred at another

entrance (Muhana), and then, after another three-four days it came to light that cable pilferage had occurred at another place. In this way the C.I.S.F. were deputed at five places and there was a strict vigil for a month but the thieves had escaped on the third day itself through some other route. The maps were not so updated during your time. What steps are being taken by the Government to check pilferage, illegal mining and criminal incidents occurring due to non-updating of map? In a part of my earlier question it was mentioned that the people have stopped going to underground mines and that is why the preparation of maps have been difficult. In order to streamline this process as our Defence Minister has ordered that the bureaucrats will also have to go to visit remote and difficult areas? I would like to know whether the Minister is going to issue order on similar lines in his Ministry that every officer will have to make atleast ten visits to underground mines.

[English]

SHRI DILIP RAY : Sir, the suggestion of the hon. Member that officers should be sent to underground mines is a good suggestion. I will look into it.

MR. SPEAKER : But what about the Minister!

SHRI DILIP RAY : I must mention here that I have been to all the coal mines, both underground and open cast. I have visited all the mines.

The next question is regarding the theft in the Gutkia mine, which happened in 1995, where there were three cable thefts. From then on, we have been able to recover 120 kilometres of cables from there. If you see the figures of 1995-96, 1996-97 and 1997-98, you will find that there is a reduction in the incidence of thefts. In 1998-99, we have not got a single theft case. 13-14

DR. RAM CHANDRA DOME : Mr. Speaker, Sir, this is an important issue. ... (Interruptions) Theft of coal is an important issue which has been raised here. This is not only the problem faced by BCCL but even in the ECL areas incidents of theft cases are going on the rise, particularly due to the decision of the Government to close down the collieries and abandonment of the collieries. Incidents of theft are going on even in newer areas where there are coal reserves but the Government is not taking the initiative to extend the exploitation of coal in the ECL areas. This sort of illegal trafficking of coal is on the rise and it is creating a law and order problem in the entire area. ... (Interruptions)

MR. SPEAKER : This question is not relating to the illegal trafficking but this is regarding underground mines.

DR. RAM CHANDRA DOME : I want to know from the hon. Minister whether the Government has any specific information regarding increase in theft of coal in the ECL areas. In my district of Birbhum and also in Purulia and Bankura, according to a GSI report, rich coal reserves are there. ... (Interruptions)

MR. SPEAKER : Dr. Dome, is that relevant to the present question?

DR. RAM CHANDRA DOME : May I know whether the Government has any plan to exploit the coal reserves in the new areas particularly in the districts of Birbhum Bankura and Purulia?

SHRI DILIP RAY : The main question is specifically about mapping and planning of BCCL areas. The supplementary question does not relate to that.

SHRI NADENDLA BHASKARA RAO : My question is very simple and it is regarding the underground coal mines. There is Singareni Collieries in Khammam District of Andhra Pradesh. Near to that, in Sattupalli also—it is found now and reported—there are mines. May I know whether the maps contain those mines also or not?

SHRI DILIP RAY : The mapping is done in all the mines. In all the subsidiaries of Coal India and Singareni Collieries, it is being done. But the main question relates specifically to BCCL.

SHRI NADENDLA BHASKARA RAO : Alongwith Singareni Collieries, there is this area of Sattupalli where coal mines were found.

SHRI DILIP RAY : It falls under Singareni Coal Fields. That is being done.

[Translation]

SHRI SHAILENDRA KUMAR : Hon. Speaker Sir, I would like to ask from the hon. Minister through you that many labourers who are engaged in numerous coal mines of Madhya Pradesh have neither been provided any compensation nor given jobs in lieu of their lands acquired for coal industry after its nationalisation. Whether you are going to chalk out any action plan or constitute a group to stop the pilferage of cables and other items going on there and to arrest the Mafia people indulging in such activities.

[English]

MR. SPEAKER : No. This is not a relevant question. This question is disallowed. Shri Prabhunath Singh.

[Translation]

SHRI PRABHUNATH SINGH : Mr. Speaker, Sir, illegal mining is going on in B.C.C.L. and we feel that the Government is aware of it. We would like to know the mafia gangs involved in this illegal mining. ...*(Interruptions)*

[English]

MR. SPEAKER : Shri Prabhunath Singh, I have just disallowed the supplementary question of Shri Shailendra Kumar. You have to understand the main question and the relevance of the main question. The main question is not about the illegal mining. It is about the mapping of underground mines.

[Translation]

SHRI PRABHUNATH SINGH : Mr. Speaker, Sir, you please listen my question first. ...*(Interruptions)*. It has been asked in last line of the question as to what action have been taken against the officers found guilty of their failure in stopping the illegal mining and pilferage. ...*(Interruptions)*

[English]

MR. SPEAKER : Please ask your supplementary.

[Translation]

SHRI PRABHUNATH SINGH : Mr. Speaker, Sir, illegal mining is going on in B.C.C.L. and the Government is aware of it. We want to know from the Government about the mafia gangs which are involved in the illegal mining. Whether officials of the Coal India are also involved in it and if it is so then whether or not these mafia gangs and officials have been identified by the Government? If they have been identified then what action has been taken against them?

[English]

SHRI DILIP RAY : We are aware of the illegal coal mining that is taking place in CCL, BCCL and ECL. This takes place either in abandoned or the closed mines of these areas. We have taken action to stop it. CISF is active in that area; we have taken the help of the police

from the State Government. Anyone who is involved in this—either any of our officers or outsiders—is taken care of.

[Translation]

SHRI CHANDRASHEKHAR SAHU : Mr. Speaker, Sir, I want to ask a specific question as to whether it has come to the notice of the Government that the officers found involved in illegal mining or pilferage, they may be from B.C.C.L., A.C.L. or W.B.C.L., have been trying to get political patronage or making initiative in this regard in order to protect themselves.

Mr. Speaker Sir, I am putting an unambiguous question that whether the efforts being made to get political patronage by the officers involved in illegal mining and pilferage have been in the knowledge of the Government.

[English]

MR. SPEAKER : It has already been answered.

SHRI DILIP RAY : We do not spare those officers who are involved in such activities.

[Translation]

SHRI LALU PRASAD : Mr. Speaker Sir, I want to know through you from the hon. Minister that there are 81 coal mines in Bihar region which are non-profitable as per B.C.C.L. estimate and are closed. At these places where such mines exist influential people take up mining and use cycles and rickshaws. 81 coal mines are closed there. Neither the State nor the Central Government could stop such practice. Your predecessor Coal Minister had taken a decision that the coal mines which have become unprofitable for the B.C.C.L. would be transferred to the State Government. The State would generate employment on the one hand and take care of these mines on the other. When you become the Minister of Coal, did you take pain of consulting the officers sitting in the headquarters to review and know the fate of the decisions taken by your predecessor Coal Minister. These are the mines where illegal mining is going on. People of the whole of Chottanagpur region are deprived of it. I do not know whether people are deceiving or misleading you in misleading the House while making the reply.

[English]

SHRI DILIP RAY : Sir, the suggestion of the hon. Member is under active consideration of the Government.

[Translation]

It is at the stage of transferring these mines to the Mining Development Corporation.

[Translation]

SHRI LALU PRASAD : It was decided to hand them over to the D.M. or D.C. please tell as to by when it would be done.

PROF. RITA VERMA : This proposal is only for facilitating pilferages ... (Interruptions)

17-23
Loans & Advances
Complaints regarding wrong use
of Loan Amount
Banking

*146. DR. ASHOK PATEL : Will the Minister of FINANCE be pleased to state:

(a) whether there is a tendency to show less amount of loss on account of loans by the nationalised banks;

(b) if so, whether the Government have directed the Reserve Bank of India to instruct the banks for proper implementation of the guidelines prescribed in this regard;

(c) whether the Government have received any complaints regarding use of loan money for some other purposes by the borrower than the purpose for which these loans were meant for; and

(d) if so, the action taken by the Government to deal strictly with such complaints?

[English]

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 Statement is laid on the Table of the House.

Statement

(a) and (b) Reserve Bank of India introduced prudential norms in 1992 relating to identification of non performing assets on the basis of record of recovery; classification of assets into substandard, doubtful and loss categories. providing against loan losses to the stipulated extent in respect of NPAs as well as income recognition norms advising banks not to take to income account, interest not actually realised on non-performing loan accounts. Cases if any, of non-compliance with the norms

of assets classification, income recognition and provisioning requirements are looked into during the course of Annual Finance Inspections of Reserve Bank of India as also during audit by the statutory auditors.

(c) and (d) While sanctioning loans, the conditions regarding utilisation of loans for the purpose for which it has been sanctioned are stipulated by the banks. Sanctioning Authorities are expected to monitor compliance of such conditions. In specific cases of utilisation of funds for uses other than intended use by way of corrective action, banks can either recall the loan, imposed penal rate of interest or reduce the sanctioned limits. Wherever instances of misapplication of funds come to the notice of the RBI during inspection, the concerned public sector banks are appropriately advised in regard to cases of such misapplication of funds.

[Translation]

DR. ASHOK PATEL : Mr. Speaker, Sir, I would like to ask the Hon'ble Minister of Finance how many complaints the Government have received regarding division of funds to purposes other than the ones for which the loans were sanctioned and what action has been taken on those complaints. Whether these complaints have been investigated? If so, what action has been taken against erring officials found guilty during investigation?

[English]

SHRI KADAMBUR M.R. JANARTHANAN : Mr. Speaker, Sir, the regulatory body, that is the RBI, during the course of the investigation of the commercial banks acquired some information regarding diversion of funds to purposes other than the ones for which the loans were sanctioned. In such cases the branches concerned are suitably cautioned. If a borrower is found to have diverted working capital funds, the banks recall the amounts so diverted and also charge 2 per cent penal interest. The banks have been instructed to effectively scrutinise the drawings of loans amounting to Rs. 50 lakh and above so as to ensure that the purpose for which the loans are sanctioned is served properly.

[Translation]

DR. ASHOK PATEL : Mr. Speaker, Sir, whether the Government have prepared a comprehensive plan to stop the misuse of Government loans? If so, the number of cases regarding the misuse of loans reduced after the action taken by the Government?

[English]

SHRI KADAMBUR M.R. JANARTHANAN : Sir, the following steps are being taken to reduce the functional losses:

1. Strengthening the credit appraisal machinery of banking,
2. Close supervision and control over advances,
3. Effective steps for improving recovery of non-performing assets,
4. Reduce the overhead expenses of banks,
5. Discourage incurring capital expenditure, branch expansion, staff recruitment, etc. without RBI's approval.

DR. T. SUBBARAMI REDDY (Visakhapatnam) : There is a lack of communication regarding the non-performing assets which the Minister has just now mentioned. Our impression is, whenever any industrial unit fails to pay either the regular instalment of money or the interest, it is declared as the non-performing asset. The nationalised banks are showing heavy losses on account of this. So, why can the Government not differentiate non-performing assets from the complete failure of such companies which are not able to pay the principal amount or the interest even after a long time? There are some industries which due to genuine reasons are not able to pay the payment immediately but can make payment within one or two months. Such assets are also included in the non-performing assets of the banks. So, why cannot NPA be divided into two parts; one is the assets belonging to the totally sick industrial units and the other is the assets belonging to genuinely strong industry but which is presently not in a position to pay?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : In fact, such a distinction is being made.

[Translation]

SHRI H.P. SINGH : Please speak in Hindi.

SHRI YASHWANT SINHA : It has been a tradition that reply to the question is given in the same language in which it is asked for. If a question is asked in English, I will give reply in English. If a question is asked in Hindi, I will give reply in Hindi. I have absolutely no difficulty in both the languages.

SHRI RAGHUVANSH PRASAD SINGH : Whosoever has command on any language, he may give reply in the same language.

SHRI YASHWANT SINHA : Why should we unnecessarily raise the language issue.

[English]

Mr. Speaker, Sir, this kind of a distinction is indeed made by the banks. The hon. member must be aware of the fact that there are four categories in which the accounts are divided by banks. There is a standard category, which is a normal running account and there are no problems. Then there is the sub-standard account. Then there is a doubtful account. The fourth category of accounts is the loss-making account. Each bank, according to the guidelines laid down by the Central Bank. ... (Interruptions)

MR. SPEAKER : Shri Reddy, you should not disturb the Minister.

SHRI YASHWANT SINHA : This is what I am saying. I am saying that the standard account is obviously not counted as NPA but a sub-standard, a doubtful and a loss account is counted towards NPA of the bank. What are our standards? Our standards now, as a result of progress over a period of time, are that if any account runs into a default for two quarters running then it is treated as NPA and it becomes a sub-standard account. If there are further problems, it become a doubtful account. If there is even further problem, then only it is considered to be a loss account. These categorisations are there. It is the intention of the banks to ensure that companies, the borrowers who can revive their units are enable to revive their units. It is not that we are trying to sweep everything with the same broom. We have a differential approach and the banks do take into account the capacity of the firm or the unit to make its account regular.

[Translation]

20-21

SHRI CHETAN CHAUHAN : Mr. Speaker, Sir, the Hon'ble Minister has rightly said that if any industry does not repay the interest for two quarters than it is treated as NPAs. I would like to ask the Hon'ble Minister that a great recession has taken place in the Industry Sector during the last two years.

[English]

The recession is not only in India but it is a global phenomenon. There are lots and lots of industries which have not been able to pay interest for two quarters. They are going to be identified as NPAs. The amount in the NPAs is already around Rs. 45,000 crore and this will increase further. In view of the recession of the last two years, will the Government consider to take a lenient view and give some concessions by making it from two quarters to three quarters? Will the Minister also consider to give some extension of time to the industry?

[Translation]

SHRI YASHWANT SINHA : Mr. Speaker, Sir, I used to receive the recommendations on such issues as mentioned by the Hon'ble Member from time to time, from the Group of Industries and their delegates. I would like to mention here that so far as the question of Gross NPAs or Net NPAs is concerned, the Government have taken steps in this regard from time to time and due to these steps both have come down. As I have already stated that in 1994 Gross NPAs was 24.78% which declined to 16.02% by 31st March, 1998. On 31st March, 1994, Net NPAs was 14.46% which declined to 8.13% by 31st March, 1998. We have already fixed liberal norms in this regard. There are many countries in the world who face many difficulties. On one hand Banks must ensure that their aim is not to make the unit sick. As I have already mentioned in reply to one question that if they will be in a position to give relief to any unit under the contract, they will definitely give but so far as the question of relaxation in norms is concerned, I can strongly say that there is no such proposal under the consideration of the Government or R.B.I.

[English]

SHRI C. GOPAL : Hon. Speaker, Sir, a loss of more than thousands of crores of rupees is incurred by the nationalised banks. We came to understand that the Indian Bank has incurred a loss of more than Rs. 2,000 crore during the year 1996-98. There are several persons, particularly in Tamil Nadu, who have taken loans from the Indian Bank and have used them for the purposes other than they were meant for. I want to know from the hon. Minister who are the persons who have received these loans and misused them. Has any inquiry been conducted against them? What action has been taken by the Government against them? I also want to know from the hon. Minister what are the Reserve Bank guidelines in this regard.

SHRI KADAMBUR M.R. JANARTHANAN : Sir, the Indian Bank is under CBI investigation and the case is in the Supreme Court. As the hon. Member from Tamil Nadu must be aware, there is a Public Interest Litigation pending in the Supreme Court in this regard. Since the matter is *sub judice*, I am sorry I am unable to reveal the facts here.

SHRI BASU DEB ACHARIA : There has been a persistent demand in this very House that the list of those have taken loan of more than Rs. 5 lakh and have not refunded it should be publicised or disclosed. May I know from the Minister whether the Government will disclose the list of such persons?

SHRI YASHWANT SINHA : Under the existing arrangement, a defaulter to the tune of Rs. 1 crore is included in a list of the RBI which is brought to public knowledge. Recently, under the instructions of the Chief Vigilance Commissioner, banks have been asked to also furnish to the RBI the list of defaulters who have loans outstanding upto Rs. 25 lakh but the hon. Member is aware that we also have the confidentiality provisions in the Banking Regulations Act and that militates against making public all the information which is available with the banks.

SHRI BASU DEB ACHARIA : Can you not amend that Act because public should know about it?

SHRI PRITHVIRAJ D. CHAVAN : Sir, before I come to my supplementary, I would like to have a clarification from the Minister. The Minister has said that RBI now makes public the list of defaulters whose outstanding loan is over Rs. 1 crore. Is that the correct position?

SHRI YASHWANT SINHA : Yes. 22-23

SHRI PRITHVIRAJ D. CHAVAN : It goes against the provision of secrecy in the Banking Regulations Act. There is only a black list maintained by the RBI which is circulated only to the banks and not to the public. It is not given to the public. There is a very significant difference. If it is now given to the public, we would like to know about it.

MR. SPEAKER : Is it your supplementary or clarification?

SHRI PRITHVIRAJ D. CHAVAN : Sir, it is an important point. He has made a statement that it is made public. I would like to be enlightened on that point. It is an important distinction. As far as my understanding goes, that list is not made public. It is given only to the banks.

If it is now given to the public also, I would like to know about it.

SHRI YASHWANT SINHA : Let me clarify the point. There should not be any confusion.

The list of outstanding loan defaulters of Rs. 1 crore only where legal action has been taken is made public.

SHRI PRITHVIRAJ D. CHAVAN : If that is the distinction, then it is all right. I am sorry.

My supplementary is on the definition of the Non-Performing Assets. In reply to the supplementary put by Mr. Chetan Chauhan, the Minister said that there is no plan to further dilute the definition of NPAs. That is fine. ...*(Interruptions)* But is he not aware, and he referred to that, that international norms for NPAs are only one quarter and not two quarter defaults and also of the statement of the international credit rating agencies like the Moodies and Standard and Poor which have estimated the NPAs of the Indian banking system to be more than 50 per cent, if recognised as per the international norms? Has he estimated the percentage of NPAs of the Indian banking system, particularly the nationalised banking system, as recognised by international norms? You might have estimated by yourself. Is the figure of 50 per cent, as said by Moodies and Standard and Poor, correct?

SHRI YASHWANT SINHA : I do not know where and when Moodies have said that it is 50 per cent according to international norms. We have our norms. While our norms in one respect, namely, in respect of the number of quarters for which the interest or the principal might have remained outstanding, the fact remains that in many other criteria, our norms are even stricter than the international norms. Therefore, I would say that the norms which are applicable to the Indian banks are in no way less rigorous than the norms which are applicable internationally. We are very satisfied with those norms and propose to carry on with them. There is no immediate plan, as I said, to dilute those norms.

[Translation]

SHRI VIRENDRA SINGH : Mr. Speaker, Sir, the Hon'ble Minister of Finance has stated that while sanctioning the loans to domestic companies they laid down this condition that the loan sanctioned for the specified purpose should be used for the same purpose and those companies who do not adhere to these conditions are liable to be punished. But according to my information when the multinational companies enter into business trade, a condition is stipulated that they will

invest money from their own resources but when they do not bring money from their own country, they violate the first condition. They also violate the second condition by not using the money taken as loan for the same purpose which they have drawn from the banks of their own country.

MR. SPEAKER : Please ask your question. Don't take much time.

SHRI VIRENDRA SINGH : If there is not sufficient time, then let this issue be discussed in the House first.

I have got the names of those companies, who have not taken loan from their own countries and drawn loans from the banks. If our country and thus violated the stipulations, whether the Government have taken any action against them or any action is proposed to be taken in this regard. If the Hon'ble Minister of Finance desires, I can call the names of those companies.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, the Hon'ble member has stated that he has got list of such companies. We shall sit together and process the action against those erring companies.

⁴⁻²⁵
Dependency of Indian Currency

*147. SHRI SHANTI LAL CHAPLOT :
SHRI V.K. KHANDELWAL :

Will the Minister of FINANCE be pleased to state:

(a) the name of the international currency on which the Indian currency mainly depends in the world market;

(b) whether the Indian currency depends on dollar even after the circulation of Euro; and

(c) if so, the action being taken by the Government for better coordination with the European countries?

[English]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) A statement is laid on the table of the House.

Statement

(a) and (b) A major part of India's international transactions on the current and capital accounts is conducted in the US dollar. The exchange rate of the

rupee against the US dollar is determined in the foreign exchange market in India. Movements in the exchange rate of the rupee also reflect, to some extent, the movements of the US dollar in the international currency markets. The position remains the same even after the launching of the Euro.

(c) Developments in international currency markets and in European economies are being closely and continuously monitored with a view to ensuring co-ordination between macro-economic policies in India and international developments.

[Translation]

SHRI SHANTI LAL CHAPLOT : Hon'ble Mr. Speaker, Sir, I would like to say the Hon'ble Minister of Finance that America is dominating the scene with the help of sanctions. The entire world has been devastated by America. Whether America is called the big power because it has the dominance in the entire world and actively carrying on C.I.A. activities. Whether you consider to give more importance to EURO to curb America and the details of those countries whom we have contacted?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, EURO came into circulation on 1st January, 1999. EURO is still under circulation and the currencies of those countries are under circulation which will be ultimately replaced by EURO. India have made all preparations which are necessarily required for establishing business trade with other countries and have economic relations with them, and Reserve Bank of India has made all preparations for welcoming EURO and dealings with EURO and at present we are raising business deals in EURO.

SHRI SHANTI LAL C. APLOT : Hon'ble Mr. Speaker, Sir, today the exchange rate of dollar against the Indian rupee is Rs. 42.46 whereas the exchange rate of EURO is Rs. 46.76. Today I feel it is much more stonger than dollar and there is no reason that why we should not do business deals in EURO and make an effort to discourage American dollar.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, dollar has great impetus in trade. There is no possibility that dollar will loose its importance in the International market in the near future. So far as EURO is concerned, its use is gradually increasing and as far as rupee is concerned the exchange rate of rupee against the US dollar and EURO is determined in the Foreign exchange. Neither the Government nor RBI determines the exchange rate of rupee.

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Bank Losses

*141. SHRI MOTILAL VORA : Will the Minister of FINANCE be pleased to state:

(a) whether some nationalised banks have been suffering heavy losses constantly for the last several years;

(b) if so, the details thereof;

(c) the profits/losses incurred by each nationalised bank during the last three years;

(d) whether one of the main reasons for their losses is bad-debts;

(e) if so, whether the Government propose to impose ban/restrictions on the loans being given by the banks which are running at loss;

(f) if so, the details thereof; and

(g) if not, the other steps taken by the Government to made these banks profitable?

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) Two nationalised banks have incurred losses as detailed below during each of the last three years:—

(Rs. in crores)

S.No.	Name of the Bank	1995-96	1996-97	1997-98
1.	Indian Bank	1336.40	389.09	301.50
2.	UCO Bank	236.66	176.23	96.22

(c) A statement showing bank-wise Profit and Loss position of nationalised banks of the years 1995-96 to 1997-98 is enclosed.

(d) A high level of NPAs is one of the reasons for losses incurred by public sector banks in the last few years.

(e) and (f) Government have no proposal to impose a ban on loans being given by banks which are running at a loss. It is for each bank having regard to its availability of funds, requirements for provisioning and capital adequacy requirements, to determine the extent to which they can undertake fresh lending.

(g) Various steps have been taken to improve the overall functioning of banks which will lead to higher profitability and security for the depositors and investors. Reserve Bank of India/Government have advised the banks to take steps not only to check the incidence of fresh NPAs but also to take effective measures for recovery of existing NPAs. Steps taken by the banks/ Reserve Bank of India/Government *inter alia* include the following:

1. Discussions with the Chief Executives of nationalised banks are held every year to draw up performance obligations and commitments to improve results under important parameters such as profitability, reduction of NPAs, etc.
2. At the instance of Reserve Bank of India/ Government, banks have laid down their loan policy and loan recovery policy.

3. Banks have set up Recovery Cells at their Head Offices. Branch-wise recovery targets are fixed and recovery is monitored by the Recovery Cell.
4. Ten Debt Recovery Tribunals and 1 Debt Recovery Appellate Tribunal have been set up by the Government.
5. The RBI has set up a Working Group under the Chairmanship of Shri M.S. Verma, former Chairman, State Bank of India, for revival of weak public sector banks, with the following terms of reference.
 - (a) Criteria for identification of weak public sector banks;
 - (b) To study and examine the problems of weak banks;
 - (c) To undertake a case by case examination of the weak banks and to identify those which are potentially revivable.
 - (d) To suggest a strategic plan of financial, organisational and operational restructuring for weak public sector banks.

Statement

Nationalised Banks—Profit/Loss position

(Rs. Crores)

Name of the Bank	As on 31.03.1996		As on 31.03.1997		As on 31.03.1998	
	Oper. Profit	Net Profit	Oper. Profit	Net Profit	Oper. Profit	Net Profit
1	2	3	4	5	6	7
Allahabad Bank	103.21	5.62	184.26	64.30	227.49	129.21
Andhra Bank	61.67	11.07	87.55	35.70	155.25	75.25
Bank of Baroda	877.27	204.27	776.43	276.53	806.05	458.73
Bank of India	473.86	276.48	580.00	360.02	697.18	364.51

1	2	3	4	5	6	7
Bank of Maharashtra	66.49	12.60	103.37	47.26	124.10	58.29
Canara Bank	684.63	252.52	654.20	147.40	672.52	203.02
Central Bank of India	210.89	-73.53	299.59	150.83	360.71	174.69
Corporation Bank	216.10	104.75	245.95	125.13	302.85	166.87
Dena Bank	145.49	51.69	194.04	72.91	273.61	105.04
Indian Bank	-223.68	-1336.40	-138.36	-389.09	-209.50	-301.50
Indian Overseas Bank	21.95	3.20	129.45	104.51	154.34	113.06
Oriental Bank of Commerce	276.14	172.75	300.70	180.25	337.38	210.00
Punjab & Sind Bank	8.40	-132.18	56.63	20.00	100.07	65.09
Punjab National Bank	384.28	-95.92	620.00	238.00	801.11	477.35
Syndicate Bank	99.40	20.17	98.65	66.96	135.40	82.66
UCO Bank	-26.13	-236.66	-72.76	-176.23	15.04	-96.22
Union Bank of India	311.02	80.49	341.32	215.68	349.53	250.10
United Bank of India	-50.24	-234.46	-54.97	-113.64	164.31	9.62
Vijaya Bank	4.91	-250.95	34.77	18.96	63.75	23.31
Total Profit for Natl. Banks	3945.71	1195.61	4706.91	2124.44	5740.69	2965.00
Total Loss for Natl. Banks	-300.05	-2360.10	-266.09	-678.96	-209.50	-397.72

Source: *Balance Sheets*

*[English]***Export of Floriculture Items**

142. SHRI RAM CHANDRA BAINDA :
SHRI MADAN PATIL :

Will the Minister of COMMERCE be pleased to state:

(a) the details of the States from which the flowers are exported;

(b) the quantity of various floriculture items produced and exported during each of the last three years and the current year, till date;

(c) the foreign exchange earned through export during the said period, country-wise;

(d) whether the producers and exporters of floriculture items are facing a lot of problems and exports of the said items are reduced year by year;

(e) if so, the reasons therefor; and

(f) the steps taken by the Government to boost the production and export of floriculture?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) State-wise export statistics are not maintained. However, according to available information some of the States involved in the commercial cultivation and export of floriculture items are Andhra Pradesh, Haryana, Karnataka, Maharashtra, Kerala, Sikkim, Meghalaya, Tamil Nadu and West Bengal.

(b) and (c) The quantity of cut flowers and standard flower produced during 1993-94, 1994-95 and 1995-96, for which figures are available, are as follows:

Items	1993-94	1994-95	1995-96
Cut flowers, loose (MTS)	232536	260595	333759
Standard flowers (Million Nos.)	512.3	519.4	536.8

Source: National Horticulture Board.

The value of exports of floriculture items during the last three years and for the period April-November 1998 is as under:

(Value: in Rupees Lakhs)

Items	1995-96	1996-97	1997-98	1998-99* (Apr-Nov)
Cut flowers fresh	1003.00	1808.65	1867.00	N.A.
Dried flowers & plants	4003.00	3490.12	5727.00	N.A.
Planting material	1008.00	949.01	265.00	N.A.
Total	6014.00	6247.78	7859.00	6483.17

Note: N.A. : The detailed item-wise figures are not available. *1997-98 Figures are provisional)
(Source: DGCI&S, Calcutta)

The country-wise details of exports are available in the Foreign Trade Statistics of India Monthly/Annual bulletins published by the DGCI&S, Calcutta, copies of which are placed in the Parliament Library.

(d) to (f) Some of the problems faced by the floriculture units are, inability to repay loans to financial institutions due to lower than anticipated returns, low productivity and poor price realisation, high freight costs and high interest incidence. The exports of floriculture items, however, have not declined. Some of the steps taken to enhance production and boost exports of floriculture products include: provision of soft loans for setting up of grading/processing centres, auction platforms, quality testing equipment, provision of financial assistance to exporters/growers/Cooperative Societies for development of infrastructural facilities such as for purchase of specialised transport units (reefer containers), establishment of pre-cooling/cold storage facilities, etc; Grant of financial assistance for improved packaging and strengthening of quality control; arranging promotional campaigns abroad and participation in important international fairs, flower shows and exhibitions; establishing walk-in-type cold storages and integrated cargo handling and cold storage facilities at various International Airports; and grant of air freight subsidy for exports of floriculture products.

[*Translation*]

33-34
Industrial Sickness

*143. DR. MADAN FRAŞAD JAISWAL :
SHRI MOHAMMAD ALI ASHRAF FATMI :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have analysed the reasons for industrial sickness in the country;

(b) if so, the details thereof alongwith the main factors responsible for sickness;

(c) whether the Government have received representations from some Members of Parliament for revival of industrial units in Bihar;

(d) if so, the details thereof; and

(e) the steps being taken by the Government for removal of industrial sickness in the country, particularly in Bihar?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Data on sick industrial units in the country assisted by banks is compiled by the Reserve Bank of India. According to it, a number of causes, both internal and external, often operating in combination, are responsible for industrial sickness. Main causes include deficiencies in project management, marketing, etc.

(c) and (d) Yes Sir. These relate to revival of sick industrial units and economic development of Bihar, etc.

(e) Government have taken a number of steps for revival of sick industrial units which, *inter alia*, include guidelines of Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act, National Renewal Fund, etc.

[*English*] Foreign Direct Investment in Industry 24-35

FDI in Cigarette Industry

*148. SHRI MADHAVRAO SCINDIA :
SHRI KRISHAN LAL SHARMA :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have reviewed its move to allow 100% Foreign Direct Investment (FDI) in cigarette industry;

(b) if so, the major advantages to the economy by permitting such investment;

(c) the extent to which it is likely to go against the interests of indigenous bidi industry especially cottage industry and the workers engaged therein; and

(d) the final decision taken by the Government in the matter?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) The existing guidelines for consideration of Foreign Direct Investment (FDI) proposals by Foreign Investment Promotion Board (FIPB) do not stipulate any ceiling on the extent of foreign equity participation, *inter alia*, in sectors pertaining to consumer non-durables, which include cigarettes. However, as there has been no precedent of 100% FDI approval in cigarettes so far, it was felt necessary to clarify the position *vide* Press Note No. 11(1998 series) dated 27th August, 1998,

that proposal for manufacture of cigarette with FDI upto 100% shall be considered by FIPB subject to the provisions relating to compulsory licensing under the Industries (Development & Regulation) Act, 1951. This has been done with a view to lending greater transparency in decision making.

Beedis and cigarettes generally cater to different market segments as is evident from the Beedi industry already co-existing with a growing domestic cigarette industry. Beedi workers are not likely to be adversely affected with the induction of 100% foreign direct investment as it encourages competitiveness only in the cigarette sector.

There has been no subsequent change in the guidelines relating to foreign investment in tobacco and cigarette industry.

Indian Currency /
Fake Notes

5-36
*149. **SHRI VITHAL TUPE** : Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "Panic in RBI over fake of Rs. 500 notes" appearing in the 'Hindustan Times' dated November 20, 1998;

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

(c) whether any inquiry has been conducted in this regard;

(d) if so, the outcome of the inquiry;

(e) the steps being taken or proposed to be taken by the Government to stop the circulation of fake notes; and

(f) the position of circulation of fake notes of Rs. 500 in the metropolitan cities?

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

(b) During the course of routine examination of note remittance received from the local J.M. Avenue branch of Bank of Baroda 68 fake notes of Rs. 500 denomination (old design) were detected at the Reserve Bank of India, Calcutta on 12th November, 1998.

(c) and (d) The RBI, Calcutta has lodged an FIR with the local police and handed over the fake notes to them for investigation. The case is under investigation by the police.

(e) In order to make the counterfeiting of Indian currency notes, most difficult, the Government has introduced a new series of notes with a new design and additional security features. These features are considered to be the best available in the note printing field in the contemporary world.

Besides, RBI also issues Press Releases, from time to time, to enable the public to distinguish between genuine and fake currency notes. RBI has also advised all its Issue Offices and the currency chest branches of the commercial banks about the existence of fake notes in Rs. 500 denomination of old design. Standing instructions have already been issued by RBI to these banks to impound all fake notes tendered over their counters etc. and forward them to the police authorities for necessary investigation.

(f) During the period January to December, 1998, 2921 fake notes of Rs. 500 denomination were detected at the different offices of RBI.

3637
Foreign Direct Investment

*150. **SHRI ASHOK NAMDEORAJ MOHOL** : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Foreign Direct Investment has been affected due to the East Asian crisis;

(b) if so, the details thereof;

(c) whether the Government have emphasised on FDI to bridge the gap of saving and investment rates during the Ninth Five Year Plan Period; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Foreign Direct Investment (FDI) flows are determined by several factors such as domestic economic conditions, FDI Policy regime, strategies of global investors and world and regional economic trends. The East Asian Crisis has been largely attributed to excessive short-term debt exposure on the external front resulting in large scale currency crisis and capital flight. Similarly, excessive exposure to the real estate sector and stock markets, both of which are highly volatile in nature, have accentuated the crisis.

India, unlike the East Asian economies, has pursued a cautious and calibrated policy towards capital account convertibility and the total exposure of the financial sector to real estate, stock markets and short term external

debt has been minimal. The prudent financial sector policies, including stringent capital adequacy norms and non performing asset norms have helped India in maintaining relative stability in its currency and arresting excessive volatility in capital movement.

While it may be difficult to establish a direct correlation between East Asian Crisis and FDI inflow into India, it may be stated that FDI inflow into India during 1998, excluding Global Depository Receipts (GDRs), was Rs. 13265 crore in 1998 against Rs. 12989 crore in 1997. The inflow could have been higher but for the aforesaid reasons apart from other international and national factors faced by several global investors due to their huge exposure in East Asian market.

(c) and (d) The Ninth Five Year Plan (1997-2002) gives due recognition to FDI as a dependable resource to bridge the Investment and Savings gap. The total requirement of FDI for this purpose has been assessed at US\$ 24 billion, during the Ninth Plan.

57. 41 *Jantim*
Tax Evasion by Multinational Companies

*151. SHRI JANG BAHADUR SINGH PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether a number of multinational companies (MNCs) are involved in tax evasion to the tune of hundreds of crores of rupees;

(b) if so, the details of such MNCs and the amount of tax evasion;

(c) the *modus operandi* adopted by those MNCs in the evasion of taxes; and

(d) the action taken by the Government against them including recovery of the tax so evaded by 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 (d) During certain surveys carried out by the field formations of the Income Tax Department, it was found that a large number of foreign companies were paying a substantial part of the salaries and the allowances to the expatriate employees in their home country, but they were not deducting the Income Tax due on such amounts. After initial surveys, several of the Foreign Companies voluntarily came forward and declared the amounts due

on payments made to their expatriate employees in their home countries. During the course of these surveys, as also through voluntary disclosures by foreign companies, it has been found that a total of 82 foreign companies (list enclosed as statement) had failed to deduct tax on the component of the salary paid to the expatriate personnel in the home country. The total amount of tax, along with interest due, which has become payable as a result of this is Rs. 484 crores, out of which Rs. 478 crores has already been recovered.

Statement

Sl. No.	Name of the Company
1	2
1.	All Nippon Airways Co. Ltd.
2.	Anntsu Corporation
3.	Ishi Kawajima Harima Heavy Ind. Co. Ltd.
4.	Denso India
5.	Fuji Bank Ltd.
6.	Electrical Power Development Corporation
7.	Japan Broadcasting Corporation
8.	Ericsson Communication Pvt. Ltd.
9.	Alcatel Modi Network Systems
10.	Alcatel South Asia Pacific Ltd.
11.	Cegelec India Ltd.
12.	Cegelec India Ltd. (Noida Office)
13.	Hundai Engg. & Construction Co.
14.	Daewoo Motors India Ltd.
15.	Banque Pariba
16.	Aeroflot
17.	The Bank of Tokyo

1	2	1	2
18.	The Sakura Bank Ltd.	43.	Hitachi Corporation India Trd. Pvt. Ltd.
19.	Japan Airlines	44.	Tokyo Motors Corporation
20.	Sanwa Bank Ltd., New Delhi	45.	Sony India Pvt. Ltd.
21.	National Panasonic	46.	Sony Gulf
22.	Nissho Iwai Corporation	47.	Sony Corporation Ltd.
23.	Mitsubishi Corporation	48.	SWS India Holding Ltd.
24.	LG Electronics	49.	Sumi Motherson Innovative Engineering Ltd.
25.	Samsung Electronics	50.	Sumi Motherson Integrated Technologies Ltd.
26.	The Commercial Bank of Korea Ltd.	51.	Motherson Sumi Systems Ltd.
27.	The Bank of Nova Scotia	52.	NEC Corporation
28.	Nokia Pvt. Ltd.	53.	Marubeni Corporation, New Delhi
29.	Lufthansa Airlines	54.	YKK India Pvt. Ltd.
30.	Japan Radio Co. Ltd.	55.	Mitsui Construction Co. Ltd.
31.	Asahi Glass Co. Ltd.	56.	Mitsui Kensetsu India Pvt. Ltd.
32.	Casio Bharti Mobile Communication Ltd.	57.	TS Tech Co. Ltd.
33.	Fujitsu Ltd.	58.	Sumitomo Corporation
34.	Itochu Corporation	59.	Sandan Vikas (India) Ltd.
35.	Chori Co. Ltd.	60.	Toshiba Corporation
36.	Escorts Yamaha Motors Ltd.	61.	Marubeni Corporation Project Office
37.	Fuji Photo Film (Singapore)	62.	Marubeni India Pvt. Ltd.
38.	Hitachi Cables Ltd.	63.	Mitsui Marine & Fire Insurance Co. Ltd.
39.	Exedy Ceekay Ltd.	64.	Terumo Corporation
40.	Honda Motor Co.	65.	Mitsubishi Electric Corporation India Liaison Office
41.	Kenwood	66.	Showa Corporation (Mumbai)
42.	Juky Singapore		

1	2
67.	Morirqko Company Ltd.
68.	Mitsui & Co.
69.	KEIHN Corporation
70.	Subros Ltd.
71.	Sumitomo Electric Industries Ltd.
72.	Riso Kagako Corporation
73.	Kenwood Corporation
74.	Lumax Industries Ltd.
75.	Yasuda Fire & Marine Insurance Co. Ltd.
76.	Matsushita Television & Audio India Ltd.
77.	Satake Corporation
78.	Matsushita Electric Work Ltd. (National Panasonic)
79.	Nissho Lwai Corporation (Bombay Office)
80.	Toyota Tsusho Corporation
81.	Pioneer Electric Corporation
82.	Sumitomo Electric Ind. Ltd.

[Translation] *Public Sector Industrial Sick units*
Closure of sick PSUs 41-42

*152. SHRI SHAILENDRA KUMAR :
SHRI BHERU LAL MEENA :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have decided to privatise and wind up chronically sick Public Sector Undertakings during the current year and have also advised the State Governments to privatise chronically loss making State PSUs;

(b) if so, the details of the proposals finalised/under consideration;

(c) the list of the Central PSUs proposed for privatisation/closure during the current year;

(d) the guidelines prepared by the Government to protect the interests of employees working therein; and

(e) the present status regarding implementation of the decision?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (e) The Government have not taken any decision to completely privatise or wind up any sick Central PSU in the current year. State PSUs are under the respective State Governments and Central Government is concerned only with CPSUs. The Government is committed to protect the interest of the workers in all cases.

Incentives to the Exporters

*153. SHRI KANTILAL BHURIA : Will the Minister of COMMERCE be pleased to state:

(a) the details of incentives provided to the exporters during the last two years, State-wise;

(b) whether there is any proposal under consideration of the Government to launch a new scheme to promote the export; and

(c) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) With a view to increasing the competitiveness of Indian exports, various steps have been taken during the last two years. They include reduction in interest rate on export credit from 11% to 9%, strengthening of existing export incentive schemes, simplification of procedures, reduction in threshold limit under the export promotion capital goods scheme for some sections and providing necessary impetus to the tourism sector in the Exim Policy. However, these measures are generally no State specific but are applicable to all eligible exporters.

(b) and (c) Various suggestions are being received for formulating strategies for boosting exports during the financial year 1999-2000. These suggestions are being examined and shall be suitably reflected in the Exim Policy to be announced soon.

*[English]***Losses suffered by Coffee Board**

*154. SHRI C.P.M. GIRIYAPPA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Coffee Board has been suffering losses for the last three 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 RAMAKRISHNA HEGDE) : (a) No, Sir.

(b) to (d) Do not arise.

*[Translation]***Economic Reforms**

*155. SHRI RAJENDRA AGNIHOTRI :
SHRI RAMPAL SINGH :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have assured the investors by removing their apprehension with regard to tardy progress of liberalisation and economic reforms that top priority would be given to implement the reforms;

(b) if so, the details thereof; and

(c) the estimated increase in the investments as a result of assurances given by the Government?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The Government's commitment to economic reforms has been amply illustrated by the various measures undertaken in the year 1998-99 as well as in the Union Budget (1999-2000). The reform measures undertaken so far are aimed at providing a strong stimulus to infrastructure, boosting industrial growth, reviving capital markets and accelerating overall economic activity.

(b) Reforms initiated so far include delicensing of major industries, expanding the scope of foreign direct investment and liberalising norms thereof, implementing

specific steps for the small scale sector, disinvestment in select public sector enterprises, widening the scope of private investment in infrastructure, announcing measures like buy-back of shares for rejuvenating corporate growth etc. The Union Budget (1999-2000) has provided a fillip to housing and small scale sectors by announcing far-reaching measures. Foreign investment norms have been further simplified and liberalised. The excise and customs structures have been rationalised and a special thrust has been given to expenditure management.

(c) During January-November 1998, 2764 investment intentions were filed through IEMs and LOIs for proposed investment of Rs. 54,284 crore. FDI proposals worth Rs. 24,454 crore were approved during January-October 1998. Sanctions and disbursements by All India Financial Institutions (AIFIs) increased by 36.9 per cent and 12.5 respectively during April-December 1998.

*[English]***Export of Coffee**

*156. SHRI A. VENKATESH NAIK :
SHRI MADHAV RAO PATIL :

Will the Minister of COMMERCE be pleased to state:

(a) the quantity of coffee exported during 1996-97, 1997-98 and 1998-99, till date;

(b) the names of countries to which coffee has been exported during the above period, year-wise;

(c) the foreign exchange earned therefrom during the above period;

(d) whether export of coffee during the above period has declined;

(e) if so, the reasons therefor;

(f) whether the coffee exporters have suggested some proposals to boost the export of coffee;

(g) if so, the details thereof and the action taken by the Government thereon; and

(h) the steps taken by the Government to boost the production and export of coffee?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (e) During 1996-97,

1997-98 and 1998-99 (till February, 1999), a total quantity of 1.81 lakh MTs, 1.79 lakh MTs and 1.52 lakh MTs of coffee earning foreign exchange of US \$ 451 Mn, US \$ 477 Mn and US \$ 318 Mn respectively has been exported. The major countries to which Indian coffee has been exported are Russian Federation, Italy, Germany, USA, Japan, Middle East countries, Netherlands, Poland, Spain, Slovenia, Belgium.

(f) and (g) The Coffee Exports have given various suggestions like upgradation of quality controls, improvement of processing system, simplification of export documentation and procedures, exemption from various taxes and levies, development of logo for promotion of coffee etc. Action on most of the suggestions has already been taken by the Coffee Board.

(h) For increasing coffee production, the Coffee Board, besides operating several plan programmes and developmental activities aimed at intensive cultivation, replanting programme, quality improvement programme and water augmentation programme has also been providing necessary support in the form of (a) agricultural research, (b) extension, (c) arrangement for credit and finance and other necessary back-up support like supply of seeds for plantation purposes etc.

For boosting export of coffee, the Coffee Board is focussing on targetted import markets like USA, Japan, Russia, Middle-east countries etc. The Board also participates in selected food fairs, exhibitions abroad, releases advertisements on unique features on Indian coffee in selected overseas trade journals, sponsors trade delegations/invites delegations of roasters from all the target markets to India, arranges service of Indian Coffee abroad through our embassies, distributes gift packets of Indian Coffee through Indian Embassies on special occasions and festivals, promotes logo for Indian Coffee and publishes and distributes literature on Indian Coffee.

Financial Problems in Cement Industry

*157. SHRI R.S. GAVAI :
DR. ULHAS VASUDEO PATIL :

Will the Minister of INDUSTRY be pleased to state:

(a) whether there is disparity in prices and the demand-supply imbalance in cement in various parts of the country;

(b) if so, the reasons therefor;

(c) whether cement industry is facing financial problems in their capacity expansion programmes;

(d) if so, the reasons therefor; and

(e) the steps proposed to be taken by the Government to provide financial assistance to cement industry?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Yes, Sir. Inter-regional prices of cement vary on account of factors such as local demand and supply, distance of market from the cement producing centres, etc. On account of demand recession, at present there is a mismatch between the existing production capacity and demand for cement.

(c) and (d) Since there is excess capacity in cement industry at present, there is no major capacity expansion plan on anvil by the Cement Industry.

(e) Question does not arise.

[Translation]

116-48

P.F. Scheme

*158. SHRI BAGHUVANSH PRASAD SINGH : Will the Minister of FINANCE be pleased to state:

(a) the details of the Provident Fund Scheme of the Government;

(b) whether Provident Fund Policy is being changed;

(c) if so, whether the changed policy would provide more benefits to the employees as compared to old one; and

(d) if so, the full details in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Details of the Provident Fund Schemes of the Government are as follows:

(i) General Provident Fund

The General Provident Fund (Central Services) Rules, 1960 are applicable to pensionable Central Government servants. The minimum monthly rate of subscription is 6% of the emoluments of an employee and not more than his total emoluments. Interest is allowed at the rate of 12% per annum compounded annually. The employees

are eligible to draw advances and withdraw from the Fund for various purposes as stipulated in the Rules governing drawal of advances and withdrawals. When a subscriber quits the service, the amount standing to his credit in the Fund shall be paid to him with interest.

Members of All India Services are governed by AIS (Provident Fund) Rules, 1955 which are identical in scope and content to the GPF Rules.

(ii) Contributory Provident Fund

The Contributory Provident Fund Rules (India), 1962 are applicable to Central Government Employees borne on non-pensionable services. The monthly contribution of the subscriber will be not less than 10% of the emoluments and not more than his total emoluments and the contribution by the Government will be at the rate prescribed from time to time. This is presently 10%. The rate of interest allowed on CPF subscriptions is 12% compounded annually as in the case of GPF. Conditions governing drawal of advances and withdrawals from the Contributory Provident Fund are similar to those applicable in respect of General Provident Fund.

(iii) Employees Provident Fund Scheme, 1952

The Scheme is applicable to employees of factories/establishments employing 20 or more persons. Employees drawing wages up to Rs. 5000 per month are compulsorily covered under the Scheme. The rate of subscription to the Fund is 12% of the monthly wage in respect of employees in 172 classes of industries/establishments. In the remaining 5 industries, (brick, jute, coir, guargum and beedi), the rate of subscription is 10%. Under the Scheme, both the employer and the employee are required to make matching contribution to the Fund. Of the employer's share to the Fund, an amount representing 8.33% of the monthly wage is diverted towards the Pension Fund. The employees contribution plus the remaining portion of the employer's contribution is deposited in the individual accounts of the EPF subscribers. The subscribers are paid 12% interest on their monthly running balance. On retirement/resignation from service, the entire accumulation in the subscribers account together with interest is paid back to them. The employees are also entitled to non-refundable advances from their PF account.

(iv) Public Provident Fund

A PPF account can be opened by an individual on his own behalf or on behalf of a minor of whom he is the guardian or on behalf of a HUF of which he is a

member or on behalf of an association of persons or a body of individuals consisting only of husband and wife governed by the system of Community of Property in force in the Union territories of Dadra and Nagar Haveli, Daman, Diu and Goa State. A person subscribing to GPF, CPF or EPF can also open a PPF account. The account can be opened in a Head Post Office or in a Branch of the State Bank of India or its subsidiaries and also at specified branches of some other nationalised banks. The minimum and maximum annual subscription permitted to the Fund in a financial year are Rs. 100 and Rs. 60,000/- respectively. The balance in the PPF earns an interest at the rate fixed by the Government from time to time. The present rate of interest is 12% per annum. The members are entitled to withdrawal and loan facilities from the Fund as per provisions contained in the Scheme. The account can be closed on expiry of a period of 15 years. If, however, a subscriber intends to continue his account after maturity for any period of time, he is allowed to do so.

(b) There is no proposal at present to change the policies relating to the different schemes in force.

(c) and (d) Does not arise.

[English]

48-49

Abolition of the Scheme of DICGC

*159. SHRI BHARTRAHARI MAHTAB : Will the Minister of FINANCE be pleased to state:

(a) whether most of the State Financial Corporations and many Commercial Banks have ceased their operation from Deposit Insurance Credit Guarantee Corporation (DICGC) on account of high premia, low coverage and unsatisfactory services;

(b) whether the Expert Committee set up in this regard have recommended abolition of the present scheme of DICGC and making it user-friendly through SIDBI; and

(c) the steps being taken to implement the recommendations of the committee?

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 Deposit Insurance Credit Guarantee Corporation (DICGC) has reported that it has terminated the small loans (financial corporations) guarantee scheme, 1971 w.e.f. 31st March 1992 on account of negligible participation by the State Financial Corporations (SFCs) and in view of chronic and continuous default in payment of guarantee fee. A

large number of commercial banks have also opted out after the revision of credit guarantee scheme w.e.f. 1st April, 1995 due to tightening of the terms of the scheme including increase in guarantee fee and delay in settlement of claims by DICGC.

(b) and (c) S.L. Kapur Committee set up by Reserve Bank of India (RBI) proposed setting up of a new credit guarantee corporation to cover loans sanctioned by public sector banks/financial institutions to SSI units upto Rs. 10 lakhs. Announcement for launch of a new credit insurance scheme for small scale sector has been made in the Budget Speech for 1999-2000.

Banking
Priority Sector Lendings

*160. DR. S. VENUGOPALACHARY : Will the Minister of FINANCE be pleased to state:

(a) the details of the criteria/guidelines of RBI regarding priority sector lendings;

(b) whether food processing has been given priority sector status for lending purposes; and

(c) if not, 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) In terms of the Reserve Bank of India (RBI) guidelines, it is obligatory for public sector banks to lend 40 per cent of their Net Bank Credit (NBC) to priority sector, of which 18 per cent of NBC is required to be lent to agriculture and 10 per cent of NBC to weaker sections. The details of segments included in priority sector are given in the enclosed statement.

(b) Yes, Sir.

(c) Does not arise.

Statement

Segments included in priority Sector

1. Agriculture (both direct and indirect).
2. Small scale industries (including setting up of industrial estates) (SSIs defined as units with original cost of plant and machinery not

exceeding Rs. 3 crore. The tiny sector units are those with original cost of plant and machinery upto Rs. 25 lakhs).

3. Small road and water transport operators (owning upto 10 vehicles).
4. Small business (original cost of equipment used for business not to exceed Rs. 10 lakhs; working capital limit Rs. 5 lakhs).
5. Retail trade (advances to private retail traders upto Rs. 5 lakhs).
6. Professional and self-employed persons (borrowing limit not exceeding Rs. 5 lakhs of which not more than Rs. 1 lakh for working capital; in the case of qualified medical practitioners setting up of practice in rural areas, the limits are double the above figures and purchase of one motor vehicles within these limits can be included under priority sector).
7. State sponsored organisations for SCs/STs.
8. Education (educational loans granted to individuals by banks under their own schemes).
9. Housing (both direct and indirect loans upto Rs. 5 lakhs).
10. Consumption loans (under the consumption credit scheme for weaker sections).
11. Refinance by sponsor banks to RBBs.
12. Loans to Self Help Groups (SHGs)/Non Governmental Organisations for onlending to SGHs.
13. Software Industry (credit limit upto Rs. 1 crore).
14. Food and Agro based processing sector.

Loans & Advances
Comments of A.P. Chief Minister on World Bank's Suggestions

1464. DR. T. SUBBARAMI REDDY :
SHRIMATI LAKSHMI PANABAKA

Will the Minister of FINANCE be pleased to state:

(a) whether the Chief Minister of Andhra Pradesh has not agreed to some of the changes suggested by the World Bank before sanctioning the loans/assistance to the State Government;

(b) if so, the details of changes suggested by the World Bank;

(c) the suggestions on which the State Government has not agreed;

(d) the difficulties shown by the State Government in accepting the World Bank's views; and

(e) whether in view of not accepting the views, the World Bank has not agreed to provide the loan to the Andhra Pradesh?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (e) The loan agreement for the Andhra Pradesh Economic Restructuring Project for \$ 543.2 Million was signed on 4.2.1999 by representatives of Government of India, Government of Andhra Pradesh and World Bank. Further, World Bank has also approved a loan of \$ 210 Million on 18.2.1999 for the Andhra Pradesh Power Project.

Hence the question of difference of perceptions between World Bank and Government of Andhra Pradesh does not arise.

Import of Copra and Coconut Oil

1465. SHRI SURENDRAN CHENGARA : Will the Minister of COMMERCE be pleased to state:

(a) whether the import of copra and coconut oil has affected the indigenous coconut farmers due to drop in the price of their produce; and

(b) if so, whether the Government are considering their demand to stop all such imports which affect adversely the indigenous farmers?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) The import of copra and coconut oil is canalised through the State Trading Corporation of India Ltd. and Hindustan Vegetable Oils Corporation. Import through these agencies are allowed only to enhance the availability of edible oil in the domestic market, increase capacity utilisation of processing mills and generate additional exports of oilmeals. Considering that import of Copra and coconut oil continue to be in the Restricted List, such canalised imports are unlikely to have an adverse effect on indigenous farmers. However, India is committed to phasing out of import restrictions over the next 3-4 years subject to appropriate tariff protection.

[Translation] Public Sector

Interim Relief to Employees of PSUs

1466. SHRI C.D. GAMIT : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have announced an interim relief of 10 per cent for the employees of Public Sector Undertakings;

(b) if so, the number and names of these Public Sector Undertakings;

(c) whether this interim relief is also applicable to the employees of sick units which have been referred to Board for Industrial and Financial Reconstruction and other loss making units whose pay scales have not been revised since 1962; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) to (d) On the basis of the interim recommendation of the Pay Revision Committee, which was set up by the Government to make recommendations for pay revision for executives of Central Public Sector Enterprises, the Government have allowed the payment of interim relief of 10% of basic pay subject to the minimum of Rs. 280 p.m. subject to certain conditions, to the employees of the public enterprises following the IDA pattern. One of the conditions stipulated was that no interim relief should be granted to the employees of sick enterprises referred to BIFR and other loss making enterprises which have not so far revised their pay scales from 1.1.92. The managements of the enterprises have been given the liberty to decide on the grant of interim relief to the officers and workers taking into consideration the financial position of the enterprise and other implications of allowing such interim relief. It was further stipulated that no budgetary support would be provided to the PSUs for meeting the liabilities of the payment of interim relief. As such it is not possible to indicate the number and names of the enterprises which have paid/not paid the interim relief to their employees.

[English] Economic Adviser

EAC

1467. SHRI RAVI SITARAM NAIK : Will the Minister of FINANCE be pleased to state:

(a) whether the Ministerial Empowered Committee to scrutinise and implement the recommendation of EAC on Trade and Industry for revival of economy, has submitted its report;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) On the basis of decision taken in the first meeting of the Council on Trade and Industry, six Special Subject Groups in the nature of Task Force from among the members of the Council were constituted. The Groups have since given their recommendations. A summary of the recommendations of the Special Groups indicating, *inter-alia*, the action points has been forwarded to the concerned Ministries/Departments for follow-up action after inter-Ministerial consultations and wherever required take into consideration the views of the Group of Ministers (GOM) constituted for the purpose. The GOM comprises Ministers of External Affairs, Industry and Finance. The GOM has been authorised to co-opt Minister-in-charge of the concerned administrative Ministries when reports relating to those Ministries are being considered. The GOM may also co-opt other Ministers as and when required. The GOM is mandated to consider the recommendations of the Prime Minister's Council on Trade and Industry and the Special Subject Groups thereunder made from time to time and examine the modalities of their implementation.

Funds from NRF for PSUs

1468. SHRI MAHBOOB ZAHEDI : Will the Minister of INDUSTRY be pleased to state:

(a) whether Rs. 191 crore were provided to 12 Central profit-making Public Sector Units from the National Renewal Fund;

(b) if so, the names of such PSUs;

(c) whether six Central PSUs diverted Rs. 29.06 crore of Voluntary Retirement Scheme for meeting their operational needs in disregard of the guidelines; and

(d) if so, the name of the PSUs involved and the steps taken by the Government against the managements of those Central PSUs?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (d) It has been stated in the report of the Comptroller and Auditor General of India (Union Government (Civil)—Performance Appraisals, No. 3 of 1998) for the year ended March 1997 that controlling Ministries released Rs. 190.73 crore to 12 profit-making Central Public Sector Undertakings (names in the Statement-I) for Voluntary Retirement Scheme (VRS) as NRF assistance. It has also been mentioned in the report that 6 Central Public Sector Undertakings (names in Statement-II) diverted Rs. 29.06 crore out of the funds released to them for VRS and utilised the same for meeting their operational needs.

The matter has been taken up with the Administrative Ministries concerned for further action.

Statement I

(Rs. in crores)

Sl. No.	Name of Company/Corporation	Name of Administrative Ministry/Department
1	2	3
1.	Hindustan Machine Tools	Heavy Industry
2.	Andrew Yule & Co.	Heavy Industry
3.	Bharat Heavy Plates Vessels Ltd.	Heavy Industry
4.	Bridge and Roof Co. Ltd.	Heavy Industry

1	2	3
5.	Tungabhadra Steel Product Ltd.	Heavy Industry
6.	Indian Tourism Development Corporation	Civil Aviation
7.	Mazagaon Docks Ltd.	Defence
8.	Bharat Earth Movers Ltd.	Defence
9.	Hindustan Copper Ltd.	Mines
10.	Bharat Alumimium Company Ltd.	Mines
11.	Hindustan Zinc Ltd.	Mines
12.	Electronic Corp. of India	Atomic Energy

Statement II

*Names of the PSUs involved in diversion of funds
for meeting operational needs*

Sl. No.	Name of the PSU	Name of the Ministry
1.	IDPL	Chemicals and Petro-chemicals
2.	SSP ¹	Chemicals and Petro-chemicals
3.	BIL	Chemicals and Petro-chemicals
4.	JCI	Textiles
5.	NTC	Textiles
6.	NJMC	Textiles

[Translation]

Information Technology
57**E-Mail Facility for SSIs in Madhya Pradesh**

1469. DR. LAXMINARAYAN PANDEY : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have provided E-Mail facility to the eight District Industrial Centres in Madhya Pradesh for computerising the small scale units;

(b) if so, the details thereof;

(c) whether the Government propose to provide the same facility to the remaining centres in the State; and

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

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Government have provided E-mail facility to the eight District Industry Centres viz. Bilaspur, Durg, Gwalior, Indore, Jabalpur, Khargaon, Rajgarh and Raipur in Madhya Pradesh for speedy transmission of data collected from the small scale units and other information relating to SSIs to the State Directorate of Industries and the Office of DC(SSI). This facility if not meant for computerising the small scale units.

(c) and (d) No Sir. This facility has been provided to those District Industry Centres which have sizeable concentration of small scale units.

[English]

Funds from NRF

1470. SHRI SURESH WAREPUDKAR : Will the Minister of INDUSTRY be pleased to state:

(a) whether the National Renewal Fund is meant for rehabilitation of sick industries in public sector only and not in private sector;

(b) if so, reasons therefor; and

(c) if not, the number of sick industries in private sector benefited by this fund during the last three years, State-wise?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) The National Renewal Fund has been set up by Government in February, 1992 to provide

social safety net for workers affected by technology upgradation, modernisation and industrial restructuring of Indian Industry. However, assistance from NRF is presently available for implementation of Voluntary Retirement Scheme in Central Public Sector Undertakings and the Scheme of counseling, retraining and redeployment of workers rationalised from organised sector.

[Translation]

Loans & Advances to Small scale Industry
58-**Loans to SSIs**

1471. SHRI RAJO SINGH . Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received complaints from entrepreneurs regarding non-release of bank loans during the last three years;

(b) if so, the details thereof; and

(c) the action taken by the Government to improve this condition?

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) Public Sector Banks (PSBs) extend credit to all the eligible borrowers on the basis of laid down policy and norms duly approved by their respective Board of Directors and also guidelines/instructions issued by Reserve Bank of India (RBI) in this regard. Complaints received from entrepreneurs regarding non-release of loan etc. by PSBs are sent to respective banks for redressal by the Government. Grievance redressal machinery exists in all the PSBs at different levels to deal with such complaints.

[English]

Coal Handling Plants of ECL

1472. SHRI BIKASH CHOWDHURY : Will the Minister of COAL be pleased to state:

(a) the steps being taken by the Government to ensure timely completion of major Coal Handling Plants presently under installation in ECL within their respective target dates;

(b) the present development status thereof;

(c) whether the cost of development of 21 roads of ECL was sanctioned Rs. 1215.90 lakhs but only Rs. 199.51 lakhs were recommended during 1997-98; and

(d) if so, the targetted dates for completion of such roads?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) It has been reported by Coal India Limited that the CHPs at Bankola and at J.K. Nagar are foreclosed CHPs. Action is being taken to complete both the CHP by year ending 1999-2000 through a new contract. The J.K. Nagar CHPs receiving end has been completed departmentally. Balance work of CHP at despatch end will be taken up and completed alongwith the commissioning of railway siding, which is in progress by railway on deposit terms.

(c) and (d) It has been reported by the Coal Controller that 42 roads for an amount of Rs. 1843.30 lakhs (50% of the estimated cost of roads) were sanctioned during the period 1994-95 to 1997-98 from funds collected through excise duty under Coal Mines (Conservation and Development) Act, 1974. Rs. 1209.06 lakh have been paid to ECL upto March, 1998. The roads are targeted to be completed by March, 2001.

59. 60 Public Sector Undertakings Paying Dividends

1473. SHRI PRASAD BABURAO TANPURE : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Public Sector Units are paying dividends per year to the Union Government on its equity;

(b) if so, the details thereof for the last three years, year-wise and PSU-wise;

(c) the number of PSUs which have not been able to pay dividends to Government during the last three years due to loss; and

(d) the steps taken by the Government to get the return of its money spent by it on PSUs?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) to (c) Various central public sector undertakings have been declaring/paying dividends on their equity every year. The details of dividends declared by the central PSUs during the last 3 years i.e. 1997-98, 1996-97 and 1995-96 are given in Statement No. 8, (pages S-60—S-65) Volume-I

of the Public Enterprises Survey 1997-98 which has been laid in both the Houses of Parliament on 26.2.1999.

(d) The various steps taken by the Government to improve the performance of PSUs to get the return on money deployed include business and financial restructuring, grant of greater autonomy, modernisation of plants and machinery, technology upgradation, capacity building, rationalisation of manpower, etc.

60 Cloth supplied by NTC Mills in Delhi

1474. SHRI VIJAY GOEL : Will the Minister of TEXTILES be pleased to state:

(a) the quantity of cloth supplied by the National Textile Corporation (NTC) mills in the National Capital Territory of Delhi during 1996-97, 1997-98 and 1998-99; and

(b) the types/categories of cloth supplied by the NTC in the NCT of Delhi during the said period?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The quantity of cloth supplied by NTC during the last three years in NCT of Delhi is as under :

(in lakhs)

Year	Mtrs.	Pieces
1996-97	64.88	0.24
1997-98	50.07	0.29
1998-99	32.34	0.32

(b) The types and categories of cloth in cotton and blended varieties included suiting, shirting, popline turban cloth, mazri, malesia, dusutie, markeen, curtain cloth, dress material, bedsheets, towels, cotton drill, cellular, long cloth, uniform sarees, woollen surge, blanket, Rotary printed satin, mullo, voil, dhoties, controlled grey dhoties mosquito netting and Gadelapat, etc.

60-61 Refinance Scheme by SIDBI

1475. SHRIMATI SHEELA GAUTAM : Will the Minister of FINANCE be pleased to state:

(a) the details of refinance schemes formally commenced by Small Industrial Development Bank of India (SIDBI), as on date, for Small Sector and Small marketing enterprises with details of upper limit ceiling, working capital, National Equity Fund assistance, scheme serial-wise;

(b) whether the aforesaid refinance scheme is available to entrepreneurs by SIDBI under single window scheme, such as Term Loan, Working Capital, National Equity Fund, Cash Credit Facilities, etc.;

(c) if so, the details thereof;

(d) the details of scheme which SIDBI directly entertained for financial assistance and financial ceiling fixed for the same, serial-wise; and

(e) the remedial measures taken by SIDBI, as on date in case of refusing by banks to entertain fresh sound proposal from small enterprises with one excuse or the other under its refinance scheme?

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) Small Industries Development Bank of India (SIDBI) has introduced a number of Refinance Schemes and Direct Finance Schemes to cover various target groups in the Small Scale Industries Sector (SSIs), details of which are mentioned in the booklet, a copy of which has been kept in Parliament House Library.

(e) SIDBI has reported that it has advised the prime lending institutions (PLIs) to accept all worthwhile proposals emanating from Small Scale Sector and get 100% refinance from SIDBI against the term loan extended by the PLIs. So far SIDBI has not received reference where sound proposals from SSI promoter has been turned down by banks. SIDBI, however, takes up the matter with PLIs concerned wherever complaints are received from SSIs.

[Translation]

61-62

Production by NTC Mills

1476. SHRI MITRASEN YADAV : Will the Minister of TEXTILES be pleased to state:

(a) the total production made in National Textiles Corporation, State-Textiles Corporations and Textiles Mills

in the private sector in the country from January 1998 to January 1999 and the total number of workers working in these Textiles mills;

(b) the number of Textiles mills lying closed during the said period and the mill-wise measures taken by the Government to revive them; and

(c) the steps taken to rehabilitate the workers rendered jobless due to the closure of these mills and to re-employ them?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The total production of cloth and spun yarn in the textile mills covering NTC, STC and private sector from January, 1998 to January, 1999 is 2010.03 million sq. mtrs and 3443.94 million kgs respectively (provisional). The total number of workers in these mills as on 31.1.1999 were 10.09 lakh.

(b) and (c) No mill under NTC has been closed, although there is total/partial cessation of activities in some of the mills due to acute shortage of working capital. However, Ajudhia Textile Mills, Delhi was closed as per the orders of the Supreme Court on polluting industries and the employees of this mill were paid enhanced compensation as per the orders of the Supreme Court. Since 8 out of 9 subsidiaries of NTC have been referred to and declared sick by the BIFR, on the basis of a unit-wise viability study conducted by NTC a revised turn around plan for the viable subsidiaries of NTC alongwith the viable mills under them based on the BIFR norm of net worth of these mills turning positive within the prescribed period is under consideration. The interest of the workers will be kept in view in the revival plan.

The total number of cotton/man-made textile mills lying closed at the end of December, 1998 were 284. Government has set up the Board for Industrial and Financial Reconstruction (BIFR) which is entrusted with the responsibility of rehabilitation of the sick companies. In regard to rehabilitation of the workers rendered jobless due to closure of the mills, the Government has formulated a scheme called Textile Workers' Rehabilitation Fund Scheme being implemented by the office of Textile Commissioner. Under the scheme, interim relief is provided to the workers rendered jobless due to partial/complete closure of private sector mills only.

*[English]**to textiles***Per Capita availability of Cloth**

1477. SHRI MOJNUL HASSAN AHAMED : Will the Minister of TEXTILES be pleased to state the per capita availability of Cloth during the Seventh and Eighth Five Year Plan period, Plan-wise?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : The details of per capita availability of Cloth during the Seventh and Eighth Five Year period are given below:—

*Per capita availability of Cloth**(in Sq. mts.)*

Seventh Five Year Plan	
1985-86	21.55
1986-87	21.84
1987-88	20.96
1988-89	23.00
1989-90	22.65
Eighth Five Year Plan	
1992-93	24.50
1993-94	26.22
1994-95	25.98
1995-96	27.99
1996-97	29.30

64 *Services of SBI*

1478. SHRI AMAR ROYPRADHAN :
SHRI A.C. JOS :

Will the Minister of FINANCE be pleased to state:

(a) whether due to efficiency, good services and higher rate of interest in foreign banks, several people are closing their accounts from State Bank of India and other nationalised banks;

(b) if so, the details thereof and the reasons therefor and the steps taken for improving the service to customers in such Indian banks;

(c) whether some of the branches of SBI have imposed a futile condition on customers of getting a recommendation from Pay and Accounts Office of their employing Government Office, if they wish to close their account;

(d) if so, the reasons for imposing such a condition; and

(e) the action taken by the Government in this regard?

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) State Bank of India (SBI) have reported that there is no flight of customers or deposits from SBI to other banks as evidenced by the increase in the deposits of SBI during the period 1.4.1998 to January, 1999.

(b) SBI have reported that customer service in their branches is satisfactory. However, improvement in customer service is being attempted on an ongoing basis in all branches of the bank.

(c) No such instructions have been conveyed by SBI to any of their branches. The closing of a bank account is a matter entirely at the discretion of the customer who is required to comply with some procedural formalities such as writing to the bank expressing an intention to do so and also the enclosing the unused cheque leaves etc.

(d) and (e) Do not arise.

**Agreement with Private Companies
for Open-Cast Mining**

1479. DR. JAYANTA RONGPI : Will the Minister of COAL be pleased to state:

(a) whether North Eastern Coalfields has signed any agreement with private companies for opencast mining;

- (b) if so, the names of such companies; and
 (c) the details of clauses of such agreements?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) Three agreements

for hiring of Heavy Earth Moving Machinery (HEMM) have been signed with private companies by the North Eastern Coalfields (NEC) for use in its opencast coal mines. The private companies with whom the agreements have been signed by NEC and the opencast coal mines of NEC in which the HEMM will be used are given below:—

Private company	Opencast coal mine of NEC
M/s Ujjal Transport Agency, Danda House, 29, Ganesh Chandra Avenue, Calcutta-700 013, West Bengal.	Tikak
-do-	Tirap-I
M/s Saumya Mining Private Limited, Shastri Chanx, Raipur-492 001, Madhya Pradesh.	Tirap-II
M/s National Mining Company, Chandigarh Road, Nawah Shahar-144514, District Jalandhar, Punjab	Tirap-III

(c) The content of the clauses and the contracted rate as appearing in the agreements for each of the

above mentioned opencast mines are given below:—

Clause	Contracted rate	
	For Tirap-I, Tirap-II and Tirap-III opencast mines	For Tikak opencast mine
1. Removal of Over-burden (Hard Shales)	Rs. 48.19 per Cubic Meter	Rs. 42.70 per Cubic Meter.
2. Removal of Carbonaceous Shales	Rs. 41.86 per Cubic Meter	Rs. 40.26 per Cubic Meter.
3. Drilling	Rs. 103.70 per Meter	Rs. 103.70 per Meter.
4. Cost of removal of Over-burden. (Hard Shales as well as Carbonaceous Shales), as provided in the clauses 1 and 2 above, for every 500 meters in excess of the first one kilometer.	Rs. 2.55	Rs. 2.55

The agreements also provide for escalation in the rates for clauses 1 and 2 above, as and when the

statutory price of diesel increases.

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Investment in Overseas Projects

1480. SHRI ABHAYSINH S. BHONSLE :
 SHRI ASHOK NAMDEORAO MOHOL :
 SHRI D.S. AHIRE :

Will the Minister of COMMERCE be pleased to state:

(a) the total investment made in overseas projects during each of the last two years;

(b) whether investment in overseas projects has dipped by 50%;

(c) if so, the reasons therefor;

(d) the projects which have been built badly as a result thereof; and

(e) the steps proposed to be taken by the Government in this regard?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Overseas Investments are

made in Civil Construction Projects and Engineering (Turnkey) Projects, Joint Ventures (JVs) and Wholly Owned Subsidiaries (WOSs). The details of investments made by Indian investors in JVs and WOSs and Project Exports by Indian project exporters during the last two years are given in the enclosed Statement.

(b) and (c) There has been no dip in the project exports. However, actual investments in JVs and WOSs abroad has shown a decline due to general economic recession all over the world and inadequate availability of investible funds with Indian investors.

(d) No instance of any badly executed project has come to the notice of the Government.

(e) The guidelines for Indian direct investments in JVs and WOSs abroad has been further liberalised, by raising the limit of fast tract clearance by Reserve Bank of India to US \$ 15 Million (Rs. 60 crores in the case of investment in Indian Rupees in Nepal and Bhutan) and blankets investment by computer software companies upto 50% of their export/foreign exchange realisation during preceding 3 years, subject to a maximum of US \$ 25 million.

Statement

(i) *Details of Indian direct investments in JVs and WOSs abroad during the last two years*

(Amount of USD in million)

Year	No. of approval	Equity and loan	Guarantee	Actual investment made
1996-97	212	284.15	183.35	214.47
1997-98	164	462.00	137.03	120.76

(ii) *Details of the value of contracts secured in respect of civil construction and turnkey projects exports and of foreign exchange earnings from export of consultancy services (including computer software) during the last two years:*

(Rs. in Crores)

Year	Civil construction Projects	Turnkey Projects
1996-97	338	861
1997-98	431	1240

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Public Sector Undertakings

1481. SHRI RANJIB BISWAL : Will the Minister of STEEL AND MINES be pleased to state:

- (a) the number of public sector undertakings under his Ministry;
- (b) the total requirement of power of those PSU's for their plants during last three years;
- (c) the separate break-up thereof;
- (d) whether these PSU's have their captive power plants;
- (e) if so, the capacity of those power plants; and
- (f) the separate break-up thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) The total number of public sector undertakings under the Ministry of Steel and Mines is as under :

Department of Steel : 10 (excluding FSNL, which is a subsidiary of MSTC)

Department of Mines : 6

(b) to (f) The information is being collected and will be laid on the Table of the Lok Sabha.

NALCO 69.70

1482. SHRIMATI JAYANTI PATNAIK : Will the Minister of STEEL AND MINES be pleased to state:

- (a) whether the National Aluminium Company has been working on its expansion programme;
- (b) if so, the details of the expansion plan formulated by NALCO and likely to be implemented during the Ninth Five Year Plan; and
- (c) the financial provisions made for the expansion?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) Yes, Sir.

(b) At present, NALCO is implementing two expansion projects. The expansion of capacity of Bauxite mine and

Alumina refinery at a cost of Rs. 1664.60 crores (June, 1996 price level) is to be implemented in 51 months from the date of Government approval i.e. 18.12.1996. The expansion of capacity of Aluminium smelter and captive power plant at a cost of Rs. 2062 crores (June, 1997 price level) is to be implemented in 51 months from the date of Government approval i.e. 3.2.1998. Currently, both the projects are progressing as per schedule. As per schedule the expansion of Bauxite mine and Alumina refinery will be completed within the 9th Plan period and the Aluminium smelter and captive power plant expansion project will marginally spill over beyond the 9th Plan by two months.

(c) The Company has planned to meet 60%—70% of total provisions from internal resources and the balance from external resources.

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Over-sized and Stone Mixed Coal

1483. SHRI D.S. AHIRE :
SHRI MADHAVRAO PATIL :

Will the Minister of COAL be pleased to state:

- (a) whether Maharashtra State Electricity Board is not generating power as per their capacity due to supply of over-sized and stone mixed coal by Coal India Limited;
- (b) if so, the details and facts thereof;
- (c) whether any inquiry has since been conducted in this regard; and
- (d) if so, the details and outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) No, Sir. There has been substantial improvement in the quantitative and qualitative supply of coal to thermal power stations as a result of which the electricity generated by the power houses of MSEB has gone up. As per the CEA information the power generated by power houses of MSEB during April, 1998 to January, 1999 has been of the order of 28,906 million units which is 108% of 26,754 million units generated during the corresponding period last year.

(c) and (d) Do not arise in view of reply given to parts (a) and (b) above.

[Translation]

Cement Plants in Madhya Pradesh

1484. SHRI RAMANAND SINGH : Will the Minister of INDUSTRY be pleased to state:

(a) the production of cement by Satna Cement Works, Satna, Mehar Cement, Prizm Cement, Mankahari and J.P. Cement, Rewa in Madhya Pradesh during each of the last three years;

(b) whether the guidelines issued by the Government under Pollution Control Act are not being complied with by the above plants to prevent dust pollution;

(c) if so, the details thereof; and

(d) whether a large number of people besides labourers of these plants are falling prey to T.B., Asthama and other diseases due to dust emanating from these plants?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) According to figures given by Cement Manufacturers' Association the cement production of Satna Cement Works, Maihar Cement, Prism Cement and Jaypee Rewa Cement during each of the last three years is as under

(in '000 tonnes)

	1995-96	1996-97	1997-98
Satna Cement	760	752	851
Maihar Cement	955	1505	1834
Prizm Cement	—	—	602
Jaypee Rewa Cement	2319	2154	1916

(b) and (c) As reported by Central Pollution Control Board these plants are generally meeting the emission norms as prescribed under Environment (Protection) Act, 1986.

(d) No such complaint has been received by Madhya Pradesh Pollution Control Board.

[English]

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Impact of Economic Sanctions on Import

1485. SHRI T. GOVINDAN : Will the Minister of COMMERCE be pleased to state:

(a) the areas of export mainly affected due to economic sanctions imposed by USA on India; and

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

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Indian entities affected by the export restrictions imposed by USA as part of its restrictive economic measures have hardly any export to the USA, and therefore, there would not be any noticeable adverse impact on our exports.

Taxation

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Voluntary Disclosure of Income Scheme

1486. SHRI SATYA PAL JAIN : Will the Minister of FINANCE be pleased to state:

(a) the number of persons disclosed their assets under the Voluntary Disclosure of Income Scheme in Chandigarh;

(b) the revenue received by the Government under VDIS in Chandigarh; and

(c) the total share given therefrom to Chandigarh?

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 number of persons who disclosed their assets under the Voluntary Disclosure of Income Scheme in Chandigarh is one thousand nine hundred and forty five.

(b) The revenue received by the Government under VDIS in Chandigarh is Rs. 41.33 crores.

(c) Union Territories are not a part of the revenue sharing formula between the Centre and States, and, hence, Chandigarh is not entitled to any share of the VDIS collections.

Right of Taxation 73

1487. **SHRI HANNAN MOLLAH** : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received any proposal/any proposal is under consideration for allowing States the right of taxation of services;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon so far?

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) The Government had received representations from the State of Tamil Nadu, West Bengal and Karnataka for allowing States the right to levy tax on services. There is no proposal under consideration at present for allowing States the right of taxation of services.

SSIs of Eastern Region

1488. **SHRI AJOY MUKHOPADHYAY** : Will the Minister of FINANCE be pleased to state:

(a) whether in spite of highest number of applications received from eastern region for seeking loans for SSIs by Public Sector Banks, the disbursement of loan is very low;

(b) if so, the details thereof;

(c) whether discrimination by the public sector banks against the eastern region is one of the main reasons for SSIs becoming sick in the Eastern Region; and

(d) if so, the 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) Reserve Bank of India (RBI) has reported that data relating to number of applications received from SSI units and rejected by public sector banks is not maintained by RBI. As on June, 1997 (latest available) public sector banks disbursed an amount of Rs. 674.59 crores in the eastern region involving 188824 accounts as compared to Rs. 524.04 crores involving 199390 accounts as on June, 1996.

(c) and (d) RBI has indicated that there is no discrimination in deployment of credit to any region including the eastern region. RBI has not received specific complaints either from individuals or associations regarding discrimination by the Public Sector Banks in this regard. Further, credit deployment in particular area depends upon number of factors including level of credit absorption capacity of that particular region, development of infrastructure including roads and transport and also on flow of credit worthy proposals from that region.

Schemes Spelt in Budget Speech 74

1489. **SHRI VAIKO** : Will the Minister of FINANCE be pleased to state:

(a) whether many attractive schemes such as amnesty and waiver schemes have been introduced by the Government in the budget to persuade for declaration of assets and income by the people who had amassed illegal wealth;

(b) if so, the details of the schemes declared and the number of schemes have been implemented out of it;

(c) whether the Government also announced some facilities under Samman Schemes like preference in rail and air reservation, priority in telephone connections and admission in schools and colleges for the honest tax payers;

(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) No. Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

(e) The Committee constituted for formulating the Samman Scheme was not in favour of providing such material benefits as it was not found practically feasible. This recommendation of the Committee has been accepted by the Government.

[Translation]

Export of Mango

1490. SHRI RAMSHETH THAKUR : Will the Minister of COMMERCE be pleased to state:

- (a) the names of the mango producing areas in the country;
- (b) whether mango is exported from Maharashtra;
- (c) if so, the details thereof;
- (d) whether the Government propose to constitute the Mango Board to boost its export;
- (e) if so, the details thereof; and
- (f) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) The major mango producing States/areas in the country are : Lucknow, Faizabad, Varanasi, Saharanpur, Bulandshahar, Almorah, Nainital and Dehradun in Uttar Pradesh, Karnal, Kurukshetra in Haryana, Raipur, Durg, Bilaspur, Bastar, Ramnandgaon, Rajgarh, Rewa, Satna and Jabalpur in Madhya Pradesh, Ratnagiri, Sindhudurg and Raigarh in Maharashtra, Bhavanagar, Surat, Valsad, Junagarh, Mehsana and Khera in Gujarat, Udaipur in Rajasthan, Chittore, Krishna, Godavari, Khammam and Vijayanagar in Andhra Pradesh, Dhenkanal, Ganjam, Koraput and Puri in Orissa, Calicut, Cannanore in Kerala, Kolar, Bangalore, Tumkur and Kodaqu in Karnataka, Major Parts of Tamilnadu, Jammu, Kathwa, Udhampur in Jammu and Kashmir, Gurdaspur, Hoshiarpur, Ropar in Punjab, Bihar, Himachal Pradesh and West Bengal.

(b) and (c) State-wise data on exports is not maintained. However, according to available information mangoes are exported to a large extent from Maharashtra State.

(d) No, Sir.

(e) Does not arise.

(f) The assistance for the Development and production of mangoes is looked after by the National Horticulture Board under the Ministry of Agriculture and the various activities relating to promotion of exports of mangoes is done by the Agricultural and Processed Food Products

Export Development Authority, APEDA under the Ministry of Commerce. The need for constitution of a separate Mango Board for the purpose has, therefore, not arisen.

[English]

Rehabilitation of Displaced Persons

1491. SHRI GIRIDHAR GAMANG : Will the Minister of STEEL AND MINES be pleased to state:

- (a) the assistance in cash or kind provided for rehabilitation of displaced persons of Alumina-Aluminium Complex at Damanjodi and Angul in Orissa during the last three years, till date, plan-wise;
- (b) the employment opportunities and training facilities provided to the displaced persons to absorb the displaced in these two plants; and

(c) the details of schemes and programmes taken up for periphery development of these projects so far?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) National Aluminium Company Limited (NALCO) has paid Rs. 2.60 crores cash compensation for land acquisition at Damanjodi and Rs. 7.85 crores for land acquisition at Angul till 1986. In the last three years no land has been acquired by NALCO and, therefore, no compensation has been paid. Out of 596 displaced families at Damanjodi, 522 families have been resettled in a specially constructed colony consisting of pucca houses, roads, water supply, electricity, etc. at an expenditure of Rs. 2.2 crores.

(b) All the 34 displaced persons at Angul have been provided employment in NALCO. Out of 596 displaced persons at Damanjodi, 482 have been provided employment in NALCO. Pre-employment training has been given by NALCO to the displaced persons at Damanjodi.

(c) At the mines and refinery complex of Damanjodi NALCO has spent Rs. 87.95 lakhs for peripheral development from the year 1994-95 to 1998-99 (upto December, 1998). The schemes and programmes undertaken include construction of roads, construction of wells, ponds, renovation of community centre, construction of class room, improvement of water supply, development of market, development of bus stand, etc.

In the smelter plant at Angul, NALCO has spent Rs. 427.55 lakhs for peripheral development from the

year 1994-95 to 1998-99 (upto December, 1998). The schemes and programmes undertaken include repair of roads, construction/renovation of school building, organisation of health camps, financial assistance to schools, development of children's park, horticulture work, animal health camp, family planning camp, etc.

In the captive power plant at Angul, NALCO has spent Rs. 10.95 lakhs for peripheral development from the year 1994-95 to 1998-99 (upto December, 1998). The schemes and programmes undertaken include drinking water, renovation of schools, installation of tubewell, health camp, etc.

Staff in Prime Minister's Secretariat

1492. SHRI SUSHIL CHANDRA VARMA : Will the Minister of FINANCE be pleased to state:

(a) total number of officers/staff working at Prime Minister's Office, category-wise;

(b) whether additional posts have been sanctioned during 1998-99;

(c) if so, their categories and scales;

(d) the directions regarding reducing the administrative expenditure are given time and again;

(e) whether the Prime Minister's Office has set up any standards in this regard; and

(f) if so, the expenditure incurred in Prime Minister's Office during the last twelve months and the expenditure likely to be incurred this year?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The total number of Officers and Staff working in the regular establishment of PMO and on the personal staff of Prime Minister is given in the enclosed Statement I and II.

(b) and (c) Three additional posts, one each in the grade of Section Officer (Rs. 6500-10500), Assistant (Rs. 5500-9000) and UDC (Rs. 4000-6000) have been sanctioned during the year 1998-99 on the regular establishment of PMO with the approval of Ministry of Finance after SIU study.

(d) and (e) The Prime Minister's Office follows the guidelines issued by the Ministry of Finance from time to time for reducing administrative expenditure.

(f) (i) Expenditure incurred by PMO in the last twelve months (March 1998—February 1999): Rs. 8.37 crores.

(ii) Likely expenditure to be incurred this year i.e. in the month of March, 1999 : Rs. 0.68 crores

(iii) Likely expenditure in the next financial year: Rs. 9.11 crores

Statement I

No. of Officers/Staff working on the regular establishment of PMO Category-wise as on date

Sl. No.	Designation of the post	Pay Scale	No. of Posts
1	2	3	4
1.	Pri. Secy. to PM	Rs. 30,000 (Fixed)	1
2.	Secretary to PM	Rs. 26,000 (Fixed)	1
3.	Joint Secretary	Rs. 18400-500-22400	7
4.	Director	Rs. 14300-400-18300	6

1	2	3	4
5.	Dy. Secretary	Rs. 12000-16500	1
6.	Under Secretary	Rs. 10000-325-15200	1
7.	Dy. Director (OL)	Rs. 10000-325-15200	1
8.	PPS to Prl. Secy.	Rs. 10000-325-15200	1
9.	Desk Officer	Rs. 6500-200-10500	1
10.	Section Officer	Rs. 6500-200-10500	13
11.	Private Secretary	Rs. 6500-200-10500	18
12.	Research Assistant	Rs. 5500-175-9000	1
13.	Hindi Translator	Rs. 5500-175-9000	1
14.	Jr. Hindi Translator	Rs. 5000-150-8000	3
15.	Assistant	Rs. 5500-175-9000	42
16.	Care Taker	Rs. 4500-125-7000	1
17.	Computer Operator	Rs. 5500-175-9000	1
18.	Personal Assistant	Rs. 5500-175-9000	45
19.	Accountant	Rs. 4500-125-7000	1
20.	Librarian	Rs. 4500-125-7000	1
21.	Stenographer	Rs. 4000-100-6000	14
22.	U.D.C.	Rs. 4000-100-6000	50

1	2	3	4
23.	L.D.C.	Rs. 3050-4590	46
24.	Staff Car Driver (Gr. I)	Rs. 4500-125-7000	3
25.	Staff Car Driver (Gr. II)	Rs. 4000-100-6000	3
26.	Staff Car Driver (Ord. Gr.)	Rs. 3050-4590	12
27.	Carpenter	Rs. 3050-4590	1
28.	Despatch Rider	Rs. 3050-4590	5
29.	Library Attendant	Rs. 3050-4590	1
30.	Photostat Operator	Rs. 3050-4590	4
31.	Sr. Gestet Operator	Rs. 3050-4590	1
32.	Jr. Gestet Operator	Rs. 2650-4000	1
33.	Daftry	Rs. 2610-3540	14
34.	Jamadar	Rs. 2610-3540	12
35.	Peon	Rs. 2550-3200	73
36.	Farash	Rs. 2550-3200	4
37.	Sweeper	Rs. 2550-3200	6
38.	Helper	Rs. 2550-3200	4

Statement II*No. of Officers/Staff working on the personal staff of PM as on date category-wise*

Sl. No.	Designation of the Post	Scale of Pay	No. of Posts
1	2	3	4
1.	Officer on Spl. Duty	Rs. 22400-24500	1
2.	PS to PM	Rs. 14300-18300	1
3.	Director	Rs. 14300-18300	1
4.	Addl. PS to PM	Rs. 12000-16500	1
5.	Addl. PS to PM	Rs. 10000-15200	1
6.	Parliament Officer	Rs. 10000-15200	1
7.	Research Officer	Rs. 10000-15200	1
8.	PPS	Rs. 10000-15200	1
9.	Reference Officer	Rs. 8000-13500	1
10.	Assistant PS to PM	Rs. 6500-10500	2
11.	Section Officer	Rs. 6500-10500	1
12.	Ist PA to PM (Personal)	Rs. 6500-10500	1
13.	Private Secretary	Rs. 6500-10500	2
14.	Tour Officer	Rs. 6500-10500	1

1	2	3	4
15.	Officer-in-Charge (Library)	Rs. 6500-10500	1
16.	Personal Assistant	Rs. 5500-9000	8
17.	Stenographer Gr. D	Rs. 4000-6000	5
18.	UDC	Rs. 4000-6000	3
19.	Staff Car Driver	Rs. 3050-4590	2
20.	Attendant	Rs. 3050-4590	1
21.	Daftry	Rs. 2610-3540	1
22.	Jamadar	Rs. 2650-4000	4
23.	Peon	Rs. 2550-3200	17

Gazetted Officers 17

Non-Gazetted Officer 41

= 58

Kerala
Instrumentation Limited, Palghat

1493. **SHRI MULLAPALLY RAMACHANDRAN** : Will the Minister of INDUSTRY be pleased to state:

(a) whether Instrumentation Limited, Palghat, Kerala, has been making profits over the last three years;

(b) if so, the details thereof;

(c) whether Government of Kerala has made any recommendation for the development of this unit; and

(d) if so, the details thereof and the response of the Union Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) and

85-87

(b) Instrumentation Limited (IL) is having composite accounts including all the Units at Kota, Jaipur and Palghat. However, Palghat unit of the Company in Kerala on a profit centre basis has been making profits for the last three years as given below :

Year	Rs. in crore
1995-96	0.28
1996-97	2.18
1997-98	6.78

(c) and (d) Kerala Government had taken up issues of subsidisation of Palghat Unit and its share in assets and liabilities. Government/BIFR have approved a turnaround plan which provides for converting Palghat

Unit into a new Company as a subsidiary of IL and Corporate liabilities would not be passed on to the new Company except those relating to the operations of the Palghat Unit.

[Translation]

82 **Facilities to Local People Living Near Mine Areas**

1494. SHRI PUNNU LAL MOHALE : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Union Government propose to make amendment in rules and regulations to make available facilities to the local people living near the mine areas of the main minerals on the lines of the employees of schools and hospitals set up by the mine owners on the land acquired on lease; and

(b) if so, the time by which the said amendments are likely to be made?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b) Welfare amenities are provided to the employees in the mines and their families such as schools, hospitals, living quarters, creche, etc. under the rules and regulations framed under the Mines Act, 1952 which falls under the purview of the Ministry of Labour and the Director General of Mines Safety (DGMS) under that Ministry.

The Department of Mines has no proposal to make amendments in the rules and regulation to make facilities like schools, hospitals, etc. available to the local people.

[English]

88 **Diesel Run Vehicles**

1495. SHRIMATI RAMA DEVI : Will the Minister of INDUSTRY be pleased to state:

(a) whether diesel is being disfavoured on account of its high pollution in transport and generators;

(b) whether despite of this, several new diesel car models are being introduced in the country;

(c) if so, the reasons therefor;

(d) whether the Government also propose to introduce two and three wheelers vehicles run on diesel; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (e) No Sir. Though diesel may contribute to pollution in high density areas, till alternative cost-effective fuel is available, use of diesel may have to be continued. However, for controlling vehicular, pollution, progressive emission norms at the manufacturers' stage have been notified; cleaner fuels like unleaded petrol, low sulphur diesel and Compressed Natural Gas (CNG) are also being gradually introduced. In the liberalised scenario, there is no restriction on the manufacture of diesel cars/two or three wheelers and decisions about manufacture of these are left to the commercial judgement of the entrepreneurs.

Policy for FDI

1496. SHRI SANDIPAN THORAT : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have taken fresh policy initiatives to attract greater inflow of Foreign Direct Investment and advanced technologies from developed countries;

(b) if so, the details of policy changes/modifications announced and response of the foreign investors thereto in terms of number of proposals with quantum of investment received and cleared in general and Maharashtra, in particular;

(c) the details of the progress of ongoing major projects in general and Maharashtra, in particular; and

(d) the details of major proposals pending for approval with locations in Maharashtra?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) The Foreign Direct Investment (FDI) Policy is being constantly reviewed so as to make it both attractive and investor friendly keeping in mind national priorities. The Government has taken several policy initiatives in that direction, which *inter-alia*, include: delicensing of (i) Coal and Lignite (ii) Petroleum (other than crude) and its distillation products (iii) Sugar Industry and (iv) Bulk Drugs; allowing FDI in Global Mobile Personal Communication by Satellite (GMPCS) upto 49% and allowing 100% FDI in Power Sector, roads and highways, ports and harbours, under the automatic route provided foreign equity does not exceed Rs. 1500 crore, and setting up of Central Electricity Regulatory Authority.

The foreign investors are responding positively to these policy initiatives. During January, 1998 to December, 1998, FDI of Rs. 30813.57 crore was approved of which the share of Maharashtra was Rs. 3063.05 crore. The FDI inflow excluding Global Depository Receipt (GDRs) in 1998 was Rs. 13265 crore against Rs. 12989 crore in 1997.

(c) and (d) Some of major projects with FDI being implemented in the State of Maharashtra are Dabhol Power Project, Mercedes Benz, Electrolux Voltas, Ispat energy, Hughes Ispat Ltd., Nippon Denro Ispat Limited, Central India Power Company Limited, Essar Shipping Limited, Hutchison Max Telecom, Central India Coal Company Limited, Indo Rama Synthetics (India) Limited, Rameshwar Vaibhav Development Pvt. Ltd., etc.

As on date one mega project for setting up an infrastructure Mixed Industrial Park in Maharashtra with an estimated project cost of Rs. 11701.47 crore is under consideration of the Government.

89-90
Minerals & Mines
Deletion of Limestone and Bauxite

1497. SHRI MANIBHAI RAMJIBHAI CHAUDHARI : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Government of Gujarat has represented to delete Limestone and Bauxite from the list of Scheduled minerals shown in Schedule I of Mines and Minerals (Regulation and Development) Act, 1957; and

(b) if so, the decision taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b) Yes, Sir. The proposal for deletion of Limestone and Bauxite from Schedule-I of the Mines and Minerals (Regulation and Development) Act, 1957, has been considered by the Committee constituted under the Chairmanship of the then Secretary (Mines) with the Secretaries of some of the State Governments including the Government of Gujarat, Secretary General, Federation of Indian Mineral Industries, Controller General, Indian Bureau of Mines etc. as members. The terms of reference of the Committee *inter-alia*, included review of the existing laws and procedures governing regulation and development of minerals and to recommend steps to make them compatible with the policy changes and to suggest steps to reduce delays in grant/renewal of Prospecting

Licences/Mining Leases. The Committee was also to consider and suggest further delegation of powers to the State Governments regarding grant/renewal of Prospecting Licences/Mining Leases and measures to be taken to prevent illegal mining. The Committee has since submitted its report on which necessary action for amendment in the Mines and Minerals (Regulation and Development) Act, 1957 and Rules made thereunder has already been initiated.

90
Nomination Facilities

1498. SHRI B.M. MENSINKAI : Will the Minister of COMMERCE be pleased to state:

(a) the corporations under his Ministry having nomination facilities especially meant for non-officials; and

(b) the details of procedure and guidelines thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) The following Corporations are functioning under this Ministry :—

- (i) Export Credit and Guarantee Corporation (ECGC)
- (ii) India Trade Promotion Organisation (ITPO)
- (iii) National Centre for Trade Information (NCTI)
- (iv) Minerals and Metals Trading Corporation of India Ltd. (MMTC)
- (v) The State Trading Corporation of India Ltd. (STC)
- (vi) The Project and Equipment Corporation of India Ltd. (PEC)
- (vii) The Spices Trading Corporation of India Ltd., Bangalore (STCL)

Presently ECGC, ITPO, NCTI have non-official representation on the Boards of Directors.

There is no non-official representation on the Boards of MMTC, STC, PEC and STCL.

The directors are appointed/nominated by the President. The procedure entails the approval of Government in accordance with provisions contained in the respective Articles of Association.

Pakistan
Bangladesh

92

Import of Rice

1499. SHRI SATNAM SINGH KAJNTH : Will the Minister of COMMERCE be pleased to state:

(a) whether the Indian traders are importing rice from Pakistan and Bangladesh; and

(b) if so, the quantity imported during each of the last three years and the rates thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) As per the current Export-Import Policy, common and coarse varieties of rice, and rice with more than 50% brokens is freely importable. As per the data available with Director General of Commercial Intelligence and Statistics, no rice was imported from Pakistan or Bangladesh till November, 1998.

Jessop and Company Limited

1500. SHRI TAPAN SIKDAR : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are contemplating any steps to turn Jessop and Company competitive with the Multinational Companies;

(b) if so, details thereof;

(c) if not, the reasons therefor;

(d) whether the Government propose to issue directions to the various State Governments and Central Government Departments to reserve certain percentage of their orders for Jessop and Company, particularly for road rollers and cranes;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) to (c) A BIFR sanctioned revival scheme is under implementation since 29.7.98. The scheme stipulates improvement in performance and competitiveness of the Company. Government has already released funds envisaged in the revival plan. Steps have been taken to provide other reliefs and concessions.

(d) to (f) No Sir. Government of India cannot issue such directions to State Governments. Order for purchase preference for Central PSUs is already in force.

92

Investigation against JVG Group of Companies

1501. SHRI GORDHANBHAI JADAVBHAI JAVIYA : Will the Minister of FINANCE be pleased to state:

(a) whether the CBI has been investigating the case of J.V.G. Group of Companies and its products;

(b) if so, the present status of the case;

(c) whether the money lost by small investors has been recovered; 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) to (d) Information is being collected and will be laid on the Table of the House. *Stock Market*

92

Trading of Shares

1502. SHRI RAMCHANDRA VEERAPPA : Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-items "NSE to stop trading in 59 shares" appearing in the 'Times of India' dated February 18, 1999;

(b) if so, the names of these companies; and

(c) the reasons for withdrawing trading in equity share from NSE?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir. The National Stock Exchange of India Ltd. (NSE) has withdrawn 59 companies from dealing on the Exchange.

(b) The names of these companies are given in the enclosed statement.

(c) The reasons for withdrawing these companies from dealing on the NSE are non-fulfilment of criteria for continuous trading under the 'Permitted to trade' category, non-announcement of book closure for a period of more than one year; and non-compliance on the other Exchanges and short notice for Book Closure/Record Date.

Statement

Sl. No.	List of Companies which do not fulfill the criteria for Continuous Permitting during 1998	Sl. No.	List of Companies where action has been initiated by other Exchanges and Short Notice for Book Closure/Record date to NSE
1.	Alfred Herbert (India) Ltd.	1.	Aec (I) Ltd.
2.	Aravali Securities and Finance Ltd.	2.	Agro Dutch Foods Ltd.
3.	Chokhani International Ltd.	3.	Autopal Industries Ltd.
4.	Deccan Granites Ltd.	4.	Dee-Pharma Ltd.
5.	Fast Capital Growth Ltd.	5.	Go Capital Transportation Financial Services Ltd.
6.	GSL (I) Ltd.	6.	Indbank Mutual Fund—Ind Ratna
7.	Hindustan Industrial Chemicals Ltd.	7.	Network Ltd.
8.	Hindustan Photofilms Manufacturing Co. Ltd.	8.	Paam Pharmaceuticals (Delhi) Ltd.
9.	JM Share and Stock Brokers Ltd.	9.	Panyam Cement Mining Industries Ltd.
10.	Mahendra Petrochemicals Ltd.	10.	Rama Phosphates Ltd.
11.	Medi Caps Ltd.	11.	Repl Engineering Ltd.
12.	Pacific Industries Ltd.	12.	Shree Precoated Steels Ltd.
13.	Pittie Finance Ltd.	13.	Skyline NEPC Ltd.
14.	Preciment Diamonds (India) Ltd.		
15.	Rainbow Papers Ltd.		
16.	Serene Industries Ltd.		
17.	Sharyans Resources Ltd.		
18.	Som Dutt Finance Corporation Ltd.		
19.	Suditi Industries Ltd.		
20.	Spic Organics Ltd.		
21.	Wellman Incandescent India Ltd.		

Sl. No. List of Companies which have not fixed a book closure for more than a year.

1. Triveni Sheet Glassworks Ltd.
2. T M T (India) Ltd.
3. Pertech Computers Ltd.
4. Jamna Auto Industries Ltd.
5. Milton Plastics Ltd.
6. Viral Filaments Ltd.
7. Integrated Finance Ltd.
8. Modi Olivetti Ltd.
9. T T G Industries Ltd.
10. Shyam Telecom Ltd.
11. Shree Digvijay Cements Ltd.
12. Solarson Industries Ltd.
13. Shopper' Investment & Finance Company Ltd.

Sl. No. List of Companies which have not fixed a book closure for more than a year.

14. Kiran Overseas Exports Ltd.
15. Haryana Petrochemicals Ltd.
16. Padmini Polymers Ltd.
17. Femnor Mineral (I) Ltd.
18. Optel Telecommunications Ltd.
19. A C E Laboratories Ltd.
20. Bakelite Hylam Ltd.
21. Pandian Graphites (India) Ltd.
22. Atash Industries Ltd.
23. Beta Naphthol Ltd.
24. Precision Fasteners Ltd.
25. Ishwar Medical Services Ltd.

Sikkim

96

Funds for Externally Aided Projects

1503. SHRI BHIM DAHAL : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government provide ninety percent grant to the North-Eastern States including Sikkim under Externally Aided Projects; and

(b) if so, the details of projects and grants provided to Sikkim during each of the last three years and current year, project-wise?

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

(b) During the last three years, no amount was released under Externally Aided Projects to Government of Sikkim. During current year i.e. 1998-99 till date an amount of Rs. 1168.66 lakh (Rs. 1051.79 lakh grant and Rs. 116.87 lakh loan) has been released to Government of Sikkim under Externally Aided Projects for supply of medical equipments, Namchi.

[Translation]

Simplification of Taxation System

1504. SHRI JANARDAN PRASAD MISRA : Will the Minister of FINANCE be pleased to state:

(a) whether the Government are contemplating to simplify the taxation system;

(b) if so, whether the Government have taken any initiative in this regard;

(c) if so, the details thereof; and

(d) 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 (d) Sir, simplification of the taxation system is an ongoing process, involving a review of procedures and consequent amendments in various tax laws, principally through Finance Acts. This year also in the Central Budget, the Excise tax structure is proposed to be simplified by reducing the existing 11 major *ad valorem* rates to 3 rates, namely, at Central rate of 16%, a merit rate of 8% and a demerit rate of 24%. On the Customs side, it is proposed to reduce the 7 major *ad valorem* rates of Customs duty to 5 basic rates, namely, 5%, 15%, 25%, 35% and 40%. Regarding direct taxes, a number of measures to rationalise and simplify the Income Tax Act have already been taken, based on the recommendations of an Expert Group set up in 1997.

[English]

97-99
Standard Chartered Bank

1505. SHRIMATI GEETA MUKHERJEE :
SHRI S. SUDHAKAR REEDY :
SHRI V.V. RAGHAVAN :
SHRI K. YERRANNAIDU :

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India is aware of the Justice Sam. N. Variava's judgement of December 24, 1998 exposing the lies, exaggeration and false claims of the Standard Chartered Bank (SCB) in the course of securities scam investigations;

(b) if so the details thereof; and

(c) the action proposed to be taken by the RBI against the SCB?

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) Reserve Bank of India (RBI) have reported that they are aware of the judgement dated December 24, 1998 of the Special Court in a suit filed by Standard Chartered Bank and another *Versus* the Custodian and another. Standard Chartered Bank had filed this suit in the Special Court because the Custodian required the bank to establish its rights on the shares, debentures and stocks belonging to notified broker, Hiten P. Dalal and held by the bank. In the said suit, the main questions for consideration before the Special Court were whether the plaintiff had suffered any loss as claimed, whether the brokers had given the shares as security or the same were taken from him forcefully by the bank and whether the said shares if given as security was by way of mortgage and also whether rights and bonus shares, dividends and interest on the said shares would become part of the secured assets.

After hearing the parties in the suit, the Honourable Judge held that:

- No force was used by Stanchart to obtain securities from Hiten P. Dalal to cover their shortfall,
- The said securities (shares) were pledged by Hiten P. Dalal in favour of Stanchart to secure a loss,
- Stanchart has been able to prove a loss of Rs. 280 crore only (against Rs. 1253 crore claimed) and hence these pledged securities can be sold by Stanchart over a period of two years to secure the said loss,
- The bonus, dividends and interest received on above securities do not form part of the pledged securities and therefore Stanchart should return the same to the Office of the Custodian,
- Cantriple units of face value Rs. 35.5. crore should be handed over to the Office of the Custodian.

In its judgement the Special Court made some observations about Standard Chartered Bank. The observations, *inter-alia*, included an observation to the effect that the bank tried to hide facts from RBI by creating false records. The Special Court also observed both the bank as well as the broker were keeping back the arrangements from the Court and that the bank was not admitting the arrangement because it was contrary to and in breach of RBI regulations and against prudent banking practices.

On an application moved on behalf of Standard Chartered Bank and Hiten P. Dalal the Hon'ble Special Court has extended stay of operation of its judgement beyond 24.1.99 by a further four weeks.

49-100 Punjab National Bank(?)

1506. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state:

(a) whether RBI has indicted in specific the Punjab National Bank and the CBI has been examining the clearance of loans of crores of rupees;

(b) if so, whether the CBI inquired into the matter;

(c) whether such dubious methods are adopted in other public and private sector banks also in the grant/sanction of loans to people consequent to which NPA of each and every bank has been increasing steadily; and

(d) if so, the action taken by RBI and CBI 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)th and (b) The Reserve Bank of India (RBI) have noted some irregularities relating to Punjab National Bank. However, the Central Bureau of Investigation (CBI) has reported that during the last 3 years i.e. 1996, 1997, 1998 and upto 31.1.1999, CBI has registered ten cases pertaining

to grant of loans by Punjab National Bank. Investigation have been completed in four cases. Charge sheet has been filed in Court of law in one case. In two cases regular departmental action has been recommended and one case has been otherwise disposed off.

(c) and (d) CBI has reported that 71 such cases against other nationalised banks/Cooperative banks have been registered during the above period and investigations have been completed in eight cases. Out of these, in five cases chargesheets have been filed, in one case regular departmental action has been recommended and two cases have been closed.

RBI/Government have advised the banks to take steps not only to check the incidents of NPAs but also to take effective measures for recovery of NPAs. Accordingly, banks have prepared documents of loan policy, loan recovery policy, etc. Thus, each bank now has a loan policy which sets down the manner of sanction of loan, the guidelines for sanction of loans, documentation, post disbursement follow up action to be taken, etc. RBI also undertakes Annual Financial Inspections of banks. Inspecting Officers look into the adequacy of the system of post sanction supervision in banks, compliance with terms of sanction, adequacy of recovery policy, efficacy of recovery measures adopted by the banks, actual recovery of non-performing advances *vis-a-vis* targets aimed etc. The deficiencies observed are brought to the notice of the bank for initiating quick remedial action.

Coal loan

Conversion of Coal Into Hydrogen

1507. SHRI BIR SINGH MAHATO : Will the Minister of COAL be pleased to state:

(a) whether attention of the Government has been drawn to the newsitem "Work on to convert coal into hydrogen" appearing in 'The Hindustan Times' dated January 23, 1999;

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

(c) the progress made so far in this regard?

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

(b) and (c) It has been reported by Central Fuel Research Institute that the prospect of production of hydrogen from coal by various routes as a distinct technology has been known for quite sometime. In this context CFRI has carried out exploratory studies on certain areas, namely *via* gasification and catalytic dehydrogenation upto various scales. However, no proposal is under consideration with the Government at present.

(*)
Prime Minister's Advisory Council

1508. SHRI VILAS MUTTEMWAR :
DR. T. SUBBARAMI REDDY :

Will the Minister of FINANCE be pleased to state:

(a) whether Prime Minister's Advisory Council has pointed out that rigid norms have turned capital markets shallow; and

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

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The Subject Group on Capital Markets and Financial Sector Initiatives of the Prime Minister's Advisory Council on Trade and Industry has gone into various aspects relating to development and regulation of different segments of the capital market. Keeping the recommendations of the Group in view, appropriate measures are being taken from time to time to meet the requirements of the capital market.

101-02
Ban on Export of Cotton

1509. SHRI K. YERRANNAIDU :
SHRI K. PARYMOHAN :

Will the Minister of TEXTILES be pleased to state:

(a) whether Tamil Nadu Government has requested the Union Government for ban on export of cotton;

(b) if so, the details thereof; and

(c) the action taken in this regard and the steps taken to meet the shortage of yarn in the State?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) Yes sir, the Chief Minister of Tamil Nadu had written a letter to the Union Minister of Textiles requesting not to allow export of raw cotton because of the crisis being faced by the textile industry in Tamil Nadu. The Chief Minister of Tamil Nadu was informed that under the long term export policy of Government, export of raw cotton is allowed keeping in view the specific objectives of 'stabilisation of cotton prices', 'ensuring remunerative prices to the cotton growers' and 'maintaining India's presence in the international market as a stable supplier of cotton'. The Cotton Advisory Board has estimated total supply of cotton during the current cotton season 1998-99 to the extent of 198.00 lakh bales (including carry over stocks and estimated import of 6.50 lakh bales) as against the total demand to the extent of 158 lakh bales (including estimated export of 2 lakh bales) leaving thereby a comfortable closing stock of 40 lakh bales of raw cotton. Moreover, import of raw cotton is placed under Open General Licence with 5% duty to allow free import if so needed. In the present economic scenario there is no restriction, except locational, for setting up of spinning mills. Also, Government do not have any scheme to supply yarn to any particular State/ Industry except to the Handloom Sector.

102-03
Credit for Agriculture and Food Processing Sectors

1510. SHRI D.S. AHIRE :
SHRI ABHAYSINH S. BHONSLE :
SHRI M. RAJAJIAH :

Will the Minister of FINANCE be pleased to state:

(a) whether there is a gap of credit ratio between Agriculture and food processing sector;

(b) if so, the details thereof; and

(c) the steps taken by the Government to bridge the gap?

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) The information is being collected and, to the extent available, will be laid on the Table of the House.

[Translation]

Administrative Expenditure

13-04

Expenditure on Development Work

1511. DR. SUSHIL INDORA :
DR. CHINTA MOHAN :
PROF. PREM SINGH CHANDUMAJRA :

Will the Minister of FINANCE be pleased to state:

(a) whether 70 percent of the expenditure incurred on development work is spent on maintaining the administrative machinery, as per study;

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

(c) whether the Administrative expenses have doubled during the last five years; and

(d) if not, the administrative expenditure during 1992-93 and 1997-98 and the amount spent under this head during the current year?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) Expenditure on development activities is usually incurred as a part of Plan expenditure. In so far as the Central Government is concerned, the Plan expenditure comprises budgetary allocations made under the Central Plan for different Ministries for implementing their respective Plan programmes and schemes in various sectors, such as agriculture and allied activities, rural development, irrigation and flood control, infrastructure, social services, etc. In addition, funds are also transferred towards Central assistance for State and Union Territory Plans. Since provisions for Plan expenditure comprise largely of transfers to States/Union Territories, Central Public Sector Units, autonomous bodies and district level implementing agencies, it is not possible to segregate the administrative and other items of expenditure. On the basis of the estimates of Plan expenditure in the Budget of 1998-99, around 39 per cent of the expenditure has been allocated for Capital items and the rest for Revenue items. The Revenue items of expenditure are an essential part of the total Plan expenditure. The bulk of the revenue expenditure comprises of grants to States, district level agencies, etc.

(c) and (d) The details of the provisions, made for expenditure on pay, travel and other allowances in the Central Budget are readily available in Volume-I of the Expenditure Budget of the Central Government for the respective years.

[English]

USA

104-

Super 301

1512. SHRI V.V. RAGHAVAN : Will the Minister of COMMERCE be pleased to state:

(a) whether the United States has decided to reinstate Super 301 as a part of its global trade strategy;

(b) if so, the details thereof; and

(c) its impact on India's trade?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Yes, Sir.

(b) and (c) On 26th January 1999, the United State Trade Representative (USTR) announced the decision of the President to reinstate Super 301 by an Executive Order. As per the reinstated Super 301, USTR will submit the National Trade Estimate Report to the US Congress on 31st March 1999 and report on priority foreign trade practices to the US Congress by 30th April 1999. It is only for countries identified as 'priority foreign country' that the United States Trade Representative is bound to initiate an investigation. This is followed by request for consultations with the foreign Governments concerned. Further action would be contemplated only thereafter by the US Government. Hence, there is no immediate impact of this move by the US Government on India's trade.

[Translation]

1011-06

Losses/Profit Incurred by Units of SAIL

1513. DR. CHINTA MOHAN :
DR. SUSHIL INDORA :

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether such units have been identified by the Steel Authority of India which are constantly incurring losses or profits;

(b) if so, the names of such units under both the categories, separately;

(c) the capital invested in the units of both the categories by the end of March, 1998; and

(d) the amount of loss and profit incurred in the units of both these categories by the end of March, 1998, separately?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a), (b) and (d) The Profit and Loss for the last three years of the units of Steel Authority of India Limited (SAIL) is given below:—

(Rs. in Crores)

	Profit/Loss (-)		
	1997-98	1996-97	1995-96
<i>Constantly profit making units</i>			
Bhilai Steel Plant	701	684	819
Bokaro Steel Plant*	367	357	806
<i>Loss making units</i>			
Durgapur Steel Plant	-509	-236	-174
Rourkela Steel Plant	-374	-316	-57
Alloy Steels Plant#	-88	-67	1
Salem Steel Plant#	-120	-38	4

*Bokaro has incurred loss during April-December, 1998

#ASP and SSP earned profit in the year 1995-96.

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(c) Investment (in terms of depreciated value of assets plus capital work-in-progress) as on 31.03.1998 in the loss making units as well as profit making units of SAIL is as under :

Investments as on 31.03.1998

(Rs. in Crores)

Investment in profit making Units

Bhilai Steel Plant	2695
Bokaro Steel Plant	4278

Investment in loss making Units

Durgapur Steel Plant	5827
Rourkela Steel Plant	5528
Alloy Steel Plant	182
Salem Steel Plant	944

Diversión of loan provided under PMRY

1514. SHRI DADA BABURAO PARANJPE : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Union Government are aware that cases of diverting funds under the Prime Minister's Rozgar Yojana to some other purposes in Jabalpur, Madhya Pradesh have come to light;

(b) if so, whether the Government have conducted any inquiry in this regard;

(c) if so, the details thereof;

(d) whether the Union Government propose to take any action for proper utilisation of funds provided under this Scheme; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) Under the Prime Minister's Rozgar Yojana, a major part of project cost (about 80% to 87.5%) comes as loan from the banks. The Government of India provides subsidy at the rate of 15% of the project costs subject to a maximum of Rs. 7,500/- for individual beneficiaries. The subsidy is authorised to the Reserve Bank of India which is adjusted in the bank accounts of individual beneficiaries. The Central Government's assistance in the form of funds for training and contingencies etc., are released to the States/UTs. As per the reports received from the Government of Madhya Pradesh, there is no diversion of funds provided by Government of India for the purpose of subsidy, training and contingency, etc.

However, some cases of mis-utilisation of loans detected as the result of joint inspection by the banks and District Trade and Industries Centres of Government of Madhya Pradesh have been recommended for appropriate action to bank branches.

(d) and (e) The State Governments have been requested to enact law so that recovery of bank dues under the Prime Minister's Rozgar Yojana can be brought at par with the arrears of land revenue. The State Governments have also been advised to prepare action plans to improve loan recovery under the scheme.

Foreign Trade

New Ministry for Internal Trade

1515. SHRI MOHAN RAWALE : Will the Minister of COMMERCE be pleased to state:

(a) whether the big trade organisations have demanded the constitution of a new Ministry for the internal trade between Centre and States; and

(b) if so, the response of Government in this regard?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Yes, Sir. Merchants' Chamber of Commerce, Calcutta and the Associated Chamber of Commerce and Industry of India, New Delhi have suggested a Ministry of Internal Trade. It is felt that various issues relating to Internal Trade are effectively addressed by concerned subject matter Ministries/Departments and there is no proposal for creating a Ministry of Internal Trade.

Pay & Allowances
Non-Payment of Salaries in Textile Mills

1516. SHRIMATI SURYAKANTA PATIL : Will the Minister of TEXTILES be pleased to state:

(a) the approximate total number of employees working in various textile mills at Surat in Gujarat;

(b) the latest mill-wise details of both Public and Private Sectors;

(c) whether the workers from Maharashtra, U.P., Bihar, Orissa and Madhya Pradesh working in the said mills are not getting their wages regularly;

(d) if so, the reasons therefor; and

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

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) The information is being collected and will be laid on the Table of the House.

Industry *Textile* *Ministry*
Setting up of New Industries

1517. SHRI PRADEEP KUMAR YADAV : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Union Government propose to set up new industries during 1999-2000;

(b) if so, the details thereof, State-wise and the places where these industries are likely to be set up; and

(c) the total amount proposed to be spent on each industry respectively?

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

[English]

108 *101*
Tobacco growers of Karnataka

1518. SHRI AJAY KUMAR S. SARNAIK : Will the Minister of COMMERCE be pleased to state:

(a) whether representatives from cigarette industry have assured for purchase of tobacco at prices higher than the current market rates from the tobacco growers of Karnataka;

(b) if so, whether the exporters and traders have also given similar commitments to uplift the unsold stock piled up with farmers who have been complaining about crash in prices and lack of demand;

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

(d) the steps taken to help the farmers who have been on the verge of desperation as low grade tobacco was not being lifted?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (d) Manufacturers, exporters and traders of FCV Tobacco agreed to purchase the balance quantities of about 26 million kgs of the authorised FCV tobacco crop of all grades of Karnataka (1998 crop) at an average price ranging from Rs. 16.50 per kg to Rs. 55 per kg. Further, efforts are also being made to ensure exports of large quantities of low grade tobacco to Russia under the Debt Repayment route which would help in liquidating the excess stocks of low grade tobacco in the country.

Financial Assistance to NEHDC

1519. SHRI NRIPEN GOSWAMI :
SHRI RAMESHWAR PATIDAR :
SHRIMATI SHEELA GAUTAM :

Will the Minister of TEXTILES be pleased to state:

(a) whether North-Eastern Handicrafts and Handlooms Development Corporation (NEHDC) has submitted any proposal for financial assistance for schemes for manufacturing of cane, bamboo and wooden goods;

(b) if so, the details thereof; and

(c) the action taken by the Union Government thereon so far?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) The North Eastern Handicrafts and Handlooms Development Corporation (NEHDC), Shillong has submitted a proposal during 1997-98 for setting up of Common Facility Centre for procurement/processing and finishing of cane and bamboo products in order to cater to the needs of artisans of North East Region. A sum of Rs. 32.00 lakhs has been sanctioned to the Corporation and Rs. 15.00 lakhs have already been released so far and balance will be released according to progress of work and audited statements.

Credit Deposit Ratio

1520. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state:

(a) whether high level Central team visited Bihar to discuss the State's Credit Deposit Ratio;

(b) if so, the details thereof;

(c) whether the Credit Deposit Ratio of Bihar is lowest in the country; and

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

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 State Level Bankers' Committee (SLBC) meeting for Bihar held in Patna on January 7, 1999 was attended, among others, by the Union Finance Minister, senior representatives of participating Banks, Financial Institutions and State Government of Bihar. The Credit Deposit (CD) Ratio of banks in Bihar, among other issues, was also discussed in the meeting.

(c) and (d) The C.D. Ratio of public sector banks as at the end of March 1998 was 27.1 per cent for Bihar and 54.0 per cent for the country as a whole. In order to look into the reasons for low CD ratio in Bihar and suggest measures for improvement, a task force was set up comprising of senior officers of RBI, State Government, SLBC Convener Bank, and representatives of banks in the State. Action on the recommendations of the task force is an ongoing process and the progress in this regard is monitored at periodic intervals by State Level Bankers Committee.

Financial Restructuring of SAIL

1521. SHRI KAMAL NATH : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Steel Authority of India Limited has requested the Government for financial restructuring which primarily envisages adjustment of loans from Steel Development Fund and Government loans to TISCO through SAIL;

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

(c) the names of such new companies which are not contributing to Steel Development Fund; and

(d) the steps taken or proposed to be taken to relieve the burden on SAIL?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a), (b) and (d) The Industrial Development Bank of India (IDBI) have, in their report, *inter-alia*, concluded that Steel Authority of India Limited (SAIL) should consider business solutions as a long-term strategy for improving operations and enhancing returns by steps such as rationalisation/divestment of idle or non-core assets, divestment of unrelated/non-core operations and of loss making units etc.

Based on IDBI's recommendations on financial restructuring, SAIL has approached the Government for its financial restructuring which primarily envisages relief from the Steel Development Fund (SDF) loan/Government of India loan towards writing down of fixed assets to the extent of interest capitalized, writing-off of loans and advances given by SAIL to IISCO, etc. The proposal is under consideration of the Government.

(c) The contribution by the main steel producers towards Steel Development Fund has been discontinued with effect from 21st April, 1994.

Commercialisation of Rubberised Bitumen

1522. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to make rubberised bitumen commercially;

(b) if so, the details thereof;

(c) the extent to which it is likely to help road Rubberisation;

(d) whether Cochin Refineries Ltd., Ambalamedu, Kochi, Kerala, has agreed to make such product commercially; and

(e) if so, the details thereof alongwith details of the agreement signed with Rubber Board, Government of Kerala or with some other agency?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (e) The information is being collected and will be laid on the Table of the House.

112
Iron Ore Mines & Minerals

1523. SHRI UPENDRA NATH NAYAK : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the reserves of Iron Ore Mines are being utilised for the development of the people of Keonjhar, Orissa who are mostly belonging to Scheduled Tribes by the Government;

(b) whether there is any special provision for giving employment to the native tribes in the Mines; and

(c) if so, the details thereof and the number and their percentage of tribes working in the Iron Ore Mines in Keonjhar?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (c) The information is being collected and will be laid on the Table of the Lok Sabha.

[Translation]

Central Board of Bank Frauds

1524. SHRI DAROGA PRASAD SAROJ :
SHRI HARIBHAI CHAUDHARY :

Will the Minister of FINANCE be pleased to state:

(a) whether any Central Board of Bank Fraud has been constituted,

(b) if so, the details thereof;

(c) the number of cases, handed over to this Board, as on date; and

(d) the number of cases out of the above cases settled by the Board, as on April 30, 1998?

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) has set up an "Advisory Board on Bank Frauds" (ABBF) to advise RBI on the cases referred by the Central Bureau of Investigation (CBI) either directly or through Ministry of Finance for investigation/registration of cases against bank officers of the rank of General Manager and above. The constitution

of the Board is as under :

Shri S.S. Tarapore, Ex-Deputy Governor, Reserve Bank of India	Chairman
Justice Shri B.V. Chavan, Retd. Judge of Bombay High Court & Member, Reserve Bank of India Services Board.	Member
Shri B.N. Bhagwat, Retd. Secretary, Government of India	Member
Shri Satish Sawhney, Retd. Director General of Police, Maharashtra.	Member
Shri Y.H. Malegam, Chartered Accountant & Senior Partner in M/s. S.S. Billimoria & Co.	Member
Shri S. Doreswamy, Ex. CMD, Central Bank of India	Member

(c) if so, whether the Government propose to make them more attractive;

(d) if so, the details thereof; and

(e) the stipends/loans sanctioned by different nationalised public sector banks to such meritorious students for the purpose?

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 per information furnished by the Reserve Bank of India (RBI), Public Sector/Nationalised banks have formulated their own scheme for grant of educational loans to needy students for pursuing higher studies in India and abroad. The broad parameters of schemes being implemented by public sector banks are:

Eligibility : All students who are not gainfully employed and have been selected for admission to any of general/professional courses including technical and medical are eligible under the scheme.

Age : Students' age should not exceed 28 years at the time of financing (to be relaxed in case of SC/ST beneficiaries and persons belonging to minority communities).

Amount of Loan :

- (i) *For studies in India* : Rs. 50,000 to Rs. 1.00 lakh depending upon the duration of the course.
- (ii) *For higher studies abroad* : Rs. 3.00 lakhs to Rs. 5.00 lakhs depending upon the duration of the course.

Repayment : Repayment commences 12 months after the completion of the course or one month after the student borrower starts earning, whichever is earlier. Total period of repayment should not exceed 5 years from the date of completion of course. *Rate of Interest* : Indigent student satisfying eligibility criteria stipulated under DRT Scheme (other than income criteria) as per RBI stipulation—4% p.a. Rate of Interest in respect of all other educational loans at present are as under:—

Loans up to Rs. 2.00 lakhs Not exceeding prime lending rate of the banks.

The new chapter relating to banks in the Vigilance Manual provides for a Central Advisory Board on Bank Frauds. Central Vigilance Commission (CVC) have decided that it would comprise the present members of ABBF.

(c) and (d) RBI has informed that 24 cases had been referred to the Board from time to time. The Board has made its advise available to RBI in all these cases. In 9 cases out of the 10 cases referred to the Board until that date, advice was tendered by the Board to RBI as on 30.4.1998.

(English)

Loans to Youths in Education 113-15

Loans to Youths for Higher Study

1525. SHRIMATI BHAVNA KARDAM DAVE : Will the Minister of FINANCE be pleased to state:

(a) the details of schemes launched by public and private sector banks for extending loans to the meritorious poor students for pursuing higher technical and medical education in the country and abroad;

(b) whether the conditions regulating such loans are so stringent and impractical that they render the schemes meaningless;

Loans above Rs. 2.00 lakhs Banks are free to determine the rate of interest.

(c) and (d) At present there is no such proposal.

(e) An aggregate amount of Rs. 172.38 crores was disbursed by the scheduled Commercial Banks to 32269 accounts during the year 1996-97.

Budgetary Support to Coir Board

1526. SHRI V.M. SUDHEERAN : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have received any representation regarding enhancement of budgetary support to Coir Board; and

(b) if so, the step taken/proposed to be taken in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Yes, Sir. In view of the importance of the coir industry in generating employment and for promoting export, IXth plan outlay for the Coir Board has been significantly enhanced as part of the overall strategy for expanding the coir industry on viable lines. In the annual budget for the year 1999-2000, a plan outlay of Rs. 20 crores has also been provided as against Rs. 13.00 crores for the year 1998-99.

Revised Section
16
Hindustan Copper Ltd.

1527. SHRI K. PARYMOHAN : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Hindustan Copper Ltd. was asked to close down its Ghatsila Smelter Unit due to financial crunch;

(b) if so, the details thereof and the losses incurred by the unit during each of the last three years;

(c) whether the Government have made any efforts to revive this unit; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) The Government of India have not issued any direction to Hindustan Copper Ltd. (HCL) to close down its Indian

Copper Complex (ICC) unit at Ghatsila. HCL has shut down its ICC, Ghatsila Smelter on its own for carrying out triennial overhaul of the Smelter and Refinery w.e.f. 15.12.98. The overhaul is likely to take 60-80 days for completion.

(b) ICC, Ghatsila including Rakha Unit of HCL has been incurring huge losses. Losses incurred by this unit of HCL during the last three years are as under :

Year	Rs. in Crores
1995-96	43.76
1996-97	57.41
1997-98	78.23

(c) and (d) Government have initiated several steps to make ICC, Ghatsila unit profitable which envisage closure of uneconomic mines and unviable operations with consequential separation of surplus manpower under VRS. The Government has also approved budgetary support of Rs. 414 crores in the form of interest bearing non-plan loan to HCL for Voluntary Retirement of surplus employees over 4 years starting from 1998-99, conversion of outstanding Government loan of Rs. 180.73 crores with HCL as on 31.3.98 into 7.5% non-cumulative redeemable preference shares to be redeemed at the end of 10th year from the date of conversion, waiver of the outstanding interest as on 31.3.98 amounting to Rs. 167.43 crores and raising of working capital term loans from financial Institutions/Banks by HCL to the tune of Rs. 75 crores against Government of India's guarantee.

Changes in the Exim Bank Policy

1528. SHRI LAKSHMAN SINGH :
DR. T. SUBBARAMI REDDY :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Federation of Indian Chambers of Commerce and Industry has suggested that the Exim Bank Policy should be changed to reduce the import, intensity of exports and promote the growth of the recession to hit the Indian Industry;

(b) if so, the extent to which the Government has accepted the suggestions; and

(c) the steps being taken to implement the same?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (c) Federation of Indian Chamber of Commerce and Industry has not suggested any change in the Exim Bank Policy for reducing import intensity of exports. However, their suggestions along with those of other such Associations, have been received for improving the competitiveness of Indian industry in the global market. The Government is giving due consideration to all these suggestions while finalising the amendments to the EXIM Policy which is likely to be notified soon.

Reservation Bank ID
Backlog of Reserved Vacancies
Nationalised Bank

1529. SHRI K.D. SULTANPURI : Will the Minister of FINANCE be pleased to state:

(a) the backlog of reserved posts in various nationalised banks, category-wise, as on March 31, 1998; and

(b) the steps taken to clear this backlog till 31st January, 1999?

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 backlog of reserved posts for Scheduled Castes (SC), Scheduled Tribes (ST) (as on 30.6.1998) and Other Backward Classes (OBCs) (as on 31.12.1997) in 19 nationalised banks is given below:—

Cadre	SC	ST	OBC
Officers	149	106	109
Clerks	601	835	959
Sub-staff	366	664	832

(b) Nationalised Banks have taken necessary action for recruitment of employees belonging to reserved categories in order to clear the backlog.

Cases of WCL and SECL in High Court/ Supreme Court

1530. SHRI BIJOY KUMAR "BIJOY" :
 SHRI SURENDRA PRASAD YADAV
 (JAHANABAD):

Will the Minister of COAL be pleased to state:

(a) whether a large number of cases registered with Labour Tribunal Boards have been challenged in the Jabalpur High Court and Supreme Court by the W.C.L. and S.E.C.L. units of Coal India Ltd. without the permission of the Ministry;

(b) if so, the details thereof and the steps taken by the Government in the matter;

(c) the number of cases filed by W.C.L. and S.E.C.L. against the Labour Tribunal Boards pending in Jabalpur High Court and Supreme Court, till date;

(d) whether some of the cases in the above courts are lingering for the last eight years;

(e) if so, the amount paid to advocates as fee by these companies during the above period; and

(f) the steps taken or being taken by the Government to settle the cases?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (f) Information is being collected and will be laid on the Table of the Sabha.

Export of Iron Ore

1531. MAJOR GENERAL BHUVAN CHANDRA KHANDURI, AVSM : Will the Minister of COMMERCE be pleased to state:

(a) the quantity of iron ore exported during 1997 and 1998, country-wise;

(b) whether the Government propose to restrict the export of iron ore instead export of semi-finished steel items;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Sir, the quantity of iron ore exported during 1997-98 and 1998-99 (Apr. Nov.) country-wise is as follows:—

(Qty. in Tonnes)		
Country	1997-98	1998-99 (Apr.-Nov.)
1	2	3
Australia	650247	334000
China	5571821	2652225
Japan	14330401	5831200
Korea, Republic	713381	621989
Netherland	762909	444210
Pakistan	441282	144100
United Arab Emirates	73300	37600
Turkey	309734	49500
Italy	471670	248160
Iran	1482428	578519
France	374000	138300
Bangladesh	200	—
Belgium	333900	278650
Bhutan	135	—
Chile	45000	—

1	2	3
Germany	125543	—
Indonesia	40,000	—
Nepal	4050	24
Romania	284400	258000
Rwanda	221800	—
Chinese Taipei	1419367	691557
U.K.	—	99000
USA	—	8870
Total	27655568	12418204

Source : DGCI & S

(b) to (d) As per the Exim Policy, the Government has laid down quantitative and qualitative restrictions on export of iron ore taking into consideration the domestic requirement for this item and the demand in the international market.

120-21
Companies Registered with SEBI

1532. SHRI PRITHVIRAJ D. CHAVAN : Will the Minister of FINANCE be pleased to state:

(a) whether a number of Non-Information Technology companies are registering themselves as Information Technology companies on the stock market;

(b) if so, the number of companies have been detected by the SEBI; and

(c) the action taken by the SEBI against these companies?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) SEBI have informed that so far, 25 instances of non-information technology companies changing their names to software and infotech companies have come to their notice.

(c) SEBI have advised the stock exchanges to be alert while monitoring the trading in scrips of such companies.

Coal labourer 121-24
Case of Shramik Sabha of Korba

1533. SHRI HIRA LAL ROY : Will the Minister of COAL be pleased to state:

(a) whether the W.P. (c) No. 168/98 decided by the Supreme Court in favour of Union Koyla Shramik Sabha of Korba Colliery of Distt. Bilaspur, M.P. and the S.L.P. filed by the Coal India Authorities was rejected on 08.02.1999;

(b) whether the Coal India Authorities propose to file the case in the Supreme Court again with a legal opinion;

(c) if so, the reasons therefor; and

(d) the details of action being taken by the Coal India Limited to settle the issue of Shramik Sabha of Korba Colliery?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Koyla Shramik Sabha of Korba Colliery had filed a Writ Petition No. 4795/96 before the Hon'ble High Court of Madhya Pradesh, Jabalpur, praying for relief of inclusion in the industrial relations systems. The matter is still pending in the High Court. Subsequently the Union filed a Writ Petition No. 168/98 before the Supreme Court praying *inter-alia* for inclusion of the union in the Joint Bipartite Committee in Coal Industry (JBCCI) and also in the industrial relation systems meetings. The writ petition was disposed off by the Hon'ble Supreme Court on 19.9.1998 with the following order :—

"Learned counsel for the petitioners states that the writ petition is pressed only in regard to the prayer for a direction to the third respondent and its subsidiary companies to negotiate with the petitioner union for representation in the Industrial Relation System. The counter affidavit filed on behalf of the third respondent states, "It is denied that the writ petitioners have been denied the right of negotiation and representation under the Industrial Relation System as alleged." Having regard to this statement it is apparent that the entitlement of the petitioner union to represent and negotiate with the third respondent in relation to the Industrial Relation System is not disputed. No relief on the writ petition is therefore necessary. The writ petition is disposed of accordingly."

Coal India Limited did not file any S.L.P. However, the management filed an application before the Hon'ble Supreme Court seeking clarification whether the Order dated 19.9.1998 of the Supreme Court makes Writ Petition No. 4795/96 filed by the Union before the High Court of Madhya Pradesh infructuous. Meanwhile the Koyla Shramik Sabha filed a contempt petition against the Chairman, Coal India Limited and others before the Hon'ble Supreme Court alleging violation of order dated 19.9.1998. Both the above contempt application and clarification application were heard together on 8.2.1999 and Hon'ble Supreme Court passed the following order :—

"There is no breach of a mandatory order of this court. The contempt petition is dismissed. The application for clarification is not pressed and is dismissed. No order as to costs".

(b) As reported by Coal India Limited, at present there is no such contemplation.

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

(d) As the matter is still *sub-judice* before the Hon'ble High Court of Madhya Pradesh, Jabalpur, no unilateral action is being taken by Coal India Limited in the matter.

122-23
Restructuring of Weak Banks

1534. SHRI JAYARAMA I.M. SHETTY :
SHRI C. KUPPUSAMI :
SHRI U.V. KRISHNAMRAJU :
SHRI A.C. JOS :

Will the Minister of FINANCE be pleased to state:

(a) whether the RBI has recently decided to set up a Working Group to suggest measures for revival of weak public sector banks;

(b) if so, the details thereof alongwith the terms of reference of the Working Group and the composition thereof;

(c) whether the RBI has also started a programme for the benefit of the personnel working in non-banking financial companies; 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) Yes, Sir.

(b) The composition of the Working Group is as under :

(1)	Sh. M.S. Verna, Adviser, Reserve Bank of India	Chairman
(2)	Sh. K.R. Ramamurthy, Chairman Vysya Bank Limited	Member
(3)	Sh. M.M. Chitale, C.A.	Member
(4)	Sh. P.K. Choudhary, Managing Director, ICRA	Member
(5)	Sh. J.R. Prabhu, Former Executive Director, RBI	Member
(6)	Dr. Sushil Chandra, Former Director, Indian Management Institute, New Delhi	Member
(7)	Sh. C.R. Muralidharan, General Manager, RBI	Member Secretary

The terms of reference of Working Group are:

- (i) Criteria for identification of weak public sector banks.
- (ii) To study and examine the problems of weak public sector banks.
- (iii) To undertake a case by case examination of the weak public sector banks and to identify those which are potentially revivable.
- (iv) To suggest a strategic plan of financial, organisational and operational restructuring for weak public sector banks.

(c) Yes, Sir.

(d) The objective of the training programme is to familiarise the dealing officials of the NBFCs with the regulatory and statutory framework prescribed by the Reserve Bank and to provide the necessary skills to ensure compliance with the new regulatory framework of the Reserve Bank of India.

Low Ash Yielding Coal

1535. SHRI ANANT KUMAR HEGDE : Will the Minister of COAL be pleased to state:

(a) whether the Government are importing high sulphur content, low ash yielding coal;

(b) if so, the details thereof;

(c) whether the Government have conducted any study regarding the impact of using such coal in the nature;

(d) if so, the details thereof and the outcome thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Government is not importing any coal. Coal being under OGL such imports are made by the consumers themselves and Ministry of Coal does not monitor the same.

(b) As per the secondary sources of information available with Coal India Limited, the coal being imported into the country contains 0.9 to 1.0% of Sulphur which is higher than the Sulphur content of indigenous coal which is 0.7% maximum barring coal mined in North Eastern Region.

(c) to (e) Does not arise.

Decline in Export

1536. SHRI K.P. MUNUSAMY :
SHRI SATNAM SINGH KAINTH :
SHRI RAM TAHAL CHAUDHARY :
SHRI RAMKRISHNA BABA PATIL :
SHRI HARIBHAI CHAUDHARY :
SHRI VIJAY GOEL :
DR. T. SUBBARAMI REDDY :
SHRI VILAS MUTTEMWAR :
DR. LAXMINARAYAN PANDEY :
DR. CHINTA MOHAN :
PROF. PREM SINGH CHANDUMAJRA :
SHRI VITHAL TUPE :
SHRI U.V. KRISHNAMRAJU :
SHRI ABHAYSINH S. BHONSLE :
SHRI D.S. AHIRE :
SHRI JAYARAMA I.M. SHETTY :
SHRI A. VENKATESH NAIK :
SHRI MULLAPALLY RAMACHANDRAN :
SHRI T. GOVINDAN :

Will the Minister of COMMERCE be pleased to state:

(a) whether there has been substantial increase in import and decline in export during the last three years, particularly during the last six months;

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

(c) the details of the sectors in which export has declined during the said period;

(d) whether the State Governments are likely to be involved in the efforts of export growth;

(e) if so, the details thereof;

(f) whether the Government have received representation to adopt three pronged strategy to remove procedural hurdles and reversing the export slide;

(g) if so, the reaction of the Government thereto; and

(h) the other steps taken by the Government to boost the export?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (c) As per the available Directorate General of Commercial Intelligence and Statistics data import and export for the last three years are as under:

US \$ Million

Year	Imports	Exports
1996-97	39132	33470
1997-98(P)	40779	33980
Apr.-Nov. 98-99 (P)	28177	21476

(P) Provisional

According to the latest data available there has been an increase in overall imports due to an increase in imports primarily of gold and silver, project goods and edible oil. During April-November, 1998-99, exports of agricultural and allied products, marine products, ores and minerals, leather and manufactures, sports goods, chemicals and related products, engineering goods, electronics (hardware), project goods, cotton yarn fabrics made-ups, man made textiles made ups, wool and woollen

manufactures and Jute manufactures, carpets, cotton raw incl. waste and petroleum products have shown negative growth in dollar terms. The declaration in exports is mainly due to South East Asian crisis and World wide recession.

(d) to (h) Export promotion measures are continuously being taken by the Government through changes in policies and procedures for providing and export friendly environment. State Governments are involved in export production and development of infrastructure in consultation with trade and industry. A number of steps have been taken to promote exports which include lowering of interest rates on export credit, reduction in transaction cost through decentralisation and simplification of procedures and various other measures as enumerated in the Exim Policy. Steps have also been taken to promote exports through multilateral and bilateral initiatives, identification of thrust sectors and focus regions. The Government is according high priority to exports and all necessary steps are being taken to put exports on high growth trajectory.

Protest of China on Anti-Dumping Cases

1537. SHRI A.C. JOS : Will the Minister of COMMERCE be pleased to state:

(a) whether China has made a strong protest with India over the increasing number of anti-dumping cases being slapped on Chinese exports; and

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

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) China has made a protest with India over the anti-dumping case related to Met coke. It has alluded to the increasing number of anti-dumping investigations initiated by the Indian authorities concerned against Chinese commodities over the past two years.

(b) Under the Indian Anti-Dumping Laws, investigations are carried out by the Designated Authority after taking into account the views and submissions made by all interested parties, including the Governments of the exporting countries. In the case of Met coke, as in all the other anti-dumping cases against China till date, the Designated Authority has issued findings after considering views expressed by all parties, including the Chinese Government.

Gujarat

Pending Industrial Project

1538. SHRI RATILAL KALIDAS VARMA : Will the Minister of INDUSTRY be pleased to state:

(a) the details of industrial projects of Gujarat are lying pending with the Government for clearance alongwith the reasons therefor;

(b) the details of cost involved on each project;

(c) whether additional information have been sought from the State Government/Organisations concerned;

(d) if so, the details thereof; and

(e) the remedial measures taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) (a) As on 31.12.1998 no Industrial Licence Application is pending with the Central Government for grant of Letter of Intent for setting up projects in the State of Gujarat.

(b) to (e) Does not arise.

[Translation]

Income Tax Raids

Income Tax Raids

1539. SHRI RAMPAL UPADHYAY :
SHRI MAHESH KANODIA :

Will the Minister of FINANCE be pleased to state:

(a) the number of raids in connection with income tax during the last three years;

(b) the extent of undeclared amount unearthed in these raids, and

(c) the total amount of tax collected from the said raids?

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 total number of income tax searches and seizures made during the last three years are as follows:

F. Y.	No. of Warrants	Seizure (Rs. in crores)
1996-97	4299	405.63
1997-98	3653	306.85
1998-99 (upto Jan. 1999)	4439*	201.41*

(*Figures are provisional)

(c) Subsequent to search and seizure, necessary actions as per Direct Tax Laws have been taken in all the cases and the total amount of taxes collected from the said searches would get quantified only after the search assessments become final.

[English]

Separate Wage Deal for each Bank

Separate Wage Deal for each Bank

1540. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned "Separate wage deal with each bank needed" appearing in the Delhi edition of the "Times of India" dated 1 February, 1999;

(b) if so, the reaction of the Government to the dilemma, the banking industry is facing;

(c) whether the Government propose to consider offering a separate wage deal to each bank, keeping in view its paying capacity;

(d) if so, by when this is likely to be done; 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) Yes Sir.

(b) to (e) Wage Settlement in Banking Industry is done through process of negotiations between Indian Banks' Association (IBA), representing the bank

management, and representatives of workmen unions/officers associations. IBA offered two alternatives viz. (i) restricting the negotiations at industry level to basic pay and dearness allowance and leaving all other components of wages to be settled at bank level or (ii) to classify the banks into three categories based on their profitability and have different settlements for each group of banks but both the alternatives were rejected by the unions/associations. Subsequently eight rounds of discussions have taken place for reaching a common settlement for all the banks who are party to such settlements. IBA and unions/Associations are expected to reach an amicable settlement through negotiations.

Dumping of Rubber in US 129

1541. SHRI GURUDAS KAMAT :
SHRI RAMKRISHNA BABA PATIL :

Will the Minister of COMMERCE be pleased to state:

(a) whether the United States have made a ruling that the companies of India are dumping rubber tape products in the American markets; and

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

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) US Department of Commerce on the basis of its preliminary findings has determined that one Indian Company is exporting Elastic Rubber Tape to the American market at less than fair value as defined in the appropriate United States law.

(b) The concerned Indian Company is defending the matter with appropriate assistance from Government.

Revival of Handloom Industrial Estate at Badarpurghat, Assam 129-30

1542. SHRI NEPAL CHANDRA DAS : Will the Minister of TEXTILES be pleased to state:

(a) whether the Handloom Industrial Estate at Badarpurghat in Assam has been sick for the last several years and no steps have been taken by the State Government for its revival due to financial crunch;

(b) whether the State Government has approached the Union Government for financial assistance for its revival or its take over;

(c) if so, the details thereof; and

(d) the number of persons rendered jobless due to its sickness?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) It has been informed by the State Government that there is no Handloom Industrial Estate at Badarpurghat in Assam.

(b) to (d) Does not arise.

[Translation]

Annual Plan and Production of Textiles 130-32

1543. SHRI ARVIND KAMBLE : Will the Minister of TEXTILES be pleased to state:

(a) the total annual plan outlay sanctioned by the Government for various schemes for textiles sector during 1998-99;

(b) the required production of textiles and the rate of exports during the above period;

(c) the total financial provision made out of the total outlay for Maharashtra and Gujarat;

(d) the details of various schemes implemented in these States to increase the production of textiles in these States during the above period;

(e) the target fixed and achievements made by implementing new schemes; and

(f) the target fixed for 1999-2000?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The Annual Plan outlay for the Ministry of Textiles in 1998-99 is Rs. 240.88 crores.

(b) The production of yarn and fabrics and value of exports of Textiles during 1998-99 are likely to be of the previous year's level.

(c) to (e) The plan schemes of the Ministry are formulated keeping in mind the requirements of the Textile Industry and statewise allocations are not made. A list of some important schemes being implemented in the States of Maharashtra and Gujarat is given in the statement enclosed.

(f) The budgetary outlay for the Annual Plan 1999-2000 of the Ministry of Textiles has been fixed at Rs. 257 crores.

Statement

Name of the Schemes	Maharashtra	Gujarat
Powerloom :		
(a) Powerloom Service Centre	In operation	In operation
(b) Computer-aided-design centre	-do-	-do-
(c) Insurance Scheme for Powerloom Weavers	-do-	-do-
Handlooms :		
(a) Publicity & Exhibition	Nil	In operation
(b) Thrift Fund Scheme	-do-	-do-
(c) Workshed-cum-housing	-do-	-do-
(d) Project Package	In operation	-do-
(e) Market Development Assistance	-do-	-do-
Handicrafts :		
(a) Exhibition & Publicity	In operation	In operation
(b) Training	-do-	-do-
(c) Survey & Study	-do-	Nil
(d) Renovation of Emporia	Nil	In operation
(e) Design Development	In operation	-do-
(f) Market Development	-do-	-do-
Sericulture :		
(a) Catalytic Development Assistance to States for improvement of mulberry variety banks.	In operation	In Operation
(b) Assistance to States for on-farm training & supply of tools	-do-	Nil
(c) Support for preparation of extension and publicity materials	-do-	-do-
(d) Master reeler assistance to States	-do-	-do-
Wool :		
(a) Integrated sheep & wool dev. Project	Nil	In operation
(b) Machine shearing-cum-training project	-do-	-do-

[English]

133-38

Credit Deposit Ratio

1544. SHRI CHADA SURESH REDDY :
 SHRI AJOY MUKHOPADHYAY :
 SHRI RAMPAL SINGH :
 DR. ASHOK PATEL :
 DR. RAMKRISHNA KUSMARIA :
 SHRI P.C. THOMAS :

Will the Minister of FINANCE be pleased to state:

(a) whether the credit-deposit ratio of the banks in the rural areas of the country is not satisfactory;

(b) if so, the credit deposit ratio in each State during the last three years;

(c) whether the Government have issued any directions in this regard to the banks in the rural areas;

(d) if so, the details thereof; and

(e) the steps taken by the Government to ensure the proper implementation of these directions?

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 Credit Deposit (CD) Ratio of all Scheduled Commercial Banks in rural areas, State/Union Territory-wise for the last three years is given in the enclosed statement.

(c) to (e) Reserve Bank of India have advised banks to achieve CD Ratio of 60 per cent in respect of their rural and semi-urban branches separately on all-India basis. The low dispensation of credit and consequent low CD Ratio in certain areas may be due to various factors such as infrastructural constraints, varying ability of different regions to absorb credit etc. The matter relating to increasing the flow of credit in these areas are discussed regularly in various fora such as District Consultative Committee (DCC), State Level Bankers Committee (SLBC) etc. and necessary follow up action taken where necessary.

Statement*CD Ratio of all Scheduled Commercial Banks (Rural)*

	March-96 CD Ratio	March-97 CD Ratio	March-98 CD Ratio
	1	2	3
Northern Region	39.28	35.63	34.72
1. Haryana	44.59	40.43	39.50
2. Himachal Pradesh	27.35	25.85	24.16
3. Jammu & Kashmir	15.15	15.14	15.59
4. Punjab	45.72	40.75	39.69
5. Rajasthan	48.44	45.72	45.27

	1	2	3
6. Chandigarh	77.02	42.00	43.02
7. Delhi	24.07	19.15	16.95
North-Eastern Region	45.92	43.96	41.94
1. Arunachal Pradesh	10.47	10.80	13.27
2. Assam	53.90	51.45	47.23
3. Manipur	123.76	138.62	126.29
4. Meghalaya	26.77	25.71	27.30
5. Mizoram	27.62	29.16	36.36
6. Nagaland	38.24	46.09	40.86
7. Tripura	81.01	62.12	56.76
Eastern Region	40.76	36.40	32.49
1. Bihar	37.30	32.85	28.92
2. Orissa	59.93	55.46	51.63
3. Sikkim	19.93	18.52	19.72
4. West Bengal	37.07	33.05	28.96
5. A & N Islands	19.74	18.88	19.28

	1	2	3
Central Region	36.60	33.82	32.27
1. Madhya Pradesh	50.91	48.15	47.79
2. Uttar Pradesh	32.74	29.92	27.39
Western Region	47.89	47.34	46.26
1. Goa	16.60	15.53	14.58
2. Gujarat	44.03	40.79	40.40
3. Maharashtra	62.89	65.92	64.56
4. Dadra & Nagar Haveli	20.71	18.55	21.38
5. Daman & Diu	17.09	12.57	9.19
Southern Region	79.38	75.96	74.09
1. Andhra Pradesh	87.37	88.25	83.72
2. Karnataka	73.42	66.24	68.58
3. Kerala	54.57	56.87	57.39
4. Tamil Nadu	87.13	81.21	76.26
5. Lakshadweep	9.56	8.76	9.89
6. Pondicherry	45.42	43.16	39.41
All India	47.66	44.64	42.43

[Translation]

BALCO

1545. SHRI FAGGAN SINGH KULESTE : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the lease of some bauxite mines is sought to be extended by the Bharat Aluminium Company Ltd.;

(b) if so, the names of such mines; and

(c) the time by which the Government propose to extend their lease?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (c) Bharat Aluminium Company Limited (BALCO) had applied to the State Government of Madhya Pradesh for renewal of mining lease over an area of 987 hect. in Hazaridadar, District Dindori, Madhya Pradesh. However, the State Government rejected the application of BALCO on 10.1.1997 on the ground that the Environment Management Plan, duly cleared by Ministry of Environment and Forests, has not been submitted by BALCO. BALCO has filed a revision petition in the Central Government Tribunal against the Order of State Government dated 10.1.1997.

[English]

Loans to SCs/STs

1546. COL SONA RAM CHOUDHARY : Will the Minister of FINANCE be pleased to state:

(a) the details of schemes/programmes under which SCs/STs of rural areas can avail the benefits of loan facilities of Central Government and the limit of such loans;

(b) the number of SC/ST beneficiaries who availed benefit of loan under different schemes during the last one year in Rajasthan, particularly in Barmer, Jaisalmer and Jodhpur districts;

(c) whether the Government are aware of the delaying tactics of banks in providing loans to SCs/STs in Rajasthan;

(d) if so, the details thereof and the remedial measures taken in this regard; and

(e) the target fixed for providing bank loans to SCs/STs in the current financial year in 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) There are various schemes for poverty alleviation and employment generation administered by different administrative Ministries of the Central Government under which SCs/STs can avail the benefits of loan facilities. These Ministries are responsible for administering the schemes by providing various inputs that are needed including, *inter-alia*, training, market linkages and subsidy. Banks are required to provide the credit component in these credit linked schemes. The essential details of a few important schemes are given in the enclosed statement.

(b) Reserve Bank of India (RBI) have reported that district-wise amount of loans granted to Scheduled Castes (SCs) and Scheduled Tribes (STs) under Central Government sponsored programmes is not being compiled by them. However, the number of SC/ST beneficiaries assisted under different schemes in Rajasthan during the year 1997-98 are given below:

Scheme	Disbursement	
	Account	Amount (Rs. lakh)
Scheme for Liberation & Rehabilitation of Scavengers (SLRS)	1085	124.67
Prime Minister's Rozgar Yojana (PMRY)	1089	471.36
Differential Rate of Interest (DRI) (March 1996, latest available with RBI)	1023	43.03

In addition, during the year 1997-98, 29229 SC/ST families were assisted under Integrated Rural Development

Programme in Rajasthan.

(c) and (d) Reserve Bank of India have reported that they have no information regarding delaying tactics of banks in providing loans to SCs/STs in Rajasthan. However, the problems in implementing poverty alleviation programmes are discussed in various fora such as District Consultative Committees (DCCs), State Level Bankers' Committee (SLBC) etc.

(e) Under DRI scheme, banks are required to ensure that atleast 40 per cent of their DRI advances are granted

to SCs/STs. Under IRDP, a financial target of Rs. 14,000 lakh is fixed for the current financial year for Rajasthan. Under SLRS, during the current financial year upto September 1998, 162 cases were sanctioned amounting to Rs. 20.11 lakh and disbursement effected in 92 cases to the tune of Rs. 10.25 lakh in respect of ST/SC beneficiaries in Rajasthan. Under PMRY, a target of 16300 cases has been fixed for Rajasthan for the year 1998-99 in which a reservation of 22.5 per cent has been provided for SC/ST beneficiaries.

Statement

Details of Schemes

S. No.	Name of the Scheme	Administrative Ministry/implementing agencies
1	2	3
1.	<i>Prime Minister Rozgar Yojana (PMRY)</i> : The objective of scheme is to provide sustained employment to educated unemployed youth in Micro Enterprises in the age group of 18 of 35 years, whose family income does not exceed Rs. 24,000 and upto Rs. 24,000 per annum of parents of beneficiary and the resident of the area for more than three years are eligible for assistance. While the beneficiary would be required to bring in 5 per cent as margin money, Government would provide a subsidy at 15 per cent of the project cost subject to a maximum of Rs. 7,500 and project upto Rs. 1 lakh will be eligible for finance by banks. A reservation of 22.5 per cent for SCs/STs and 27 per cent for Other Backward Class (OBCs) has been provided, in the Scheme.	Department of Small Scale Industries & Agro Rural Industries, Ministry of Industry
2.	<i>Integrated Rural Development Programme (IRDP)</i> : The objective, of the programme is to assist target group consisting of families of small and marginal farmers, agricultural labourers, rural artisans, etc. whose family income is below Rs. 11,000 per annum. The present pattern of subsidy under the Scheme is as given below: Present rate of subsidy—	Ministry of Agriculture, Deptt. of Rural Areas and Poverty Alleviation
3.	<i>Scheme for Liberation and rehabilitation of Scavengers (SLRS)</i> : The scheme is to liberate and rehabilitate scavengers and dependents from their existing hereditary and obnoxious occupation of manually removing night soil	Ministry of Welfare

1

2

3

and filth and to provide them with alternative and dignified occupation. Subsidy under the scheme is upto 50 per cent of the project cost subject to a maximum of Rs. 10,000. Projects costing upto Rs. 50,000 will be financed under the scheme.

4. *Differential Rate of Interest (DRI) Scheme:* The scheme is to provide bank finance at a concessional rate of interest of 4.0 per cent per annum to the weaker sections of the community for engaging in productive and gainful activities so that they could improve their economic conditions. The maximum assistance per beneficiary has been fixed at Rs. 6500. Banks are required to ensure that atleast 40 per cent of their DRI advance flows to SCs/STs.

Commercial banks

Chandrapur
66 **Mining Rights to Nippon Denro Ispat Ltd.**

1547. DR. SAROJA V. : Will the Minister of COAL be pleased to state:

(a) whether Nippon Denro Ispat Limited group has been given mining rights near Bhadravati Ordnance Factory in Maharashtra;

(b) if so, the details thereof;

(c) whether any irregularities has been noticed by the Government in giving mining rights; and

(d) if so, the details and the action taken by the Government thereon so far?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The rights for mining of coal anywhere in the country are given to a company through grant of a coal mining lease by the concerned State Government. As per the provisions of Section 5(1) of the Mines and Minerals (Regulation and Development) Act (MMRD Act), 1957, a coal mining lease can be granted by the concerned State Government only with the previous approval of the Central Government. No previous approval of the Central Government under Section 5(1) of the MMRD Act, 1957 has so far been given to the proposal of Government of Maharashtra to grant a coal mining lease to M/s Central India Coal Company Limited (CICCO), a company promoted by M/s. Ispat Industries Limited (formerly known as

M/s. Nippon Denro Ispat Limited) to mine coal near Ordnance Factory, Chanda in Chandrapur District of Maharashtra for supply of coal on exclusive basis to the proposed Bhadravati Thermal Power Project. Therefore, no coal mining lease has so far been granted to M/s. CICCO for the purpose by Government of Maharashtra and consequently no coal mining rights have been given to the company.

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

16.45
Coal Belts in J&K

1548. SHRI CHAMAN LAL GUPTA : Will the Minister of COAL be pleased to state:

(a) the steps taken/proposed to be taken to locate the coal belt in Jammu and Kashmir;

(b) whether the Government have received any proposal for handing over Coal Mining Management in J&K to Coal India Limited; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) It has been reported by Coal India Limited that Geological Survey of India had carried out regional exploration of coal deposits in Jammu and Kashmir in the sixties. Because of the coal seams being highly disturbed, pitching and swelling, it had not been possible to assess the reserves with any degree of

accuracy. However, on the request to Government of Jammu and Kashmir a group comprising of representative from GSI, CMPDIL and J&K Minerals was set up in the meeting of sub-group on coal and lignite to study the possibility of carrying out further exploration. As per the decision of Sub-Committee on coal and lignite held at Calcutta on 19.12.1998, an expert group consisting of members from GSI, CMPDIL and MECL visited the Mohogala coalfield, Jammu during 1st week of Feb. '99 to study the need and scope for future exploration to augment the mining activities. Based on the report of the expert group, Sub-Committee will recommend the future course of action.

(b) and (c) Government have not received any proposal for handing over the management of J&K Minerals to Coal India Limited.

Export of Mango

1549. DR. SUGUNA KUMARI CHELLAMELLA :
SHRIM. RAJAJIAH :

Will the Minister of COMMERCE be pleased to state:

(a) the target fixed for export of mangoes during the next season;

(b) whether mangoes get spoiled on journeys on account of inadequate cold storage; and

(c) the steps taken to arrange special refrigerators as in foreign countries to export bulk in one container to boost export of mangoes and other perishable fruits?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) No specific target has been fixed for export of mangoes during the next season.

(b) and (c) Fruits including mangoes require controlled atmospheric conditions during the shipment in order to prolong their shelf life. At present such containers are not in use for the export of mangoes and other perishable fruits. The Agricultural and Processed Food Products Export Development Authority APEEDA, under the Ministry of Commerce in association with State Government agencies and leading exporters, has initiated experiments for undertaking trial shipment of mangoes through Controlled Atmosphere (CA) container from selected regions for selected varieties of mangoes having export potential. The success of this experiment is expected to help in enhancing the shelf life, quality of the product

and its international competitiveness and thereby contribute to enhancement of export of mangoes and other fruits.

Withdrawal of FDI Proposal

1550. SHRI S.S. OWASI :
SHRI PRASAD BABURAO TANPURE :

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that after withdrawal of proposal by TATA to fly domestic airlines the foreign investment has come down;

(b) if so, the number of proposals taken back by foreign investors in different sectors;

(c) whether there is a demand in the Industrial circle to abolish Foreign Investment Promotion Board; and

(d) if so, the details thereof and the steps taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) No, Sir. The withdrawal of the proposal to fly domestic airlines by M/s. Tata Industries Ltd., has not affected the foreign direct investment.

(c) and (d) No such proposal has been received from Industrial circles.

Duty Free Slab in SSIs

1551. SHRIMATI LAKSHMI PANABAKA : Will the Minister of INDUSTRY be pleased to state:

(a) whether the duty-free slab of turnover in Small Scale Industries had remained stagnant at Rs. 30 lakhs during last twelve years;

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

(c) the steps taken to safeguard the interests of Small Scale Industries?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Yes, Sir. The duty free slab of turnover in SSIs was fixed at Rs. 30 lakhs in 1986 (notification No. 175/86-CE dated 1.3.1986). Since this limit covered the majority of small scale units and therefore took care of the genuine needs of small scale

industries, no upward revision was made till 1998. In the 1998-99 Budget, this limit was increased to Rs. 50 lakhs.

(c) The Government is deeply committed to safeguard the interests of small scale industries. Speedy and healthy growth of small scale industrial units is always the objective of the Government. Besides fine tuning the existing policy, the new steps taken upto 1998-99 to safeguard the interests of small scale industries, *inter-alia*, include the following:

- (i) 46 Integrated Infrastructure Development Centres have so far been sanctioned in the country.
- (ii) Products of SSI units are displayed in International Exhibitions on Government cost.
- (iii) Financial assistance to SSI units for acquiring ISO 9000 certification.
- (iv) Norms under Prime Minister's Rozgar Yojana (PMRY) have been relaxed to facilitate the growth of small employment ventures.
- (v) The scope of Technology Development & Modernisation Fund scheme of Small Industries Development Bank of India (SIDBI) has been expanded to cover non-exporting SSIs/ancillary units and also SSIs/ancillary units graduating out of SSI sector.
- (vi) To ensure credit to various segments of SSI sector, RBI has issued instructions that out of the funds normally available to SSI sector, 40% be given to units with investment in plant and machinery upto Rs. 5 lakhs; 20% for units with investment between Rs. 5 lakhs to Rs. 25 lakhs and only the remaining 40% for other units.
- (vii) Additional measures for the promotion of Tiny enterprises:
 - Earmarking of facilities for tiny units under IID Scheme.
 - Earmarking of assistance by NSIC for tiny units.
 - Earmarking of credit under Refinance Scheme of SIDBI for Tiny Sector.
- (viii) Interest on Delayed Payments Act amended to tackle the problem of settlement of dues of SSI units from large units.

- (ix) SSI Exemption extended to goods bearing a brand name of another manufacturer when produced by units located in the rural areas through Union Budget 1999-2000.

148

Indian Economy

1552. **SHRI NARESH PUGLIA :**
DR. SHAKEEL AHMAD :

Will the Minister of FINANCE be pleased to state:

(a) whether a seminar on mid term review of Indian economy was held in New Delhi recently;

(b) if so, the names of the dignitaries attended the Seminar and the details of discussions held and the outcome thereof;

(c) whether any concrete Action plan has been formulated to oversee the economic crisis; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) No Official seminar was held on the mid term review of Indian economy by the Ministry of Finance in New Delhi recently.

(c) and (d) Yes, Sir. Budget 1999-2000 Lists the concrete action plan.

[Translation]

149

Recovery of Loans

1553. **SHRI MAHESH KANODIA :**
SHRI HARIBHAI CHAUDHARY :

Will the Minister of FINANCE be pleased to state:

(a) whether the banks have to take legal action against those customers who do not refund the loan of the nationalised banks;

(b) if so, the names of the banks alongwith the amount for which legal action was taken during last three years;

(c) whether as a result of this legal action, the loans have been recovered; and

(d) if so, the amount recovered by each of the bank during the said period, year-wise?

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) Banks follow up with the defaulters for recovery of Banks' dues, in accordance with their loan recovery policy. Suits for recovery are normally filed when other attempts at recovery do not appear to have bear fruit.

(b) to (d) Based on the data received from the Reserve Bank of India, information in respect of number of cases transferred to Debt Recovery Tribunals (DRT) and the amount involved upto 31.3.1998 in respect of Nationalised Banks is given in the attached Statement-I. Similarly, the number of cases decided, amount recovered and number of cases pending as on 31.3.1998 alongwith the amount involved is given in the attached Statement-II.

Statement I

Debts Recovery Tribunals—Data as on 31.3.1998

(A) Cases transferred to DRT upto 31.3.1998

(Amount in crores of rupees)

Sl. No.	Name of Bank	Number	Amount
1	2	3	4
1.	Allahabad Bank	499	514.43
2.	Andhra Bank	388	211.55
3.	Bank of Baroda	922	580.89
4.	Bank of India	802	741.86
5.	Bank of Maharashtra	153	82.5
6.	Canara Bank	1129	1104.79
7.	Central Bank of India	716	674.7
8.	Corporation Bank	207	70.72
9.	Dena Bank	186	86.03
10.	Indian Bank	1520	1803.79
11.	Indian Overseas Bank	414	397.77

1	2	3	4
12.	Oriental Bank of Commerce	316	137.02
13.	Punjab National Bank	1420	1350.49
14.	Punjab & Sind Bank	446	384.46
15.	Syndicate Bank	677	240.32
16.	Union Bank of India	424	266.95
17.	United Bank of India	519	457.82
18.	UCO Bank	459	474.3
19.	Vijaya Bank	328	257.79

Statement II*(B) Cases decided and cases pending upto 31.3.1998*

Sl. No.	Name of Bank	No. of cases decided upto 31.3.1998	Amount Involved	Amount recovered	No. of cases pending as on 31.3.1998	Amount Involved
1	2	3	4	5	6	7
1.	Allahabad Bank	97	90.71	16.59	402	423.72
2.	Andhra Bank	52	20.22	7.41	334	191.33
3.	Bank of Baroda	104	49.87	8.43	818	531.02
4.	Bank of India	120	45.76	16.71	682	696.10
5.	Bank of Maharashtra	9	3.99	0.36	144	78.51

1	2	3	4	5	6	7
6.	Canara Bank	198	103.21	17.76	931	1001.58
7.	Central Bank of India	76	23.1	7.4	640	651.6
8.	Corporation Bank	27	10.18	6.44	180	80.54
9.	Dena Bank	39	7.96	3.24	147	78.07
10.	Indian Bank	184	85.67	8.54	1336	1718.12
11.	Indian Overseas Bank	51	14.08	7.27	363	383.69
12.	Oriental Bank of Commerce	35	13.72	7.73	281	123.3
13.	Punjab National Bank	133	102.33	13.96	1287	1248.16
14.	Punjab & Sind Bank	79	35.74	13.45	367	348.72
15.	Syndicate Bank	93	37.47	2.69	584	202.65
16.	Union Bank of India	76	27.99	4.77	348	238.96
17.	United Bank of India	78	50.04	2.81	441	407.78
18.	UCO Bank	68	44.59	14.2	391	429.71
19.	Vijaya Bank	52	33.4	1.64	276	224.39

155-56

National Mineral Development Corporation

1554. SHRI SURENDRA PRASAD YADAV (JHANSARPUR) : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the National Mineral Development Corporation exports its products on its own;

(b) if so, the details of products exported and the value thereof during each of the last three years; and

(c) the efforts made by the Government to boost the export of these products?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) The National Mineral Development Corporation Limited (NMDC) exports iron ore through MMTC Ltd., which has been designated as canalising agency for export of iron ore with iron content above 64% as per the existing Export-Import Policy.

(b) Quantities and value of NMDC's product from Bailadila and Donimalai Mines exported by MMTC Ltd. during the last 3 years, as per the latest available information are as below:

Year	Quantity (in lakh tonnes)	Foreign Exchange Earning (Rs. in crores)
1995-96	65.22	407.13
1996-97	63.94	445.60
1997-98 (Prov.)	70.30	520.33

(c) Some of the steps taken/being taken by the Government to increase export of iron ore are:

- (i) The export ceilings of the following categories of iron ore have been revised upwards from 1.4.1998:—

	(Million tonnes per annum)
Bailadila Lumps	from 2.4 to 3.0
Bailadila Fines	from 1.2 to 3.8
Bellary Hospet Fines	from 1.5 to 2.0

(ii) Quantity tolerance of + 10% for all the categories of iron ore has been allowed.

(iii) Decanalisation of export of iron ore with Fe content upto 64%.

(iv) Entering into new markets for export of iron ore.

(v) Entering into Long-Term contracts for export of iron ore.

156-57

Restoration of earlier Rates of Royalty on Diamond Mining

1555. SHRI GAURI SHANKER CHATURBHUI BISEN :
SHRI PUNNU LAL MOHALE :

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the royalty given on diamond mining has been reduced from 20 per cent to 10 per cent;

(b) whether the Government of Madhya Pradesh has requested to restore the earlier rates of royalty;

(c) if so, whether the Union Government propose to restore the earlier rates;

(d) if so, the time by which the royalty is likely to be restored; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (e) The rate of royalty of diamond was reduced from 20 per cent of the sale price at the pit's mouth value to 10 per cent of sale price on *ad valorem* basis *vide* Government Gazette Notification GSR No. 214(E) dated 11.4.1997, copy of which has been laid on the Table of the House on 8.5.1997. Such revision was based on the recommendations of the Study Group constituted by the Government of India in 1995 for revision of royalty on major minerals (other than Coal & Lignite).

The aforesaid Study Group comprised of, *inter-alia*, representatives of the State Governments of Gujarat, Karnataka and Rajasthan at the level of Secretary to the State Government as members. As per convention, the State Governments are represented in such Study Group constituted for recommendations on royalty rates on

different occasions by rotation. In the previous Study Group constituted on 30.3.1989 whose recommendations formed the basis of the revision of royalty rates in 1992, the Government of Madhya Pradesh was represented by its Secretary in the Mineral Resources Department as a member of the Study Group.

The Study Group constituted in 1995 had detailed consultation with the State Governments including the Government of Madhya Pradesh before finalising its recommendations. Based on the recommendations of the Study Group, Government decided to reduce the royalty rates on diamond keeping in view the facts that the royalty rates on diamond in many of the major diamond producing countries are 10% or less; diamond being the second largest mineral import in value terms, there is urgent need to locate new diamond resources in the country; potential resources of diamond in India are grossly under explored on account of inadequacy of capital and suitable high technology input and lowering of the rate of royalty is expected to encourage larger capital investment and induction of state-of-the-art technology.

The Government of Madhya Pradesh had favoured increase in the then existing royalty rates on minerals in varying degrees during the consultations of the Study Group and after the revision of royalty rates in April, 1997, taken up the issue of reduction of royalty rates on diamond with the Union Government but it was not found feasible to accede to their request.

[English]

Terms and Conditions for World Bank Loan.

1556. SHRI ANUP LAL YADAV : Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has recently changed the terms and conditions for its further loans;

(b) if so, the details thereof;

(c) whether the loans of World Bank have become costly in comparison with the loans from commercial banks abroad; and

(d) if so, whether the Government propose to restrict its borrowings from the World Bank in the wake of increased rate of interest?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) Since July '98 the IBRD, arm of the World Bank levies the following charges for loans:

(i) Interest rate spread above Bank's cost was increased from 0.50% to 0.75%.

(ii) Front end fee of 1% of loan amount.

(iii) Commitment charges remain at 0.75%.

This revision does not apply to loans from the IDA, which continues to be provided at a concessional rate.

(c) No Sir. The Bank's solid standing in the world's capital markets permits it to obtain funds at low cost, with saving being passed along to its borrowers. Further, a substantial portion of our funding comes through the concessional IDA window.

(d) Does not arise.

[Translation]

Kuteshwar Steel Plant, Jabalpur

1557. SHRI RAMA NAND SINGH : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Kuteshwar Steel Plant located at Katni district (formerly Jabalpur district) has acquired the land of farmers of village Gair Talai and nearby areas on lease for twenty years;

(b) if so, the details thereof;

(c) whether the management of the Steel Plant had given a written and oral assurance to the farmers to provide job to one unemployed person of their families and the said assurance was not fulfilled;

(d) if so, the details thereof;

(e) whether the company is neither vacating the land of the farmers nor making further agreement and also not providing compensation even after expiry of lease period of twenty year; and

(f) if so, the steps taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (f) The information is being collected and will be laid on the Table of the Lok Sabha.

159
Bank Assistance
Revival of Woollen Mills

1558. SHRI JAGAT VIR SINGH DRONA : Will the Minister of TEXTILES be pleased to state:

(a) whether the reports prepared by Wool Research Association in regard to revival of two BIC Woollen Mills named Dhariwal (Punjab) and Cawnpore Woollen Mills is under consideration by the Government; and

(b) if so, the time by which the final decision is likely to be taken thereon?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The Wool Research Association (WRA) has submitted a report on the rehabilitation of BIC Woollen Mills. The matter regarding the future strategy for these mills taking into consideration the report of WRA is presently under consideration of the Government.

English

2.60
Bank Assistance for Cotton Procurement

1559. DR. RAVI MALLU : Will the Minister of TEXTILES be pleased to state:

(a) whether banks have agreed to a package of short-term measures including rescheduling of loans to mills and funds for cotton procurement;

(b) if so, the details thereof; and

(c) to what extent these banks and financial institutions have helped the textile industry?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) Representations were received from certain textile industry associations about problems of credit faced by the industry. The Ministry took the initiative of convening a series of meetings, including one chaired by the Textile Minister, participated by representatives of the industry and the financial institutions concerned. At the meeting, the representatives of Banks and Financial Institutions were urged to relax the norms for lending, wherever possible, to accommodate the present needs of textile industry. Minister of State (Revenue, Banking and Insurance) also met the representatives of Textile

Associations and representatives of Banks and Financial institutions to consider the working capital requirements of textile industry. The representatives of Financial Institutions promised due consideration to the issues including procurement of cotton and rescheduling of loans. The Government of India has recently approved a scheme called Technology Upgradation Fund Scheme. Under this scheme, the Ministry of Textiles would provide an interest reimbursement of 5% points to applicant textile units on loans availed of from IDBI, IFCI and the SIDBI (nodal agencies) if such units are found eligible for such loans as per the norms of the nodal agencies. Textile units would receive reimbursement of applicable interest rate of 5% interest points on loans disbursed by nominated Financial Institutions, such reimbursement would be routed through these financial institutions (IDBI, IFCI and SIDBI).

[Translation]

10.62
Requirement of Coal for Steel Plants

1560. SHRI RAVINDRA KUMAR PANDEY :
SHRIMATI SHEELA GAUTAM :

Will the Minister of STEEL AND MINES be pleased to state:

(a) the quantum of coking coal required for each integrated steel plant of the Public Sector in the country;

(b) whether these plants are facing shortage of coking coal at present;

(c) whether the Union Government propose to import coking coal for these plants;

(d) if so, the details thereof alongwith the names of the countries from which coal is proposed to be imported; and

(e) the steps taken to increase the production of coking coal and avoid import?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (d) Requirement of coking coal (in 000T) for the integrated steel plants of the Public Sector in the country during

the year 1998-99 is as under:—

Plant	Imported Coking Coal	Indigenous Coking Coal	Total
VSP	1742	384	2126
BSP	2475	2055	4530
DSP	840	1260	2100
RSP	740	1110	1850
BSL	1860	2090	3950
IISCO	100	1110	1210

Coking coal is imported by Steel Plants to bridge the quantitative and qualitative gap between their requirement and availability from indigenous sources. These imports are currently taking place from Australia, Canada and Newzealand.

(e) Steps taken to improve indigenous availability of coking coal are as follows:—

- (i) Increasing raw coking coal availability by reorganising existing mines and development of new mines.
- (ii) Modification of the existing coking coal washeries to improve the capacity utilisation as well as the quality of washed coking coal.
- (iii) Increasing raw coal feed to washeries by supplying low volatile medium coking coals of suitable quality.
- (iv) Two washeries at Kedla (CCL) and Madhuband (BCCL) have been commissioned which would produce desired quality of washed coal from the coking coal available at present.

[English]

Consumption of Foreign Liquor in Kerala

1561. SHRI E. AHAMED : Will the Minister of FINANCE be pleased to state:

(a) the total foreign liquor and beer consumed in Kerala during 1997-98 and 1998-99, so far, and

(b) the reasons therefor and the amount earned by the Government by way of excise duty on liquor in the State during the above 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) and (b) Sir, Central Government does not levy excise duty on alcoholic liquor for human consumption. The subject matter falls under Entry 51 of the State List in the Seventh Schedule to the Constitution of India. However, the information as furnished by the State Government of Kerala is given below:—

	1997-98	1998-99 (Upto January)
Indian made foreign liquor consumed	57.25 lakh cases (515.25 lakh litres)	52.61 lakh cases (473.49 lakh litres)
Beer Consumed	27.93 lakh cases (217.85 lakh litres)	20.96 lakh cases (163.49 lakh litres)
Amount earned by way of State excise duty	Rs. 207.99 crores	Rs. 196.24 crores

[Translation]

15-66

Subsidy

1562. SHRI SADASHIVRAO DADOBHA MANDLIK :
 DR. SUSHIL INDORA :
 PROF. PREM SINGH CHANDUMAJRA :
 DR. CHINTA MOHAN :
 SHRI PANKAJ CHOUDHRY :
 SHRI VIJAY GOEL :

Will the Minister of FINANCE be pleased to state:

(a) the item-wise details of visible and invisible subsidy given by the Government during each of the last three years and the current year;

(b) whether the subsidy has been increasing constantly during the above period;

(c) whether the Government have taken measures to curtail the amount of subsidy on various heads to minimise budgetary deficit;

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

(e) the impact of reduction in subsidy on the poor;

(f) whether the Prime Minister has called a meeting of leaders of all the political parties in this regard for National consensus; and

(g) if so, by when the meeting is likely to be held?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (e) Total subsidies in the Central Government are budgeted at Rs. 23838 crore for 1999-2000. The details of the subsidies are given in the Statement enclosed. The endeavour of the Central Government has been to rationalise the system of subsidies by making them transparent and effecting changes in prices of subsidised items wherever necessary. Balancing the requirements of containing the fiscal deficit and the need of protecting the interests of the vulnerable sections of the society, the Government has sought to curb the growth of subsidy on wheat and rice for beneficiaries belonging to 'Above the Poverty Line' category. Subsidy on sugar has also been reduced as a result of better targeting of subsidies.

(f) and (g) Prime Minister in a statement made at the Press Conference in Lucknow on February 3, 1999 urged all the political parties to look at the economics of subsidies in a broader national perspective with a view to evolving a consensus.

Statement**Details of Subsidies**

(In crores of Rupees)

	Actuals 1990-91	Actuals 1991-92	Actuals 1992-93	Actuals 1993-94	Actuals 1994-95	Actuals 1995-96	Actuals 1996-97	Actuals 1997-98	Revised 1998-99	Budget 1999-2000
	1	2	3	4	5	6	7	8	9	10
A Major Subsidies	9581	9793	9414	10764	11527	12430	14041	18238	21063	22440
1 Food	2450	2850	2800	5537	5100	5377	8066	7500	8700	8200
2 Sugar								400	400	360
3 Indigenous (Urea) Fertiliser	3730	3500	4800	3800	4075	4300	4743	6600	7360	8000
4 Imported (Urea) Fertiliser	659	1300	996	782	1166	1935	1163	722	236	750

	1	2	3	4	5	6	7	8	9	10
5. Fertiliser subsidy to small and marginal farmers		385								
6. Export promotion and Market Development	2742	1758	818	665	658	318	397	420	575	630
7. Sale of decontrolled Fertiliser with concessions to farmers					528	500	1672	2596	3790	4500
B. Debt Relief to Farmers	1502	1425	1500	500	341					
C. Other Subsidies	1075	1035	1081	1418	1064	942	2323	1249	3620	1398
8. Railways	283	312	353	412	420	388	468	526	618	710
9. Mill-made Cloth	10	15	15	16						
10. Handloom Cloth	185	187	161	174	148	126	89	64	42	40
11. Import/Export of sugar Edible Oils etc.						100		20	105	50
12. Interest Subsidies	379	316	113	113	76	34	1222	78	1436	73
13. Assistance for fertilizer promotion			340	517						
14. Other Subsidies	218	205	99	186	420	294	544	561	1419	525
Total—Subsidies	12158	12253	11995	12882	12932	13372	16364	19487	24683	23838

165-62

Export of Tea

1563. SHRI SHANTILAL CHAPLOT : Will the Minister of COMMERCE be pleased to state:

(a) the quantity of tea exported during each of the last three years, year-wise;

(b) the foreign exchange earned therefrom during the said period;

(c) whether the export of tea is showing the declining trend; and

(d) if so, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Export of tea from India during the last three years have been as under:

Year	Qty. (Mn. Kgs)	Value	
		(Rs. Crores)	(US\$ Mn.)
1995-96	167.47	1244.52	372.08
1996-97	169.04	1301.46	366.62
1997-98	211.76*	1953.91*	525.74*

*Estimated.

(c) and (d) No, Sir. Export of tea during 1997-98 has registered an increase both in volume and value terms over the previous year.

[English]

Trade Centres at Myanmar

1564. SHRI K.A. SANGTAM : Will the Minister of COMMERCE be pleased to state:

(a) the number of trade centres set up on the border for trade with Myanmar;

(b) whether proper road and communication link has been established with trade centres from the rest of Nagaland;

(c) if not, the reasons therefor; and

(d) the action being taken in this regard?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) At present, border trade with Myanmar is taking place through the designated Customs Post at Moreh in Manipur.

(b) to (d) Special Central assistance on 100% grant basis is being given to Nagaland under Border Area Development Programme for construction of roads as selected by State Level Screening Committee in the border blocks facing Myanmar, Government of Nagaland have taken up construction of three roads namely (i) Pangsha-Naklak road (ii) Longwa-Phoniching road, and (iii) Pokungri-Avankhu Road, which may facilitate border trade with Myanmar.

Revision of Export Target by TPC

1565. SHRI M. BAGA-REDDY : Will the Minister of TEXTILES be pleased to state:

(a) whether the Textiles Promotion Council (TPC) has agreed to revise the target of exports;

(b) whether the Textiles Industry has also decided to set up an action plan in this regard;

(c) the details of the proposed plans made by the Textiles Exporters; and

(d) the extent to which these measures are likely to help to achieve the export growth rate of 20% set by the Government?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (d) The targets for exports of textiles are fixed annually, in consultation with the textiles Export Promotion Councils. The industry has been making efforts for increasing exports and achieving targets. The performance of the EPCs is reviewed periodically.

Steps taken to encourage the export of textiles and garments, 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, etc.

Action Plan for Financial System

1566. SHRI RAMAKRISHNA BABA PATIL : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have drawn up an action plan to form the basis of architecture of financial system of the future; and

(b) if so, the details of the plan?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The Discussion paper prepared by the Reserve Bank of India (RBI) on "Harmonising the Role and Operations of Development Financial Institutions and Banks" (January 1999) has envisaged the architecture of Financial System of the Future on the following lines:

(1) The provision of diversified services both by banks and Development Financial Institutions (DFIS) should continue, *albeit* in a gradual

and orderly fashion, subject to appropriate regulation by the RBI.

- (2) In terms of institutions, ultimately there should be only banks and re-structured Non-Banking Financial Companies (NBFCs).
- (3) The special role of DFIs is recognised and a transitional path is envisaged for them to become either a full-fledged NBFC or a Bank.
- (4) Since Banks are special, any conglomerate in which a bank is present, should be subject to a consolidated approach to supervision and regulation.
- (5) A corporate form of organisation under the Companies Act is preferred to provide the financial intermediaries, necessary flexibility for mergers, acquisitions and diversification to meet the needs of the evolving situation.
- (6) The supervisory functions are to be delinked from refinancing institutions and brought under a consistent supervisory framework.
- (7) The ownership role should be transferred from the RBI to the Government of India in respect of financial intermediaries so that there is a focussed attention by the RBI on its supervisory/regulatory functions.
- (8) The harmonisation in the working of various institutions should be at the initiative of the organisations themselves with the RBI being available for guidance and consultation.
- (9) Various efficiency issues pertaining to each organisation have to be addressed individually by the banks/DFIs, who are encouraged to deliberate among themselves and take necessary decisions urgently.

119070
Bank Losses (Bank 1-3)

1567. SHRI K.S. RAO :
SHRI RAMKRISHNA BABA PATIL :

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "Mark-to-Mkt. losses of banks at Rs. 800 Cr." appearing in the "Business Standard" dated February 2, 1999;

(b) if so, whether the Government have adopted any strategy to check such losses; 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) Yes, Sir.

(b) and (c) Investments made by banks in Government securities and other approved securities are categorised as 'current' or 'permanent' in the proportion envisaged by RBI's instructions from time to time. 'Current' securities are to be valued on the basis of their market price on the date of such valuation and where market quotations are not available, on the basis of Yield to maturity rate (YTM) prescribed by RBI, and any short-fall in valuation is to be provided for while no credit is taken for any appreciation in value. Hence the provisions made while marking 'current' securities to market constitute a notional loss at the end of each financial year. The actual loss, if any, can be determined only at the time the securities are finally disposed off.

17000
Production Growth of CCI

1568. SHRI ARJUN SETHI : Will the Minister of INDUSTRY be pleased to state:

(a) the turnover of the Cement Corporation of India achieved during the last three years in terms of production and revenue earnings;

(b) whether the growth of Cement Corporation of India has been slowed down; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) The details of production and sales during the last three years (1995-96, 1996-97 and 1997-98) are given below :—

	1995-96	1996-97	1997-98
Production (Lakh MT)	19.56	17.20	9.85
Sales Turnover (Rs. in crores)	436.86	405.11	236.92

(b) and (c) Yes, Sir. The growth of Cement Corporation of India has slowed down during the last three years in terms of production and sales turnover.

due to various reasons such as lower capacity utilisation on account of power shortage, liquidity problems; sluggish market conditions etc.

(a) the steps being taken by the Government for the development of mine industry in the country, particularly in Bihar;

(b) the total revenue earned during each of the last three years from this Sector, State-wise; and

(c) the details of minerals exported from the country during each of the last three years, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) Government of India announced National Mineral Policy in 1993 for the development of mining sector in India which is equally applicable to all States including Bihar. This was followed up by amending the Mines and Minerals (Regulation and Development) Act, 1957 in January, 1994. Further, in October, 1996, guidelines were issued for granting prospecting licences over large areas upto 10,000 sq. kms. subject to certain conditions with a view to encouraging state-of-the-art technology in the field of aerial prospecting. Foreign equity upto 50% in the mineral sector has been permitted under automatic route which may also help in development of mine industry. However, this automatic route is not available for mining projects related to gold, silver, diamond and precious and semi-precious stones which are to be approved on case to case basis by the Foreign Investment Promotion Board. Government has also permitted automatic approval route for foreign equity participation upto 74% for services incidental to mining viz. drilling, shafting, reclamation of mines, surveys/mapping (excluding services related to gold, silver and precious/semi-precious stones) and basic metals and alloys industries. A committee under the Chairmanship of the then Secretary in the Ministry of Mines was also constituted in February, 1997 to review the existing laws and procedures for regulation and development of minerals and to suggest steps to make them compatible with the changed policies. The Committee has since submitted its report and action for amendment in the Mines and Minerals (Regulation and Development) Act, 1957 has already been initiated.

(b) As per information available with Indian Bureau of Mines the State-wise royalty accruals on major minerals

Foreign **Trade Relation with Great Britain**

1569. SHRI TATHAGATA SATPATHY : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have a proposal to expand trade relation with Great Britain;

(b) if so, the details thereof and the steps taken in this regard during each of the last three years;

(c) whether the new areas have been identified for expanding trade relations between both the countries during 1999-2000; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (d) It is Government's endeavour to improve trade relations with all its trading partners including Great Britain. The measures to improve trade relations are on-going activities on the part of the Government and the private sector. These include interaction with the trading partners, both at Government and at business level, for addressing policy level issues; assistance for participation in international trade fairs; exchange of business delegations; conducting market survey; dissemination of commercial information; extending necessary facilities to commercial organisation etc.

A meeting of the Commercial Representatives of India located in select EU countries was held in London in May 1998. This meeting addressed the various issues relating to increasing bilateral trade with EU countries. Processed food products, electronic software, auto ancillaries, speciality garments, pharmaceuticals/herbal products and value added granites are some of the new areas for expansion of India's exports to EU countries including Great Britain.

[Translation]

Development of Mine Industry

1570. SHRI BRAJ MOHAN RAM : Will the Minister of STEEL AND MINES be pleased to state:

with the State Governments for 1995-96 and 1996-97 are given below. The data for 1997-98 is yet to be compiled.

Royalty paid during 1995-96 and 1997-98

States	1995-96 (Rs. '000)	1996-97 (Rs. '000)
Andhra Pradesh	477,283	499,744
Bihar	257,843	234,263
Goa	103,800	65,006
Gujarat	260,834	305,694
Haryana	9,785	69,378
Jammu & Kashmir	2,245	1,445
Himachal Pradesh	93,502	130,206
Karnataka	405,548	371,055
Kerala	14,652	17,542
Madhya Pradesh	1078,277	1114,654
Maharashtra	201,688	217,071
Manipur	38	102
Meghalaya	6,925	6,975
Orissa	673,495	583,174
Rajasthan	1686,853	854,456
Tamil Nadu	218,728	210,610
Uttar Pradesh	42,607	28,240
West Bengal	1,786	2,959
Assam	10,300	10,850
Total India	5546,169	4723,424

(c) Details of mineral export are not maintained State-wise. However, the total exports of minerals during 1995-96, 1996-97 and 1997-98 are Rs. 19,820 crores, Rs. 18,956 crores and Rs. 20,569 crores respectively.

Pay Package for RRBs
Regional Rural Banks

1571. **SHRI RAMSHAKAL** : Will the Minister of FINANCE be pleased to state:

(a) whether the RBI has set up a Committee to review the present by scales of the employees of Regional Rural Banks;

(b) if so, the subject reviewed by the Committee alongwith the main recommendations made in the report;

(c) whether the Committee has presented any interim report;

(d) if so, the details thereof; and

(e) the action taken by the Government 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) to (c) Yes, Sir. The pay and allowances of the employees of the Regional Rural Banks (RRBs) are to be determined by the Government under Section 17(1) of the Regional Rural Banks Act, 1976. Reserve Bank of India (RBI), on the advice of Government, appointed a Committee (Mahalik Committee) to make recommendations to Government on the issue. The Committee has since submitted its report.

(d) While not accepting parity between Regional Rural Bank employees and employees of commercial banks, the Mahalik Committee has kept a certain relativity between them in making its recommendations.

(e) The matter is sub-judice and no decision has been taken by the Central Government/RBI on the recommendations of the Committee.

*[English]***Assistance through LIC**

1572. SHRIMATI KAMAL RANI : Will the Minister of FINANCE be pleased to state:

(a) the details of assistance given for the water supply schemes and sewerage projects in the country, particularly to backward areas of Uttar Pradesh by Life Insurance Corporation of India, General Insurance Corporation and other financial institutions during the last three years, State-wise; and

(b) the number of people belonging to Scheduled Caste dominated areas benefited through this assistance, State-wise?

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) Information is being collected and would be laid on the table of the House.

KVIC in Swadeshi Mela

1573. SHRI NADENDLA BHASKARA RAO : Will the Minister of INDUSTRY be pleased to state:

(a) whether Khadi and Village Industry Commission has recently participated in the Swadeshi Mela held in New Delhi;

(b) if so, the details thereof alongwith the number of stalls put up for displaying its products;

(c) the response of the public received as a result thereof; and

(d) the extent to which the participation in the Mela has helped in the growth of KVIC?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Yes, Sir.

(b) The Khadi and Village Industries Commission (KVIC) has participated in the Swadeshi Mela held in New Delhi from 25th January to 30th January, 1999 alongwith its aided institutions as well as its departmental units. The KVIC was allotted 1,000 sq.m. of space in the Mela as main sponsor. A total of 70 stalls were put up by the KVIC and its institutions/departmental units.

(c) and (d) As reported by the KVIC, quite a large number of visitors including VVIPs, VIPs, Press representatives Foreign dignitaries, school children and Government officials have visited the Mela. The total sales

effected during the Mela was Rs. 10 lakhs approx. and the number of trade enquiries received was around 165.

Closed Cement Units of CCI

1574. SHRI KISHAN SINGH SANGWAN :
SHRI AMAN KUMAR NAGRA :

Will the Minister of INDUSTRY be pleased to state:

(a) the names of the cement units closed during each of the last three years in the country, State-wise;

(b) the steps taken for revival of Charkhi-Dadri Cement factory;

(c) whether workers of closed cement units have been properly compensated, particularly Surajpur (ACC) and Charkhi-Dadri of CCI cement factory;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Only Bhupendra Cement Works, Surajpur, a unit of the Associated Cement Companies Ltd. in Haryana was closed down during the last three years.

(b) Production in the Cement Corporation of India unit at Charkhi Dadri has been suspended on account of its economic unavailability. Cement Corporation of India as a whole has been referred to the Board for Industrial and Financial Reconstruction (BIFR) for examining the feasibility of revival of its various units.

(c) to (e) Information on compensation being paid to workers is not maintained centrally.

Grants to Gujarat under PMRY

1575. DR. VALLABHBHAI KATHIRIA : Will the Minister of INDUSTRY be pleased to state:

(a) the details of grants allocated to Gujarat under Prime Minister Rozgar Yojana (PMRY), district-wise;

(b) the details of youths benefited in the State from such grants; and

(c) the steps taken/proposed to be taken by the Government to promote the Yojana by increasing the funds to Gujarat?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Under the Prime Minister's Rozgar Yojana, the Government of India allocates physical target (in terms of number of youths to be assisted) to States/UTs. The district-wise allocation of target is done by the respective States/UTs. The Government of India assists by way of funds for subsidy, training, contingencies etc. The funds for subsidy are released to the Reserve Bank of India to be passed on to individual beneficiaries through implementing banks. The funds for training, contingency etc. are released to the State/UT Governments who in turn make district-wise allocation on the basis of district-wise targets. However, the bulk of the project assistance comes by way of loan from banks for the identified youths.

(b) As per the reports received from the Reserve Bank of India, 30500 youths were disbursed loans by banks for the last three years i.e. 1995-96, 1996-97 and 1997-98.

(c) The allocation of funds to States/UTs is linked to allocation of targets to States/UTs. Gujarat has been allocated target under the Prime Minister's Rozgar Yojana based on the norms for allocation of targets being followed for States/UTs.

Mining of Diamonds

1576. SHRI AJIT JOGI : Will the Minister of STEEL AND MINES be pleased to state:

(a) the name of mines where diamonds are mined in the country;

(b) the total production of diamonds in the country during the last three years;

(c) whether any new sites have been identified for mining of diamonds;

(d) if so, the details thereof; and

(e) the terms and conditions on which the mines have been given to private parties for mining purpose?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) Production of diamond is reported from the following mine in the country:

State/District	Name of Mine	Name of Owner
Madhya Pradesh Panna dist.	1. Majhgawan	M/s National Mineral development Corporation Limited.

Besides the mine owned by M/s National Mineral Development Corporation Limited, the Government of Madhya Pradesh is also giving licences for shallow mining over an area of 7.5m x 7.5m to individuals on yearly basis for exploitation of diamond in alluvial and conglomerate beds in Panna district of Madhya Pradesh.

(b) Production of diamond in the country during the last three years is given below:

State	Qty. in carats						Value in Rs.'000	
	1996-97		1997-98		1998-99 [@]		Qty.	Value
	Qty.	Value	Qty.	Value	Qty.	Value		
Madhya Pradesh	31,836	220329	31018	171830	26683	141822		

[@]Relates to April to December, 1998.

(c) and (d) As per information furnished by Geological Survey of India, they have located a few kimberlite pipes, the source rock for diamond in the States of Andhra

Pradesh and Madhya Pradesh. Some of the pipes are diamondiferous and the exploration is in progress. These are:

Madhya Pradesh :

Five kimberlite bodies were discovered in the Bahradih-Payalikhhand area in Raipur district. Of these, the Bahradih and the two Payalikhhand kimberlites are diamond bearing whereas the Jangra and Kodomali bodies are yet to be tested. In Bastar district, 4 kimberlite bodies were found at Tokapal, Duganpal, Bhajripadar and Parakot. Indicator mineral chemistry indicates that those kimberlites were from the diamond stability field. The processing of the conglomerate of the Panna Diamond Belt and the processing of Krishna gravels in Krishna, Guntur, Cuddapah and Prakasam district under the National Diamond Project has resulted in assessment of their potential. However except for the Hatupur and Sahidan conglomerate blocks, the incidence of diamond in conglomerate and gravels are in general very low.

Andhra Pradesh :

Thirteen new kimberlite bodies (occurring in Wajrakarur Kimberlite field, Wajrakarur-Latavaram-Central segment, Chigicherla-Southern segment and Kalyandurg area) were discovered in the Wajrakarur kimberlite field bringing the total no. of kimberlites to 21. Of these thirteen new bodies, seven have so far been found to be diamondiferous. The processing of the kimberlite bodies are in progress. The kimberlite pipe no. 7 has shown comparatively rich incidence of diamond. In the Maddur Narayanpet Field (which extends to Gulbarga district of Karnataka) 30 kimberlite bodies have so far been found but none of the eleven bodies tested so far have shown diamond incidence.

(e) Mineral concessions are granted by State Governments in accordance with the provisions of the Mines and Minerals (Regulation and Development) Act, 1957. The proviso to Sub-section (1) of Section 5 of the said Act provides that in respect of any mineral specified in the First Schedule of the Act, no prospecting licence or mining lease shall be granted except with the previous approval of the Central Government. Diamond is a mineral specified in the First Schedule of the said Act and prior Central Government approval is required before grant of mining lease by the State Government. The Mineral Concession Rules, 1960 (MC Rules, 1960) framed by the Central Government in accordance with the powers under Section 13 of the above Act, *inter-alia*, provides for terms and conditions for grant of mining lease which are detailed in Rule 27 of the MC Rules, 1960 and the mining lease document (Form K, appended to the MC Rules, 1960)

No mining lease has been granted for mining diamond to a private party.

[Translation]

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Foreign Trade Agreements

1577. SHRI THAWAR CHAND GEHLOT : Will the Minister of COMMERCE be pleased to state:

(a) the details of countries with which trade agreements have been signed by the Government during each of the last three years;

(b) the details of items in regard to which the said agreements have been made; and

(c) the outcome of these trade agreements?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Trade Agreements with the following countries were signed during the last three years :

Mongolia	—	16.9.1996
Republic of Bulgaria	--	4.12.1996
Trinidad & Tobago	—	24.1.1997
Ethiopia	—	6.3.1997
Nepal	—	6.12.1996
Socialist Republic of Vietnam	—	8.3.1997
Seychelles	—	18.9.1998
Sri Lanka	—	28.12.1998
Austria	—	12.2.1999

(b) and (c) The Trade Agreements do not contain any specific items. The areas of co-operation are discussed when Joint Trade Committee Meetings on bilateral basis is held. The Trade Agreements provide a valuable framework and directions for the business people and Government officials to exchange views to identify areas of co-operation to enhance bilateral trade and investment opportunities for mutual gains.

[English]

181

Policy for North-Eastern States

1578. SHRI T.R. BAALU :
SHRI SAMAR CHOUDHURY :

(Rs. crore)

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have rejected most of the concessions in the separate North-Eastern Industrial Policy announced by the Government in the year 1997;

(b) if so, the reasons therefor alongwith the number of concessions rejected;

(c) whether the Government propose an alternate policy for the North-Eastern States; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) No, Sir. The Government has not rejected any of the concessions which have been announced under the New Industrial Policy for the North Eastern Region.

(c) and (d) In view of the above, the question does not arise.

181-82

Sanctions made by ICICI

1579. SHRI P. SANKARAN : Will the Minister of FINANCE be pleased to state:

(a) the total number of sanctions made by ICICI and its subsidiaries during the last three years, institution-wise;

(b) the repaying frequency of these institutions and the number of institutions which have defaulted;

(c) whether the ICICI has failed to take action to recover the amount alongwith interest as per the RBI norms; and

(d) if so, the reasons therefor and the action being taken to recover the loans?

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 per data furnished by ICICI Limited (ICICI) the amount sanctioned by ICICI and its subsidiaries during the last three years is as follows:

Year	ICICI	ICICI Bank	Total
1995-96	14595	989	15584
1996-97	14084	1004	15088
1997-98	25532	1620	27152

ICICI has further reported that the frequency of repayment of these sanctions varies from facility to facility and the number of cases defaulted in the last three years are as under :

Year	ICICI*	ICICI Bank	Total
1995-96	1215	—	1215
1996-97	1294	5	1299
1997-98	1586	16	1602

*Including Non-performing assets.

(c) and (d) Necessary steps to recover the defaulted amounts as per loan agreements are being taken by ICICI.

12-83

Funding for Infrastructure Sector

1580. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) whether State Bank of India and Infrastructure Development Finance Company have decided to take out financing process for funding country's infrastructure projects;

(b) if so, whether any agreement has been signed for an initial amount of Rs. 400 crore for five years;

(c) if so, the details thereof;

(d) whether IDFC has decided to sign similar agreements with more institutions and banks including Unit Trust of India for providing such facility;

(e) if so, the details thereof; and

(f) the extent to which it is likely to improve the country's infrastructure projects?

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 State Bank of India (SBI) and Infrastructure Development Finance Co. Limited (IDFC) have entered into an agreement termed "Takeout Finance" structure to address some of the constraints faced in financing infrastructure sector.

(b) and (c) IDFC has reported that an agreement has been signed for an initial amount of Rs. 400 crores between IDFC and SBI to participate in projects under the takeout financing structure. This limit can be reviewed and revised by the mutual consent. Under this agreement SBI would initially lend to the project under an assurance from IDFC that the outstanding SBI loan should be assumed by IDFC at the end of the agreed period.

(d) and (e) IDFC has reported that it has received enquiries from some commercial banks but till now no agreement has been finalised with any commercial bank or institution.

(f) The advantage of such a facility under this structure would enable infrastructure projects to obtain longer tenure funds than is normally provided by banks/ financial institutions. Besides, commercial banks could provide larger volumes of funds to infrastructure funds than is presently being done.

Credit Card Holders

1581. SHRI K.C. KONDAIAH :
SHRI SUNIL KHAN :
SHRI BIKASH CHOWDHURY :
SHRI BASU DEB ACHARIA :
SHRI AJOY MUKHOPADHYAY :
SHRI LAKSHMAN CHANDRA SETH :

Will the Minister of FINANCE be pleased to state:

(a) the total number of credit card holders and the amount involved in non-repayment of credit provided by the nationalised banks to the credit card holders, bank-wise and State-wise;

(b) the classification of these credit card holders according to the period of non-repayment of the credit amount; and

(c) the steps being taken by the banks to recover the arrears of payment?

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) As reported by Reserve Bank of India (RBI), the total number of credit card holders as on 30.9.1998, were 7,44,324 and the amount involved in non-repayment of credit provided by the Nationalised Banks to credit card holders stood at Rs. 16,323.07 lakhs as on 30.9.1998. The bank-wise details are furnished in the enclosed statement. The Data Reporting System of the RBI does not generate details of state-wise information.

(b) The RBI has reported that the classification of these credit card holders according to the period of non-repayment of credit card dues as on 30.9.1998, was as under:

	No. of card holders	Amount in Lakhs of Rs.
Below 5 month	28,349	2508.79
Above 6 months and upto one year	18,837	2454.88
Above one year	49,707	11359.40
	96,893	16323.07

(c) The RBI has reported that in order to recover the credit card arrears the banks have generally been taking the following steps :—

- (i) Reminders by phones/letters are issued to the card holders about their dues.
- (ii) Marketing Managers/Recovery agents are appointed by some of the banks to contact the card holders.

- (iii) Letters informing the card holders about their liabilities and consequences like hot listing, legal action etc. are issued.
- (iv) In case of continuing defaults, cards are hot listed, legal notices are served, intervention of employers of defaulting card holders is sought.
- (v) If there is no response to legal notice, summary suits are filed.
- (vi) After obtaining orders from the court warrants of attachment of movables are executed.
- (vii) Recovery camps are conducted to recover the dues through negotiated settlements.

Statement

(Amount in lakhs of Rupees)

Name of the Bank	No. of card holders as on 30.09.1998	Amount involved in non-repayment (as on 30.09.1998)					
		Less than 6 months		More than 6 months		More than 1 year	
		Card holders	Amount	Card holders	Amount	Card holders	Amount
1	2	3	4	5	6	7	8
1. Allahabad Bank	20010	267	38.53	153	21.26	1034	136.02
2. Bank of Baroda	160703	8644	630.00	1382	208	6010	1342.00
3. Bank of Maharashtra	15070	265	22.38	55	5.62	35	9.30
4. Central Bank of India	111201	Not shown as dues less than 6 months not treated as NPAs		2868	163.00	10338	2226.00
5. Dena Bank	16707	198	24.64	10	1.38	136	20.00
6. Indian Overseas Bank	17247	14	2.70	10	2.17	69	21.16
7. Andhra Bank	86035	—	—	5173	988.57	12309	3815.76
8. Bank of India	111028	5631	722.00	6882	699.00	14240	2255.00
9. Canara Bank	158764	11301	893.00	1989	308.00	3695	950.00
10. Corporation Bank	3630	63	7.78	12	1.68	38	28.32

	1	2	3	4	5	6	7	8
11. Oriental Bank of Commerce	41	1	0.06	8	3.11	32	21.90	
	(OBC has also issued 3298 co-branded credit cards in tie-up with Citibank Figure not taken as business risk and liabilities borne by Citibank)							
12. Syndicate Bank	1150	9	0.27	10	0.04	46	20.83	
13. Union Bank of India	2855	9	0.47	2	0.31	82	16.19	
14. Punjab & Sind Bank	8364	141	13.82	39	9.60	126	62.13	
15. Vijaya Bank	31331	1806	153.14	244	43.14	1389	398.86	
	(Bank has shown position for less than 7 months)							
16. United Bank of India	188					128	35.91	
	(Defaulters) (Bank has discontinued credit card ops. from September, 1995)							
Total	744324	28349	2508.79	18837	2454.88	49707	11359.40	

[Translation]

FERA and COFEPOSA Cases

1582. SHRI HARI KEWAL PRASAD : Will the Minister of FINANCE be pleased to state:

(a) the number of persons against whom detention orders have been passed under FERA and COFEPOSA during the last three years;

(b) the year-wise details thereof;

(c) whether the detention orders of some persons have been withdrawn;

(d) if so, the reasons therefor;

(e) whether disciplinary action has been taken against the officers who have withdrawn the detention orders;

(f) if so, the details of such officers;

(g) the number of pending cases of detention orders; and

(h) the year-wise details thereof alongwith 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 (h) The information is being collected and will be laid on the Table of the House.

[English]

Smuggling/Export of Tiger Bones

1583. SHRI AMAN KUMAR NAGRA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Tiger Bones are smuggled/exported under the cover of ordinary bones;

(b) if so, the number of such cases caught; and

(c) the steps taken by the Government to prevent such smuggling?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (c) The information is being collected and will be laid on the Table of the House.

[Translation]

Export of Software

1584. PROF. PREM SINGH CHANDUMAJRA : Will the Minister of COMMERCE be pleased to state:

(a) whether the export of software has increased during the current financial year as compared to the last year;

(b) if so, the value of export made during 1998 as compared to 1997;

(c) whether the Government have also imported software or ancillary materials during 1997 and 1998; and

(d) if so, the value of import made during 1997 and 1998, separately, and the incentives announced by the Government to boost the software export?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Yes, Sir.

(b) The details of exports during, 1998 as compared to 1997 are given below :—

	US \$ Min.		
	Apl. Dec. 1997	Apl. Dec. 1998	%age growth
Computer Software & Services	1208	2048	69.55

Source: Electronics & Computer Software Export Promotion Council.

(c) Yes, Sir.

(d) The value of total physical imports into the country of software both by Government as well as the industry is as under:—

(US \$ Min.)

	Apl. Nov. 1997	Apl. Nov. 1998	%age growth
Computer Software	108.40	43.89	—59.51

Source: DGCI&S

The various incentives announced by the Government to boost the software exports include Income-tax exemption, import at NIL rate of duty, ADR/GDR linked stock option scheme, special import licence, enhancement of depreciation limit for computer systems, and liberalized import of capital equipments for software development under EPCG Scheme.

[English]

Ban by Pakistan on Import from India

1585. SHRI N.J. BATHWA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Pakistan Government has banned import of some items from India;

(b) if so, the details of these items and reasons therefor; and

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

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Pakistan has been following a discriminatory and restrictive Import Policy regime towards India, under which only 594 items are allowed to be imported by their private sector from this country. These include items like fresh vegetables, pulses, coffee, tea, spices, oil seeds, edible vegetable oils, soyabean meal, inorganic and organic chemicals, pharmaceutical raw materials, tyres and tubes, cotton and cotton yarn, raw or processed jute, waste/scrap metal, metal and its products, engineering and machinery items etc.

(c) Government has taken up the matter with Government of Pakistan from time to time. However, their restrictive trade regime towards India still remains in force.

Transport Subsidy

1586. SHRI TH. CHAOBA SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether there is any parity between transport subsidy and the corresponding central excise duty payment of the products on which subsidy is sought to be claimed by the entrepreneurs particularly in North Eastern region;

(b) the criteria adopted to examine the bonafides of the claims with reference to actual payment of central taxes of the quantum of produce on which such subsidy is claimed; and

(c) the details of the mechanism to verify the authenticity of claims to prevent bogus claims?

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) Subsidy is allowed to an entrepreneur on the transportation cost incurred on the movement of raw material and finished goods from the designated rail-heads/ports upto the location of the industrial unit and vice-versa. The Scheme does not provide for the linkage of any segment of central revenue collection such as excise duty, custom duty and other taxes, etc. for determining the quantum of eligibility of the claim by the State Level Committee.

Transport Subsidy is implemented through the agency of the State Governments. The Scheme provides that State Government/UT Administration will set up a committee consisting of Director of Industries, a representative each of the State Industries Department and State Finance Department etc. including a nominee of the Ministry of Industry. All claimant units are required to submit their claims to the Director of Industries alongwith the proof of raw material imported and finished goods exported out of such areas. The State Level Committee set up for the purpose will scrutinise all the claims and the State Government will disburse the subsidy to the eligible units on the specific recommendation of the State Level Committee and reimbursement is claimed subsequently from the Central Government. The role of the Central Government is limited to reimbursement of the subsidy disbursed by the State Government.

Adequate provisions are available under the Scheme to check any misuse of the Transport Subsidy.

Notwithstanding the provisions of the Scheme, Government of India, State Government/UT Administration have full discretion to refuse to entertain or reject any claim for Transport Subsidy if made on false statement or any misrepresentation of facts made by an entrepreneur(s).

Training Centres of Coir Boards in Karnataka

1587. SHRI A. SIDDARAJU : Will the Minister of INDUSTRY be pleased to state:

(a) the number of Training Centres of Coir Board are functioning in Karnataka;

(b) the number of persons are given training per year and likely to be given during 1999-2000;

(c) whether there is any Coir Board Training Centre in Chamarajanagar; and

(d) if not, the steps being taken to set up a Training centre there?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a), The Coir Board is running a Regional Coir Training and Development Centre at Arsikere in the State of Karnataka. Besides this, Field Training Centres to impart training to women in eight localities on Motorised Coir Spinning Ratts have been started.

(b) A total number of 147 persons were trained during the year 1998 and 400 persons are likely to be trained during 1999-2000 in Karnataka.

(c) No, Sir.

(d) There is no such proposal under consideration at present.

Pay Revision of Insurance and Bank Employees

1588. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of FINANCE be pleased to state:

(a) whether the revision of pay scales of Insurance and Banking Sector employees are pending before the Government for a long time;

(b) if so, the reasons therefor;

(c) the details of their demands; and

(d) the reaction of the Government on each of their demands?

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) Negotiations for wage revision are in progress between the employees' associations and the managements of the insurance companies in the insurance sector; and between the employees' associations of the banks and the Indiar. Banks' Association in the banking sector. The proposals will come before the Government only when they are finalised.

193-94

Recruitment in Public Financial Institutions

1589. PROF. JOGENDRA KAWADE : Will the Minister of FINANCE be pleased to state:

(a) whether the Public Sector Banks and Financial Institutions viz. Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI) and Industrial Credit and Investment Corporation of India (ICICI) have been recruiting management trainees in officer cadre by way of campus recruitment from few institutes instead through open advertisement in National Newspapers;

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

(c) the remedial steps taken in this regards?

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. Public sector banks which fulfil the criteria of autonomy and the financial institutions like the IDBI, IFCI, ICICI have been recruiting management trainees to built up specialisation in executive cadre by way of campus recruitment from reputed institutions. Campus recruitment is a normal procedure adopted by the financial institutions both in the private as well as public sector. The selection

is made on merit, usually through a system of interviews held by a selection Committee. The public sector banks fulfilling the autonomy criteria like profitability etc. are authorised to fill upto 30 per cent vacancies of probationary officers earmarked for direct recruitment, by way of campus recruitment from recognised management and other professional institutions. The procedure followed for such recruitment is clear and transparent and the policy in this regard is to be approved by the Board of Directors of the Bank.

(c) Does not arise.

194

KVIC Programmes in Meghalaya

1590. SHRI P.R. KYNDIAH : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Khadi and Village Industries Commission (KVIC) programmes are accessible to weaker sections of the society, tribals and rural artisans;

(b) the number of such projects are running under KVIC schemes in Meghalaya and the quantum of assistance disbursed during the last two years; and

(c) the status of National Programme of Bee keeping to generate employment opportunities in rural areas and the allocation of funds for Meghalaya under this scheme?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Yes, Sir.

(b) In the State of Meghalaya, 34 projects under Margin Money Scheme amounting to Rs. 99.65 lakhs have been sanctioned. Out of this, margin money amount of Rs. 29.91 lakhs has been disbursed. Under Margin Money Scheme, KVIC has permitted State Khadi and Village Industries Board to sanction projects upto Rs. 25 lakhs. The Meghalaya State Khadi and Village Industries Board has disbursed Rs. 148.08 lakhs during 1995-96 and Rs. 338.85 lakhs during 1996-97 under Consortium Bank Credit.

(c) Under the National Programme of Beekeeping, 74 institutions have been identified for implementing the programme. There are no directly aided institutions under

Bee keeping in Meghalaya State. The year-wise allocation of funds in favour of Meghalaya State KVIB for the past three years is shown as under:—

(Rs. in lakhs)

Year	Margin Money	Loan		Grand Total
		C.E.	W.C.	
1996-97	6.08	7.23	11.17	24.48
1997-98	3.97	6.79	1.81	12.57
1998-99	3.97	6.79	1.81	12.57

[Translation]

Industrial Schemes

195-96

Revival of HEC, Bihar

1591. SHRI RAGHUVANSH PRASAD SINGH : Will the Minister of INDUSTRY be pleased to state:

(a) whether any package has been prepared for the revival of Hindustan Engineering Corporation, Bihar;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) and (b) Yes, Sir. A Rehabilitation Scheme has been sanctioned by BIFR on 26.8.1996. The salient features of the Scheme are indicated in the statement attached.

(c) Does not arise.

Statement

On 26.8.1996, the BIFR sanctioned a rehabilitation scheme of HEC. The rehabilitation scheme envisages following reliefs and concessions from Government of India:—

1. To convert plan loan aggregating Rs. 99.41 crore as on 31.3.1995 into equity at par.
2. To waive counter guarantee fee aggregating Rs. 18.60 crore as on 31.3.1995.

3. To provide equity of Rs. 83 crores in a phased manner and to meet the capital expenditure.

4. To provide Rs. 105.61 crores in a phased manner to meet the cash losses, payment to pressing creditors, payment of statutory liabilities etc.

5. To waive interest on plan loan and non-plan loan amounting to Rs. 272 crores as on 31.3.1996.

6. To treat non-plan loan of Rs. 168.50 crores as interest free loan for 7 years with no repayment during this period.

7. To treat non-plan loan of Rs. 20.50 crores for VRS as grant to be funded out of NRF.

8. To provide Rs. 63.92 crores as interest free loan to meet the Soviet Liability of Rs. 63.92 crores by 2000 A.D. without repayment during that period.

9. To guarantee the working capital facilities from the Bank without charging any guarantee fee/ commission.

10. To provide operational independence in respect of appointment of consultants/liaison agents for marketing efforts and pre-tender tie-ups and in recruitment of necessary categories of personnel.

2. Major portion of the above reliefs and concessions has been provided to the company. The revival plan at present is under implementation. 196-202

Investment in Industrial Sector

1592. SHRI RAMESHWAR PATIDAR :
SHRI RAVINDRA KUMAR PANDEY :
SHRI RAJO SINGH :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the investment made in the industrial sector in the country is not balanced/equal;

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

(c) the reasons for imbalance;

(d) whether Madhya Pradesh, Orissa and Bihar are the most backward States from the view of industrial development and investment;

(e) if so, the details thereof; and

(f) the steps proposed to be taken to promote industrial development and to increase investment in the States?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) In view of the fact that the choice of a location for investment by a private entrepreneur depends on a number of factors such as availability of raw material, accessibility to port, perception about investment climate of a State etc., there is bound to be some disparity in industrial investment among regions. A statement showing the state-wise industrial investment proposals (based on industrial entrepreneur memorandum filed and letters of intent issued) for the period August 1991 to December, 1998 is enclosed.

(d) and (e) In terms of the industrial investment proposed during the period August 1991 to December 1998 (as given in the statement) Madhya Pradesh ranks

7th, Bihar 18th and Orissa 20th in the country, with 5.51%, 0.89% and 0.71% share of total proposed investment in the country.

(f) With a view to promoting industrialization of the backward areas in the country Government of India has been operating the Growth Centre Scheme since June 1988 under which 71 growth centres are proposed which would be provided with basic infrastructural facilities like power, water, telecommunications and banking to attract industries. The number of growth centres allotted and approved are six in the State of Bihar, six in Madhya Pradesh and four in the State of Orissa.

Similarly, Transport Subsidy Scheme 1971 has been made operational to promote industrial growth in hilly, remote and inaccessible areas. For the North Eastern region a new industrial policy has also been announced for the development of the region. These schemes aim at a balanced industrial growth.

Statement

Industrial Investment Proposals (State-wise) August 1991—December 1998

State/UT	Total Proposals		Industrial Entrepreneur Memoranda (IEM)						Letters of Intents (LOI)					
	(IEM + LOI)	%ge	Numbers Filed	%ge	Proposed Investment (Rs. Cr.)	%ge	Proposed Emplmnt. (Numbers)	%ge	Numbers Issued	%ge	Proposed Investment (Rs. Cr.)	%ge	Proposed Emplmnt. (Numbers)	%ge
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Maharashtra	7219	18.81	6733	19.15	124539	19.06	1178176	19.39	486	15.04	12156	11.71	119999	15.86
Gujarat	5350	13.94	4952	14.09	121313	18.57	817689	13.46	398	12.31	20073	19.33	59668	7.91
Uttar Pradesh	3821	9.95	3478	9.89	61326	9.39	583025	9.59	343	10.61	9828	9.46	100802	13.32
Tamil Nadu	3732	9.72	3171	9.02	44487	6.81	515192	8.48	561	17.36	10385	10.00	111539	14.74
Andhra Pradesh	2622	6.83	2277	6.48	53375	8.17	389343	6.41	345	10.67	9852	9.49	70493	9.32
Haryana	2405	6.27	2227	6.34	23047	3.53	344821	5.67	178	5.51	4045	3.90	51575	6.28
Madhya Pradesh	2114	5.51	1976	5.62	52361	8.01	427082	7.02	138	4.27	3601	3.47	32083	4.24

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Rajasthan	1895	4.94	1808	5.14	28261	4.32	345109	5.68	87	2.69	1592	1.53	14766	1.95
Punjab	1840	4.79	1704	4.85	21111	3.23	421792	6.94	136	4.21	4446	4.28	43969	5.81
West Bengal	1541	4.01	1466	4.17	21062	3.22	241046	3.97	75	2.32	3929	3.78	18042	2.38
Karnataka	1442	3.76	1249	3.55	32912	5.04	205300	3.38	193	5.97	9248	8.91	64798	8.57
Dadra & Nagar Haveli	1071	2.79	1053	3.00	14607	2.24	119919	1.97	18	0.56	132	0.13	2450	0.32
Daman & Diu	508	1.32	491	1.40	3216	0.49	36912	0.61	17	0.53	66	0.06	3307	0.44
Delhi	466	1.21	449	1.28	6379	0.98	46331	0.76	17	0.53	30	0.03	1337	0.18
Kerala	423	1.10	369	1.05	5758	0.88	60880	1.00	54	1.67	2513	2.42	13447	1.78
Himachal Pradesh	379	0.99	347	0.99	7649	1.17	81101	1.33	32	0.99	476	0.46	6140	0.81
Pondicherry	367	0.96	351	1.00	4117	0.63	35541	0.58	16	0.50	1253	1.21	2868	0.38
Bihar	343	0.89	302	0.86	7058	1.08	49560	0.82	41	1.27	1806	1.74	15695	2.07
Goa	329	0.86	297	0.84	4478	0.69	31825	0.52	32	0.99	151	0.15	3271	0.43
Orissa	273	0.71	241	0.69	10989	1.68	91603	1.51	32	0.99	5438	5.24	11602	1.53
Assam	89	0.23	78	0.22	2913	0.45	12478	0.21	11	0.34	2430	2.34	4278	0.57
Jammu & Kashmir	70	0.18	66	0.19	437	0.07	29823	0.49	4	0.12	66	0.06	1705	0.23
Chandigarh	25	0.07	24	0.07	234	0.04	4766	0.08	1	0.03	0	0.00	9	0.00
Meghalaya	14	0.04	14	0.04	254	0.04	1503	0.02	0	0.00	0	0.00	0	0.00

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sikkim	10	0.03	9	0.03	25	0.00	780	0.01	1	0.03	5	0.00	204	0.03
Andaman & Nicobar	9	0.02	9	0.03	332	0.05	2610	0.04	0	0.00	0	0.00	0	0.00
Arunachal Pradesh	6	0.02	2	0.01	38	0.01	172	0.00	4	0.12	1	0.00	522	0.07
Nagaland	6	0.02	5	0.01	158	0.02	972	0.02	1	0.03	0	0.00	0	0.00
Tripura	4	0.01	4	0.01	1040	0.16	1347	0.02	0	0.00	0	0.00	0	0.00
Lakshadweep	1	0.00	1	0.00	4	0.00	278	0.00	0	0.00	0	0.00	0	0.00
Mizoram	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Manipur	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
More Than 1 St	11	0.03	0	0.00	0	0.00	0	0.00	11	0.34	323	0.31	1766	0.23
Total	38385	100.00	35153	100.00	653480	100.00	6078976	100.00	3232	100.00	103846	100.00	756535	100.00

IEMs : Industrial Entrepreneur Memorandum application filed for Items under delicensed sector.

LOIs : Letters of Intent issued in respect of Items under licensed sector.

1 Crore : 10 Million.

Corruption

Guilty Officials of Coal India Limited

1593. SHRI CHHATTRA PAL SINGH : Will the Minister of COAL be pleased to state:

(a) whether six officers of the Coal India Limited have been found guilty in an investigation conducted by the Central Vigilance Commission in 1995;

(b) if so, the action taken against them; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) No investigation was

conducted by the Central Vigilance Commission in 1995 holding six officers of the Coal India Limited as guilty.

(b) and (c) Do not arise in view of the answer to part (a) of the question.

[English]

Outstanding Income Tax

1594. SHRI MOHAN SINGH :
SHRI ANANT KUMAR HEGDE :
SHRI DATTA MEGHE :

Will the Minister of FINANCE be pleased to state

(a) the names of first ten persons against whom maximum amount of Income Tax is outstanding;

(b) the details of persons against whom ten lakh and more than ten lakh is outstanding for the last two years;

(c) whether there are a number of multinational companies (MNCs) in India against whom a large amount of Income Tax is outstanding;

(d) if so, the names of such MNCs and since when; and

(e) the reasons therefor and the manner in which the Government propose to recover it?

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 names of first ten persons against whom maximum amount of Income Tax is outstanding as on 31.3.1998 is as under:—

Sl. No.	Name of assessee	Status	Amount Outstanding (Rs. in crores)
1	Harshad S. Mehta	Indl.	5428.72
2.	Hiten P. Dalal	Indl.	1404.15
3.	Oil & Natural Gas Commission	Co.	1189.14
4	Bhupendra C. Dalal	Indl.	744.70
5.	Ashwin S Mehta	Indl.	627.43
6.	S. Ramaswamy	Indl.	564.40
	Jyoti H. Mehta	Indl.	558.63
5	A.D. Narottam	Indl.	547.84
9.	GTC Industries Ltd.	Co.	343.83
10.	Indian Petrochemicals Corporation Ltd. (IPCL)	Co.	316.59

(b) There are 14444 persons as on 31.3.1998 against whom Rs. 10 lakhs and more is outstanding as against 12616 persons as on 31.3.1997. The details of such persons are not furnished considering the voluminous nature of the data and the time and energy required for its compilation which may not be commensurate with the object sought to be achieved.

(c) to (e) The information is not readily available. The same is being collected and will be laid on the Table of the House. *Encl. 205*

Scrapping of DEPB Scheme

1595. SHRI U.V. KRISHNAMRAJU :
SHRI JAYARAMA I.M. SHETTY :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to scrap the Duty Entitlement Passbook Scheme (DEPB) in view of its misuse;

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

(c) whether the exporters have urged the Government to introduce other similar scheme before its scrapping; and

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

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (d) There is no proposal to scrap the Duty Entitlement Passbook Scheme. *205-06*

Introduction of Insurance of Pilgrims to Hazardous Places *Tourism*

1596. SHRI SUSHIL KUMAR SHINDE :
SHRI MADHAVRAO SCINDIA :

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government propose to introduce a Scheme for granting insurance cover to those undertaking pilgrimage to hazardous places or through hazardous routes; and

(b) if so, the details of the scheme?

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) There is no proposal to introduce a specific insurance cover for those undertaking pilgrimage to hazardous places or through hazardous routes. The four subsidiary companies of the General Insurance Corporation of India are already issuing Personal Accident policies covering accidents and illnesses during travel. The cover operates from the date of travel upto actual return, on a 24 hours basis. Pilgrims can also avail of such policies for the duration of pilgrimage. *205-06*

Export to European and American Markets

1597. SHRI CHANDRAMANI TRIPATHI : Will the Minister of COMMERCE be pleased to state:

(a) whether the consumption of goods made in India is less than Chinese goods in European and American markets;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to improve the quality of Indian goods?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Yes, Sir. The data of Indian and Chinese exports to USA and European Union during the year 1998 are as follows:—

	Indian Exports	Chinese Exports
To USA (during Jan-Dec, 98)	US\$ 8.225 b.	US\$ 71.156 b.
To EU (during Jan-July, 98)	ECU 6.01 b.	ECU 23.52 b.

(c) The upgradation and maintenance of quality of

upgradation in terms of capital goods, technology, packaging, labelling etc. Besides, special entitlements are permitted to the manufacturers attaining the ISO status. The other measures taken in this regard include arranging training to industry personnel, arranging seminars and workshops to educate manufacturers and exporters on quality management, dissemination of information relating to quality aspects of our export markets, quality checks on specific manufactured items of export interest, helping individual manufacturing units in upgradation of quality system, etc. Government has also recognised 21 private inspection agencies and 8 Government inspection agencies to supplement the work of quality certification. 15 Agencies have also been recognised for fumigation of export cargo.

Inscription of "OM" on One Rupee Coin

1598. SHRI G.M. BANATWALLA : Will the Minister of FINANCE be pleased to state:

(a) whether the inscription "OM" appears on the reverse side of one rupee coins under figure giving the year particularly the year 1997;

(b) if so, the significance of this inscription;

(c) whether the Government propose to withdraw this inscription from the coins as also to withdraw all coins with such inscription; and

(d) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (d) The Government has not issued any coin with the inscription "OM" and, therefore, the question of withdrawal of such coins does not arise. However, Mints all over the world inscribe the symbol of their Mint on coins made by them. One Rupee coins imported in 1997 from Mexico bear the symbol of the Mexican Mint, which is "M".

[Translation]

New Insurance Scheme for Handloom Sector

1599. SHRI RAJVEER SINGH : Will the Minister of TEXTILES be pleased to state:

(a) the number of handloom weavers benefitted under the New Insurance Scheme during 1997-98;

(b) whether the survey work is going on to speed up the process; and

(c) if so, the number of weavers likely to be benefitted in the country under the Scheme?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) 60,453 weavers benefitted under the Insurance Scheme during 1997-98. Chief Minister of States have been requested to ensure greater participation for benefit of weavers.

(b) A Handloom Census has been undertaken by the National Council of Applied Economic Research (NCAER), New Delhi for the Government of India. The work is under progress.

(c) The State Governments implement this scheme as per the requirements of the weavers and the guidelines of the scheme.

[English]

Problems Faced by Public Sector Enterprises

1600. SHRI VARKALA RADHAKRISHNAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have received any request from the Government of Kerala for examining the problems faced by Kerala Minerals and Metals Limited and Travancore Titanium Products Ltd;

(b) if so, the details thereof; and

(c) the action taken by the Government to save these prestigious Public Sector Enterprises?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) Yes Sir. Prior to the presentation of Union Budget for 1999-2000. Titanium Dioxide attracted customs duty @ 45% *ad valorem* (40% basic + 5% special) which was higher than the peak rate of duty of 35% *ad valorem* applicable to chemicals, in general. Owing to the lowering of the peak rate of customs duty from 45% to 40% in this Budget. It was not found feasible to increase duty on this product to 50%, as requested by the State Government. With the reduction in peak. Titanium dioxide attracts a duty of 40% w.e.f. 28.2.1999 besides Special Additional Duty @ 4% and countervailing duty of 16% *ad valorem*.

[Translation]

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 Roy & Associates

Cities Upgraded as a Special Case

1601. SHRI CHANDRESH PATEL : Will the Minister of FINANCE be pleased to state:

(a) whether certain cities in West Bengal, Tamil Nadu, Jammu and Kashmir, Haryana and other States of the country have been upgraded by considering them as a special case;

(b) if so, the details of cities upgraded, State-wise;

(c) the criteria adopted for upgrading a city;

(d) the facilities provided to these cities after upgradation; and

(e) the names of the cities of Gujarat and other States which are proposed to be upgraded during the year 1999?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (d) The following cities have been upgraded for the purpose of regulating House Rent Allowance and/or City Compensatory Allowance treating them as special cases:

(i) *Only for HRA purposes:*

A-1 Class :— Calcutta (West Bengal), Chennai (Tamil Nadu), Nava Mumbai (Maharashtra),

B-2 Class :— Shillong (Meghalaya)

'C' Class:— (i) Entire State of Goa, (ii) Union Territory of Daman and Diu, (iii) Alwaye (Kerala), (iv) Patratu (Bihar), (v) Wadhwan & Patan (Gujarat), (vi) Coonoor (TN), (vii) Barabanki (UP) and certain other hill stations.

(ii) *CCA Purposes only:*

B-2 Class:— Jamnagar (Gujarat) and Rourkela (Bihar).

(iii) *For both HRA & CCA purposes:*

A-1 Class:— Hindon Air Force Station (UP) and Gurgaon (Haryana).

B-2 Class:— Jammu and Srinagar (Jammu and Kashmir).

Some of the criteria adopted for upgrading a city or town for determining HRA and CCA entitlements are their relative expensiveness, prevailing rentals, availability of accommodation, maintenance of earlier parties etc. and large influx or refugees as in the case of Jammu.

(e) There is no proposal presently under consideration for upgradation of any other city or town during the year 1999.

[English]

Trade Agreement with Vietnam

1602. SHRI MADHAV RAO PATIL :
 SHRI ASHOK NAMDEO RAO MOHOL :
 SHRI VITHAL TUPE :

Will the Minister of COMMERCE be pleased to state :

(a) whether India and Vietnam have agreed to give fresh impetus to bilateral economic ties and diversify their export commodities to enhance quantum of trade from the current level of \$ 120 million;

(b) if so, whether both the countries have also signed a work plan of cooperation in agriculture during the years 1999 and 2000;

(c) if so, whether any agreement has been signed in this regard; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) During the Ninth session of the India-Vietnam Joint Commission meeting held in New Delhi on 1st February, 1999 both sides agreed to intensify efforts to diversify their respective export commodities and to enhance the quantum of bilateral trade.

(b) to (d) India and Vietnam have signed a Work Plan for cooperation in the field of agriculture research and education for the year 1999 and 2000, at New Delhi on 1st February 1999 under the existing Memorandum of Understanding for Agriculture Research and Education, as was signed between the two Governments on 31.10.1992. The Work Plan provides for exchange of study visits of scientists and experts between the two countries. The following items have been specified for

study visits of Indian scientists to Vietnam; Hybrid Cotton Production Technology, Hybrid Rice Production Technology, Micropropagation in Sugarcane, Water Management Studies under Rice Based Cropping System, Goat Production, Dairy Production/Management, Swine Management and Diseases, Post Harvest and Farm Mechanisation and Fruits and Vegetable Production. The following items have been specified for study visits/training of Vietnamese Scientists in India; Post Graduate Training Programme in Agriculture/Animal Science, Embryo Transfer in Cattle, Goats and Buffaloes, Maize Production Technology, Hybrid Cotton Production, Hybrid Rice Seed Production, Micropropagation of Sugarcane, Fruits/Vegetable Research, Goat Production and Farming System.

The Work Plan provides for technical cooperation between the two countries for Collaboration/Joint Research Programme in the following areas:

1. Development and Testing of hybrid rice under different Agro-eco-system.
2. Development and Testing of coarse cereals under hill and mountain eco system.
3. Evaluation of hybrid cotton/cotton varieties.
4. Studies on the feasibility of goat management for meat production.
5. Exploratory studies on semen processing, embryo transfer etc. in goats, cattle and buffaloes.
6. Studies on fruits and vegetable production.

The Work Plan also provides for the following exchange of Germ plasms and Literature;

From Vietnam to India

- Exchange of germplasm of rice, cotton, sugarcane, maize and coarse cereals.
- Exchange of materials of fruits and vegetables, sweet potato, cassava, orange, citrus, lemon, coconut, dioscorea.
- Goats.

From India to Vietnam

- Hybrid cotton, coarsecereals, maize, vegetables, mango, manelria, papaya, pineapple, jackfruit, tomato, egg plant, chilli etc.

Performance of KONEX Project of ECL

1603. SHRI MAHBOOB ZAHEDI : Will the Minister of COAL be pleased to state:

(a) whether the KONEX Project at Satgram of Raniganj in West Bengal was undertaken by ECL in an agreement with Poland for completion in 1993;

(b) if so, whether the Project could not reach the targeted production even after investment of Rs. 125 crores;

(c) if so, the reasons therefor;

(d) whether 72 chalk shields valued at Rs. 10 lakhs each are now wasted being exposed to sun and rains;

(e) whether the Trapler Car Shed built up at an expense of Rs. 80 lakhs remains unused; and

(f) if so, the steps taken by the Government against ECL for such wastage of public money?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (d) The Satgram Project of ECL has not been executed in agreement with Poland. However a Polish company viz M/s. Overseas Mine Construction Company (KOPEX, Polish Public Enterprise) was awarded a contract to sink two shafts and related work at Satgram through a global tender. It has been reported by Coal India Limited that the project could not achieve its production target even after investing Rs. 137.04 crores upto November'98. The main reason for this is agitation by contract workers engaged by KOPEX for employment in ECL and non-acquisition of land for mining. This issue was brought to the notice to State Government of West Bengal but the problem is yet to be resolved. The land owners are demanding benefits beyond the prescribed norms of CIL. The dewatering work of the upper seam is kept under suspension due to the villagers' resistance. As a result of this the longwall panel after development could not be equipped with longwall equipment and has been kept on the surface.

(e) It has been stated by Coal India Ltd. that the Creepar Carcircuit is not in use at present due to the above reasons and will be used as soon as the mine is completely equipped after the land problem is solved.

(f) The slippage in the commissioning of this project is not on account of any lapse on the part of ECL's

management but rather due to protracted agitation by contractor's labour and non-cooperation by villagers. All efforts are being made by the Government and ECL to resolve these problems and commission the project.

Production and Import of Cotton Bales

1604. SHRI SUNIL KHAN : Will the Minister of TEXTILES be pleased to state:

(a) the total number of cotton bales imported during the last three years;

(b) the total production of cotton in the country during the same period;

(c) whether the production of cotton was low during the above period;

(d) if so, the reasons therefor; and

(e) the steps taken by the Government to protect the interests of cotton growers in the country?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The total number of cotton bales imported and the total production of cotton in the country during the last three years are as under:

	Production (in lakh bales of 170 kg each)	Import
1995-96	169.20	0.50
1996-97	177.90	0.30
1997-98*	158.00	4.00

*As estimated by the Cotton Advisory Board in its meeting held on 18.2.1999.

(c) and (d) The fall in production during the year 1997-98 was due to heavy intermittent rain, pest attack of American Bollworm and attack of leaf curl virus.

(e) To protect the interest of cotton growers in the country apart from announcing Minimum Support Prices (MSP), a Centrally sponsored scheme viz. Intensive Cotton Development Programme is being implemented in

11 major cotton growing States. The salient features of the scheme *inter alia* include transfer of technology to farmers, adoption of integrated pest management approach, popularising new varieties, enhancing area under irrigation through water saving devices, production of breeder seeds and distribution of certified seeds. Besides, Government has mooted to launch a Technology Mission on Cotton Development with objectives of research, dissemination of technology to farmers, improvement in marketing infrastructure and modernisation of ginning and pressing factories.

Complaints received by NSE from Investors

1605. SHRI VIJAY TIPE :
SHRI MADAN PATIL :
SHRI ABHAYSINH S. BHONSLE :
SHRI ASHOK NAMDEORAO MOHOL :
SHRI MADHAVRAO PATIL :
SHRI A. VENKATESH NAIK :

Will the Minister of FINANCE be pleased to state:

(a) whether the National Stock Exchange (NSE) has received complaints against some companies from the investors;

(b) if so, the number of complaints received during the last year and current year, indicating the nature of complaints; and

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

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

(b) The National Stock Exchange of India Ltd. (NSE) received 578 complaints during April 1997—March 1998 and 494 complaints during April 1998—February 1999. The complaints relate to non-receipt of certificates after transfer/on allotment/on conversion of debentures, non-receipt of dividend interest, redemption value, erroneous transfer of shares, change in registered office etc.

(c) The Securities and Exchange Board of India (SEBI) continuously monitors the performance of the NSE in redressal of investor grievances.

Export of Wheat Products to Maldives

1606. SHRI SURESH WARPUDKAR : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have relaxed its ban on export of wheat products and allowed export of 20,000 tonnes of wheat products to Maldives during 1998-99;

(b) if so, whether the Government are aware of the food shortage during the last two years and compelling it to import wheat from Australia; and

(c) if so, the reasons which compelled the Government to allow export of wheat products?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (c) 20,000 MT of wheat products for exports to Maldives has been permitted keeping in view the small quantity/requirement involved and Maldives being a traditional importer of wheat products from India.

[Translation]

Loans & Advances
Loans to Poor People

1607. SHRI RAJO SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether the banks are not providing loans to the poor people of Backward Classes and Scheduled Tribes in the rural areas of Bihar, particularly in Shekhpura, Begusarai, Lakhisarai and Jammu Districts, whose mud houses have collapsed;

(b) if so, the reasons therefor; and

(c) the number of persons alongwith the extent of loan amount given by the banks in the State during the last three years?

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) Banks provide loans under various Government sponsored schemes for poverty alleviation and employment generation which are administered by different administrative Ministries of the Central Government. Under these schemes, Scheduled Castes/Scheduled Tribes (SCs/STs) can avail the benefits of loan facilities. Reserve Bank of India (RBI) have reported that they have no separate information regarding bank loans to persons from

backward classes and scheduled tribes in rural areas of Bihar whose mud houses have collapsed.

(c) The details of outstanding loans of scheduled commercial banks in Bihar under priority sector during the last three years are given below :

Year Ending	Total Priority Sector Advances	
	No. of Accounts	Amount Outstanding (Rs. in lakhs)
March 1995	2753527	258953
March 1996	2529095	277256
March 1997 (Latest available with RBI)	2433796	299588

[English]

216-24 Coal, Pollution
Special Smokeless. Fuel

1608. SHRIMATI SHEEA GAUTAM : Will the Minister of COAL be pleased to state:

(a) whether the Central Mine, Planning Designing Institute Ltd. (CMPDIL) Ranchi, have developed a sophisticated technology as a substitute for smoking coal for manufacturing a special smokeless fuel (SSF) for elimination/reduction of smoke pollution drudgery/health hazard;

(b) if so, the details thereof;

(c) the locations of SSF units set up and commissioned/operated under the sponsorship of Coal India Ltd., State-wise;

(d) the details of tentatively cost with capacity; and

(e) the proposed estimate of CIL for setting up of additional new SSF units, State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) Yes, Sir. Sized coal is devolatilised in shallow depth internal heating retort

to produce smokeless coke for domestic use and some by-product.

(c) A list of 64 commissioned SSF plants, State-wise, is furnished in the attached statement.

(d) The total cost of a 100 tonnes per day SSF

plant is about Rs. 100 lakhs, out of which plant and machinery costs approximately Rs. 60 lakhs.

(e) It has been reported by Coal India. Ltd. that CIL has no plans to set up SSF Plants. It is up to private entrepreneurs to set up plants for which CMPDI and CIL will give project report, technology, know-how and all necessary help.

Statement

Name of SSF Plants Comissioned

Sl. No.	Name of the SSF Units	Location	State
1	2	3	4
1.	Aman Coke Plant Pvt. Ltd.	Aurangabad	Bihar
2.	Arvind Fuels P. Ltd.	Varanasi	U.P.
3.	Arya Coke Udyog	Hazaribagh	Bihar
4.	Ashok Smokeless Coal Ind. P. Ltd.	Bhabhua	Bihar
5.	Avadh Fuels P. Ltd.	Faizabad	U.P.
6.	A.S. Fuels P. Ltd.	Mirzapur	U.P.
7.	Babul Smokeless Fuel Ind. P. Ltd.	Madhubani	Bihar
8.	Bahuball Techno Engg. Pvt. Ltd.	Ghaziabad	U.P.
9.	Baidyanath Ch. & Car. Co. P. Ltd.	Palamau	Bihar
10.	Balaji Fuels Pvt. Ltd.	Palamau	Bihar
11.	Basic Fuels Pvt. Ltd.	Giridih	Bihar
12.	Deshiahara Coke Ind. Pvt. Ltd.	Dewas	M.P.

1	2	3	4
13.	Dhar Coal Products Pvt. Ltd.	Dhar	M.P.
14.	Drolia Coke Inds. P. Ltd.	Varanasi	U.P.
15.	Eastern Flames P. Ltd.	Kanpur (Dehat)	U.P.
16.	Fertico Marketing & Invst. P. Ltd.	Varanasi	U.P.
17.	Ganga Fuels P. Ltd.	Varanasi	U.P.
18.	Gautam Coal Works Pvt. Ltd.	Ranchi	Bihar
19.	Gaya Coke Co. P. Ltd.	Gaya	Bihar
20.	Gwalior Smokeless Fuels P. Ltd.	Faridabad	Haryana
21.	Indo Unique Flame P. Ltd.	Nagpur	Maharashtra
22.	Interlinek Coal P. Ltd.	Bhabhua	Bihar
23.	Jai Durga Industries	Varanasi	U.P.
24.	Kakan SSF P. Ltd.	Bhojpur	Bihar
25.	Kalyan Coal Depot Pvt. Ltd.	Mirzapur	U.P.
26.	Ma-Bindhyawashini S.Fs.P. Ltd.	Jaunpur	U.P.
27.	Maa Chhinmastika Coke Ind. P. Ltd.	Hazaribagh	Bihar
28.	Maa Sharda Coke Mgf. Co. P. Ltd.	Panna	M.P.
29.	Magadh Smoki Cooking Coal Inds. Pvt. Ltd.	Aurangabad	Bihar

1	2	3	4
30.	Maharani Fuels P. Ltd.	Muzaffarpur	Bihar
31.	Mithilla Coal Inds. P. Ltd.	Muzaffarpur	Bihar
32.	Naman Smokeless Fuel Ind. P. Ltd.	Patna	Bihar
33.	Nirdhoom Indian	Rohtas	Bihar
34.	Pandit Fuels P. Ltd.	Kanpur (Dehat)	U.P.
35.	Parvati Fuels P. Ltd.	Jaunpur	U.P.
36.	Pawan Wires P. Ltd.	Panna	M.P.
37.	Patee Fuels & Flames P. Ltd.	Bilaspur	M.P.
38.	Pushpanjali Coal & Coke P. Ltd.	Aurangabad	Bihar
39.	R.K. Coal Sales P. Ltd.	Moradabad	U.P.
40.	R.S. Coke Ind. Pvt. Ltd.	Hazaribagh	Bihar
41.	Radhey Minerals Pvt. Ltd.	Nagpur	Maharashtra
42.	Rewa Fuels	Rewa	M.P.
43.	Rungla Fuels P. Ltd.	Varanasi	U.P.
44.	S.J. Coke Ind. Pvt. Ltd.	Hazaribagh	Bihar
45.	Sawamrekha Coke & Coals P. Ltd.	Madhubani	Bihar
46.	Sawastik Smokeless Coke Co. P. Ltd.	Aurangabad	Bihar

1	2	3	4
47.	Shadi Fuels Pvt. Ltd.	Varanasi	U.P.
48.	Shanu Coal P. Ltd.	Betul	M.P.
49.	Shiv Domestic Coal Inds.	Patna	Bihar
50.	Shri Coal Inds. P. Ltd.	Raisen	M.P.
51.	Shri Marooti SSF Inds. P. Ltd.	Dhanbad	Bihar
52.	Shri Ram Fuel P. Ltd.	Varanasi	U.P.
53.	Sohna Construction Pvt. Ltd.	Gurgaon	Haryana
54.	Solar Carbons P. Ltd.	Nagpur	Maharashtra
55.	Solar Smokeless Fuel P. Ltd.	Dehri-on-sona	Bihar
56.	Subamrekha Coal Complex P. Ltd.	Allahabad	U.P.
57.	Super Coke Inds. (50 tpd)	Hazaribagh	Bihar
58.	Sushila Chem. P. Ltd.	Varanasi	U.P.
59.	Swastik Cement Prodcets. P. Ltd.	Varanasi	U.P.
60.	Vandana Pvt. Ltd.	Akola	Maharashtra
61.	Vidyum Fuel Ind. P. Ltd.	Allahabad	U.P.
62.	Domco Smokeless Fuel P. Ltd.	Aurangabad	Bihar
63.	Shree Fuels Pvt. Ltd.	Kunigal	Karnataka
64.	Shree Ram Flames Pvt. Ltd.	Nagpur	Maharashtra

All plants except Super Coke Industries
 Shree Fuels Pvt. Ltd.
 Indo Unique Flame P. Ltd.
 are of 100 TPD capacity.

— 50 TPD
 — 150 TPD &
 — 200 TPD

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Handloom and Handicrafts Development

1609. SHRI MOINUL HASSAN AHAMED : Will the Minister of TEXTILES be pleased to state the performance of Handloom and Handicrafts Development Corporation during the last three years, State-wise?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : The information is being collected from different States and will be laid on the table of the House.

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Triangular Trade Block

1610. SHRI KRISHAN LAL SHARMA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Bangladesh Government have suggested for setting up of a triangular trade block involving India, Bangladesh and Thailand; and

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

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) No, Sir. However, there is a sub regional economic grouping between Bangladesh, India, Myanmar, Sri Lanka and Thailand (BIMST-EC).

[Translation]

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Hindi Consultative Committee

1611. SHRI MOTILAL VORA : Will the Minister of STEEL AND MINES be pleased to refer to Unstarred Question No. 859 dated December 3, 1998 and to state:

(a) the time by which Hindi Salahkar Samities are likely to be constituted in the Department of Steel and Mines separately; and

(b) the reasons for delay in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) The constitution of the Hindi Salahkar Samitis of the Department of Steel and the Department of Mines have already been sent to the Department of Official Language (Ministry of Home Affairs) for approval.

As soon as the approvals are received, the Samitis will be constituted.

(b) Keeping in view (a) above, question does not arise.

[English]

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Alumina Project in Orissa

1612. SHRI RANJIB BISWAL : Will the Minister of STEEL AND MINES be pleased to state:

(a) the total land acquired by the Government for the proposed Utkal Alumina Project in Koraput district in Orissa;

(b) whether any compensation has been given to the persons whose land has been acquired;

(c) if so, the details thereof;

(d) if not, the reasons therefor; and

(e) the steps taken by the Government to expedite payment of compensation to the affected people?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (e) The information is being collected and will be laid on the Table of the House.

6-2-99

Policy for SSIs

1613. SHRIMATI JAYANTI PATNAIK : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have amended its policy for small scale industries;

(b) whether the policy has been further liberalised for manufacturing of new products reserved for small scale industry sector;

(c) if so, the amendments incorporated in the revised policy;

(d) whether pollution aspect has been taken into consideration; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) There is no change in policy of SSI as announced on 6th August, 1991.

(b) and (c) The review of reservation list for the manufacture of items in small scale sector is a continuous process for which there is a Statutory Advisory Committee on Reservation. As on date there are 812 items reserved for manufacture in Small Scale Sector. Large units or foreign companies engaged in the manufacture of reserved SSI items are required to export at least 50% of their production.

(d) and (e) The pollution aspect is taken into consideration irrespective of the fact whether the industry belongs to the small scale or not. However, the procedure for obtaining the Pollution Control Certificate has been simplified for small units wherein except for 17 highly polluted industries mere acknowledgement of the application is considered as a NOC.

Further in case of industries who have installed pollution control processes, the chemicals recovered from such processes, even if they are reserved for SSI Sector, industry is permitted without mandatory export obligation of 50% in the larger interest of sustainable industrial development.

Indian Currency
22.7.99
Spilled Currency Notes

1614. SHRI T. GOVINDAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued instructions to banks to receive spoiled currency notes of the denomination of Rs. 1, 2, 5 and 10; and

(b) if so, the action taken against those banks who refuse to accept spoiled/torn currencies from the public?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The Reserve Bank of India has authorised all branches of public sector banks as also certain selected private sector banks to accept and exchange all types of soiled/mutilated notes including notes of Rs. 1, 2, 5 and 10 denominations from their customers and the public. These are payable under RBI (Note Refund) Rules.

(b) Whenever any complaint or a reference regarding refusal to accept soiled/mutilated notes by any bank is received, the matter is promptly looked into by RBI and

taken up with the Head Office or Controlling Office of the concerned bank for immediate action.

25.6
Import of Gold and Gems

1615. SHRI AJOY MUKHOPADHYAY : Will the Minister of FINANCE be pleased to state:

(a) the amount of gold and gems imported during the last three years with dollar/rupee value; and

(b) the amount of gems and jewellery exported during the same period with dollar/rupee value?

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 amount of gold imported during 1995-96, 1996-97 and 1997-98:

Year	Qty. (in tonnes)	Value (Rs. in crores)
1995-96	245.22	12231
1996-97	338.191	17146
1997-98	635.786	27633

Value of gems (Pearls, Precious and Semi-precious stones) imported during the last three years:

Year	Value (Rs. in crores)
1995-96	7044.67
1996-97	10383.60
1997-98	11680.38

(b) The amount of gems and jewellery exported during the last three years:

Year	Value (Rs. in crores)
1995-96	17644.22
1996-97	16872.10
1997-98	19013.55

Tax Exemption on Withdrawal of Deposits

1616. SHRI VAIKO : Will the Minister of FINANCE be pleased to state:

(a) whether the one time withdrawal of deposits are made tax free;

(b) if so, the details thereof alongwith the time by which it is applicable;

(c) whether the deposits in National Savings Certificate can be withdrawn tax free;

(d) if not, the recovery thereof;

(e) the maximum beneficiaries of both the schemes;

(f) whether the retired savers are permitted for withdrawal of National Saving Scheme 1987 funds tax free; and

(g) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) It is not clear which deposits are being referred to.

(c) Yes, Sir. No tax is deducted from the payment of discharge value in National Savings Certificate (VIIIth Issue). The interest earned is taxable on an annual accrual basis, but exempted under the limits prescribed under Section 80L of Income Tax.

(d) Does not arise.

(e) It is not clear which two schemes are referred to. For National Savings Certificates no such data is available.

(f) No, Sir.

(g) Does not arise.

Debt Recovery Tribunals

1617. SHRI A. VENKATESH NAIK : Will the Minister of FINANCE be pleased to state:

(a) the number of appeals filed to Appellate Authority of Debts Recovery Tribunal at Mumbai from Karnataka during the last three years;

(b) whether the Government propose to conduct the sitting of the above Appellate Authority in Bangalore every month to facilitate the banks and the borrowers of Karnataka; and

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

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) As reported by Debts Recovery Appellate Tribunal, Mumbai, during the years 1996, 1997 and 1998 (upto November, 1998), 50 cases have been filed in the Tribunal relating to State of Karnataka.

(b) and (c) Under the provisions of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, the Appellate Tribunal have powers to regulate its own procedure including the places at which it shall have its sittings. Therefore, Appellate Tribunal is competent to hold its sittings anywhere in the country including Bangalore.

Profit/Loss of Vizag Steel Plant

1618. SHRI GIRIDHAR GAMANG : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Vizag Steel Plant has been suffering losses during the last three years;

(b) if so, the details thereof and the reasons identified for losses alongwith the corrective measures taken/being taken by the Government to make it profitable;

(c) the infrastructure facilities created for export of steel products as envisaged in the project plan;

(d) the fabrication units set up by the steel plant to meet the domestic and export demands; and

(e) the present and future of the steel plant as per the review made by the experts and export committees, if any?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b) Details of the profit and loss registered by RINL/VSP

during the last three years are as under:

(Rs. in Crores)

Year	Profit(+)/Loss(-)
1995-96	(-) 204.27
1996-97 (April'96-Sept'97)	(-) 452.20
1997-98 (Oct'97-March'98)	(+) 29.53(*)

(*) During 1997-98 (Six months' period), the nominal profit is on account of write-back of interest due to Government following conversion of loans from Government into preference capital.

The losses are explained chiefly by high capital related charges viz. interest and depreciation, on the one hand and sluggish market conditions on the other.

With a view to assist RINL become financially viable, the Government approved a financial restructuring of Rashtriya Ispat Nigam Ltd. in May, 1998 and further directed RINL to prepare a comprehensive revival plan. The company engaged an international reputed consultant to study the turnaround strategies and prepare a comprehensive revival plan for long term viability of the company. The consultants have since submitted their report. And a comprehensive proposal for the revival of the Plant is under inter-ministerial consideration.

(c) No such separate infrastructural facilities were created for export of Steel products.

(d) No fabrication units have been set up by the Steel Plant to meet the domestic and export demands.

(e) As stated in reply to, (a) and (b) above, a comprehensive proposal is under consideration.

[Translation]

Export of Vegetables

1619. SHRI SUSHIL CHANDRA VARMA : Will the Minister of COMMERCE be pleased to state:

(a) the policy of the Government regarding export and import of vegetables; and

(b) the details of the vegetables being exported?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) The policy of the Government to permit exports of agricultural products and farm goods is governed principally by the concerns of India's food security, maximising farm income and earning foreign exchange. Review of export performance of agricultural products is an on-going process and accordingly policy interventions are made, as and when considered necessary with a view to making agricultural exports increasingly viable. The import policy of the Government is primarily based on augmentation of domestic supplies to meet the local requirements and providing inputs at reasonable price to the processors/manufacturers of food items.

The export of all vegetables except onions is presently allowed freely. The export of onions is canalised through the National Agricultural Cooperative Marketing Federation of India Ltd., (NAFED) and the Maharashtra State Agricultural Marketing Board. The export of Bangalore Rose onions, Krishnapuram onions and 3000 Mts. of all varieties of onions on a Government to Government basis to Sri Lanka, is allowed through NAFED. Export of 25,000 Mts of onions per month for three months is allowed through the Maharashtra State Agricultural Marketing Board.

The import of vegetables which is covered under the classification of consumer items, is not permitted except against a licence or in accordance with Public Notice issued in this behalf. However, import of certain fruits and vegetables are freely allowed from SAARC countries subject to condition that the items are in new/prime condition and are of origin of the SAARC countries listed in the Notice. However, these imports are subject to normal admissible import tariff.

(b) The vegetables exported from the country include onions, potatoes, okra, tomatoes, mushrooms, cucumber, gherkins, capsicum, green chilly and peas.

[English]

Coir Geo Textiles

1620. SHRI MULLAPALLY RAMACHANDRAN : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have any proposal for promoting the production and marketing of Coir Geo-Textiles;

(b) if so, the details thereof;

(c) whether the Government of Kerala has submitted any representation for promoting the Coir Geo-Textiles Industry;

(d) if so, the details thereof; and

(e) the action taken by the Government thereon?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) There are several Government assisted schemes for promoting the production and marketing of coir products including Coir Geo-Textiles. These schemes are implemented by the Coir Board on behalf of the Government of India. Special attention is being paid to production and marketing of Coir Geo-Textiles which have tremendous potential for use in soil erosion control programmes in India as also in foreign countries considering overall emphasis on environment friendly products in this area.

[Translation]

Copper Factories

1621. SHRI PUNNU LAL MOHALE : Will the Minister of STEEL AND MINES be pleased to state:

(a) the names of places where copper based industries have been set up, State-wise, and the areas thereof;

(b) the progress made to increase the production capacity of these industries;

(c) whether the Government have made any arrangement for the haulage of raw material excavated from the mines; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (d) The information is being collected and will be laid on the Table of the House.

[English]

Contingent Fund

1622. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state:

(a) whether any proposal is under consideration of Government for setting of Contingent Fund for projects to cover liabilities arising out of the Central/State Government's guarantees, as suggested by the Planning Commission;

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

(c) the present status of its implementation?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) It has been decided to set up a Guarantee Redemption Fund for expeditious settlement of claims arising out of invocation of Government Guarantee. For this purpose, a provision of Rs. 50 crore has been made in the BE 1999-2000 as initial contribution for building up the corpus of the Fund.

Income Tax Exemption to ITIs

1623. SHRI MANIBHAI RAMJIBHAI CHAUDHARI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received any proposal from any State Government for exemption from payment of Income Tax for investments towards providing infrastructural facilities to private ITIs;

(b) if so, the details thereof;

(c) the action taken by the Government thereon;

(d) whether the Government have any plan to revise the provisions of Section 80-IA of Income Tax Act, 1961; 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) Yes, Sir.

(b) Reference has been received from the Adl. Secretary, Government of Gujarat forwarded by Shri Y.K. Alagh, ex-Minister of State for granting income tax exemption to investment made for setting up infrastructure facilities like private ITIs under the provisions of section 80-IA of the Income-tax Act.

(c) The Government have considered the suggestion. The provisions under section 80-IA are meant to extend fiscal incentives for the development of basic infrastructure like roads, highways, ports etc.; power; telecommunication; and industrial parks.

(d) The proposal for revising the provision of section 80-IA into two sections namely section 80-IA and section 80-IB are contained in the Finance Bill, 1999. However, there is no proposal with the regard to the specific suggestion of the Gujarat Government referred to in (b) above.

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

Duty Drawback Claims

1624. DR. ULHAS VASUDEO PATIL :
SHRI PRASAD BABURAO TANPURE :

Will the Minister of FINANCE be pleased to state:

(a) whether the revenue department go slow on settling duty drawback claims of exporters in the last three-four months of the every financial year;

(b) whether this step is taken for filling the gap of revenue deficit in that particular year;

(c) if so, whether the Government propose to take these duty drawback claims to the new financial year;

(d) if so, the total amount so far carried forward for duty drawback claims for the next financial year during the last three financial years; and

(e) its likely effect on exports?

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. Sir. Revenue Department have not issued any instructions to go slow on the settlement of drawback claims.

(c) to (e) All completed duty drawback claims which are received in the Customs Houses are processed and drawback sanctioned within two months as per provisions of Customs Act and Drawback Rules. In case the claim is not settled with two months of filing a completed drawback claim, the Government is liable to pay interest to the claimant for period of delay beyond two months. The period beyond which interest is payable by the Government has been reduced recently to two months from the earlier period of three months in order to expedite the settlement of drawback claims.

Export of Vegetables

1625. SHRI R.S. GAVAI : Will the Minister of COMMERCE be pleased to state:

(a) the country's annual earnings from the export of vegetables during each of the last three years;

(b) whether the Government have prepared any action plan on export strategy for promoting vegetable export;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) The annual earnings from the export of fresh vegetables during the last three years are as follows:—

Year	Value (Rs. crores)
1995-96	301.19
1996-97	341.16
1997-98	319.45

(b) to (d) The Government has been implementing various measures to boost production and export of horticultural products including vegetables. These

include :—

- (i) 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 under the Centrally Sponsored Scheme on Integrated Development of Tropical, Temperate and Arid Zone fruits.
- (ii) Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment.
- (iii) 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);
- (iv) Grant of financial assistance for improved packaging, and strengthening of quality control including adoption of latest ISO 9000/HACCP systems at export units;
- (v) Grant of air freight subsidy for export of selected fresh vegetables and fresh fruits.
- (vi) Establishment of vapour heat treatment facilities for improving the acceptability of the product especially mangoes in overseas markets. Research efforts are on for the use of modern technologies such as Controlled/Modified Atmosphere technologies in transportation for increasing the shelf-life of perishable products;
- (vii) Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions;

- (viii) 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;
- (ix) Providing technical advisory services and other support services to, trade and industry including training of farmers for export production, quality control packaging, transport, etc.

On-going Irrigation Projects

1626. SHRI ASHOK NAMDEORAO MOHOL :
SHRI A. VENKATESH NAIK :
SHRI VITHAL TUPE :

Will the Minister of FINANCE be pleased to state:

(a) whether the National Bank for Agriculture and Rural Development has sanctioned loan for the completion of certain on-going irrigation projects in the country;

(b) if so, the details thereof and the details of loan sanctioned by the bank for the purpose during the last three years, project-wise and State-wise;

(c) whether some more proposals for financing the irrigation projects are pending with the NABARD; and

(d) if so, the details thereof and the stage at which these proposals are pending?

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. National Bank for Agriculture and Rural Development (NABARD) has been sanctioning loans for the completion of certain on-going irrigation projects in different States of the country under Rural Infrastructure Development Fund (RIDE). The details of the State-wise and project-wise sanctions are given in the attached statement I to IV.

(c) and (d) NABARD has reported that proposals for an aggregate loan amount of Rs. 178.63 crore in irrigation

sector are pending consideration and these would be considered for sanction if found feasible and viable.

Statement-I

The State-wise details of on-going irrigation projects sanctioned under Rural Infrastructure Development Fund-I during the year 1995-96

(Rs. in lakhs)

S. No.	State	Total		
		No.	Sanctioned	Disbursed
1	2	3	4	5
1.	Andhra Pradesh	67	21990.41	18374.46
2.	Bihar	783	2618.13	—
3.	Goa	1	684.95	684.95
4.	Gujarat	43	13411.40	12516.26
5.	Haryana	3	1827.71	1373.88
6.	Himachal Pradesh	70	1356.21	1351.96
7.	Jammu & Kashmir	12	621.79	603.85
8.	Karnataka	90	14345.14	12078.57
9.	Kerala	96	9470.91	6730.19
10.	Madhya Pradesh	163	19963.28	14991.52
11.	Maharashtra	105	17374.00	14865.58
12.	Manipur	63	174.86	23.74

1	2	3	4	5
13.	Mizoram	21	238.19	201.94
14.	Nagaland	18	137.98	134.87
15.	Orissa	2539	13424.82	11584.73
16.	Rajasthan	36	11836.15	9815.47
17.	Tripura	36	182.37	31.71
18.	Uttar Pradesh	27	28478.89	25452.29
19.	West Bengal	16	8892.70	6351.00
Total		4189	167029.89	137166.97

Statement-II

The State-wise details of on-going irrigation projects sanctioned under Rural Infrastructure Development Fund-II during the year 1996-97

(Rs. in lakhs)

S. No.	State	Total		
		No.	Sanctioned	Disbursed
1	2	3	4	5
1.	Andhra Pradesh	12	6390.26	1892.75
2.	Gujarat	9	3106.40	1285.03
3.	Haryana	2	3492.47	2135. J
4.	Himachal Pradesh	43	1870.77	1190.94

1	2	3	4	5
5.	Karnataka	4	5113.84	2190.38
6.	Kerala	16	3384.01	555.91
7.	Madhya Pradesh	64	20403.19	7960.14
8.	Maharashtra	104	22514.90	15302.59
9.	Orissa	1	2090.00	2071.86
10.	Rajasthan	14	3158.86	2204.06
11.	Uttar Pradesh	3	6058.65	2076.60
12.	West Bengal	23	121.27	12.13
Total		295	77704.06	36878.28

Statement-III

Statement showing the State-wise details of on-going irrigation projects sanctioned under Rural Infrastructure Development Fund-III during the year 1997-98

(Rs. in lakh.,

S. No.	State	Total		
		No.	Sanctioned	Disbursed
1	2	3	4	5
1.	Andhra Pradesh	2	163.67	94.00
2.	Bihar	53	915.37	—
3.	Gujarat	5	7107.67	4054.26

1	2	3	4	5
4.	Haryana	1	1091.77	405.73
5.	Himachal Pradesh	7	164.45	92.65
6.	Jammu & Kashmir	92	733.01	146.60
7.	Karnataka	1	625.10	79.95
8.	Kerala	2	42.98	—
9.	Madhya Pradesh	73	10175.73	1630.95
10.	Orissa	18	8110.79	780.13
11.	Rajasthan	30	7126.40	2128.10
12.	Uttar Pradesh	8	14450.25	299.48
Total		292	50715.09	9711.85

Statement-IV

Statement showing the State-wise details of on-going irrigation projects sanctioned under Rural Infrastructure Development Fund-IV during the year 1998-99

(Rs. in lakhs)

S. No.	State	Total		
		No.	Sanctioned	Disbursed
1	2	3	4	5
1.	Andhra Pradesh	2	3173.46	
2.	Bihar	1	443.16	

1	2	3	4	5
3.	Goa	1	185.00	
4.	Gujarat	3	5027.40	
5.	Himachal Pradesh	2	24.33	2.43
6.	Jammu & Kashmir	4	1404.31	
7.	Karnataka	9	548.39	
8.	Madhya Pradesh	65	8817.12	
9.	Maharashtra	13	10047.53	
10.	Orissa	5	5067.36	
11.	Rajasthan	11	9967.56	
Total		116	44705.64	2.43

219-19
Restructuring of ECL

1627. SHRI BASU DEB ACHARIA : Will the Minister of COAL be pleased to state:

(a) whether the Coal India Limited has referred the proposal of restructuring of Eastern Coalfields Limited to ICICI;

(b) if so, whether the ICICI has submitted the report;

(c) if so, the details of the recommendations made by ICICI;

(d) whether the ECL management has accepted the recommendations; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Coal India Limited has engaged the ICICI to carry out a comprehensive study and recommend measures for revival of Eastern Coalfields Limited (ECL).

(b) The ICICI have submitted an interim report.

(c) In their interim report the ICICI have clearly pointed out that the various mines being operated by ECL can be classified as follows:

Group I Profitable mines

Group II Areas with profit potential

- Group III High capacity Longwall mines.
- Group IV Losing mines with difficult working conditions.

For Group IV mines, the ICICI could suggest no viable solution and recommended phasing out of such mines. 64 mines of ECL located in 6 Areas of the company belong to the Group IV mines highlighted in the ICICI report.

(d) and (e) The Board of Directors of ECL in their meeting held on 22.10.1998 passed a resolution to close down those 64 mines. This resolution was passed by the ECL Board in context of the acute financial problems besetting the company for a long time. However, no steps as prescribed under the Industrial Disputes Act, 1947 for retrenchment of work-men has been taken by the ECL management because discussions are under way with the Trade Unions in an effort to evolve an acceptable solution to the financial problem of ECL. A fresh package for turnaround of ECL has been proposed which is under the consideration of the Trade Unions.

Joint Ventures in Technology Transfer

1628. SHRI BASU DEB ACHARIA :
SHRI SUNIL KHAN :
SHRI LAKSHMAN CHANDRA SETH :
SHRI BIKASH CHOWDHURY :

Will the Minister of INDUSTRY be pleased to state:

- (a) the total number of joint ventures operating in the country involving technology transfer;
- (b) the total number of such ventures introduced through automatic route despite the foreign companies already having joint ventures in the same or allied fields; and
- (c) the amount of Foreign Direct Investment involved in such ventures?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) 14551 proposals involving foreign financial and technical collaboration with total Foreign Direct Investment amounting to Rs. 181391.55 crore have been approved from January 1991 upto December, 31, 1998. As per Press Note No. 18 of 1998 Series dated 14.12.1998 read with Press Released dt. 14.1.1999 foreign financial/technical collaborators with previous or existing joint ventures in India can no longer access the Automatic

Approval Route for promoting new ventures (either partially or wholly owned) in the same or allied activity in which there are/or have been existing/earlier ventures involving the same collaborator. No such case has been reported after the issue of the above said Press Note.

Use of Rail Wagons by BCCL

1629. PROF. RITA VERMA : Will the Minister of COAL be pleased to state:

- (a) the average number of rail wagons requisitioned for despatch of coal by Bharat Coking Coal Limited during March 1997 to January 1999;
- (b) the number of rail wagons actually utilised by BCCL during this period;
- (c) the average per day demurrage paid by BCCL on account of non-utilisation of rail wagons during the stipulated period;
- (d) the reasons for non-utilisation of rail wagons as per requisition;
- (e) the details of rail wagons which could not be utilised and were returned to the railways; and
- (f) the duration for which the rail wagons were detained on rail sidings even beyond the prescribed duration alongwith the siding-wise number of rail wagons detained?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) During the period 3/97 to 1/99, BCCL on an average requisitioned 3875 Four Wheeler Wagons per day.

(b) Railways supplied on an average 2651 four wheeler wagons per day and all wagons were utilised fully barring a few defective/unsuitable wagons.

(c) Demurrage paid for detention of wagons during March, 1997, to March, 1998 was about Rs. 2.06 lakh per day. The demurrage for the period April, 1998 to January, 1999 has not been reconciled with Railways.

(d) The reasons for detention of wagons include:—

- (i) Supply of covered wagons on odd hours at sidings where manual loading by female workers is not possible at night.

1	2	3	4	5	6	7	8	9	10	11	12
Patherd-WSH-MID	0	0	0	0	0	0	0	0	0	0	0
Barora-WSH-WC	42	41	71	67	65	79	101	121	77	38	41
Barora-MID	0	0	0	0	0	0	0	0	0	12	0
Bhojudih-WS-WC	0	0	0	0	0	0	0	0	0	0	0
Bhojudih-WS-MC	0	0	0	0	0	0	0	0	0	0	0
Dugda-WSH-WC	0	0	0	0	0	0	0	0	0	0	0
Dugda-WSH-MID	0	0	0	0	0	0	0	0	0	22	45
Madhuband-WC	0	0	0	0	0	0	0	0	0	0	0
Madhuband-MC	0	0	0	0	0	0	0	0	0	0	0
Kustore-BRC	0	0	0	0	0	0	0	0	0	0	0
Damagoria-DF	0	0	0	0	0	0	0	0	0	0	0
Balli-JB-2-BRC	0	0	0	0	0	0	0	0	0	0	0
Gopa-KB-11-BRC	0	14	11	9	21	16	4	10	14	0	2
Buragarh-D/F	4	19	31	12	28	45	35	25	21	2	0
Buragarh-BRC	7	0	0	2	0	2	4	8	13	0	2

1	2	3	4	5	6	7	8	9	10	11	12
Kustore-NC	10	0	0	2	14	14	5	70	39	14	75
E. Bhugatdi-PEB	7	2	7	2	2	9	4	1	1	2	4
E. N. A-PEH	3	1	3	1	1	4	2	1	0	1	1
Liberty-NC	11	5	13	16	5	19	18	55	32	38	26
Ghanoodih-NC	14	5	14	21	0	16	28	48	34	13	3
GOCP-NC	23	22	9	42	0	19	63	108	70	70	6
GOCP-WF	0	29	0	0	0	0	0	0	0	0	0
Jeenagora-NC	0	0	0	0	0	0	0	0	0	6	16
S.TIS(JGB9)-NC	20	62	84	46	0	13	39	37	24	9	25
N.TIS(JGB6)-NC	17	5	5	10	0	23	14	65	14	9	0
Jay.S/N.TIS-HC	11	0	1	0	0	0	4	5	8	0	0
Lodna-4-HC		2	10	0	4	4	6	8	1	2	2
Lodna-WSH-W/C	14	5	0	3	0	0	0	2	2	0	0
Lodna-WSH-MID	4	0	4	2	0	4	0	0	2	0	2
Bagdigi-PEH	8	11	8	5	0	0	0	0	1	2	3
Bararee-WL-PEH	9	6	16	10	1	1	0	0	2	1	4

1	2	3	4	5	6	7	8	9	10	11	12
K. Chetudih-BRC	0	0	0	0	0	0	2	0	0	0	0
Madhuban-DF	1	0	0	0	0	0	0	0	0	0	0
NLOCP-W/F	0	0	0	0	0	0	0	0	0	0	0
Maheshpur-PEH	0	0	0	0	0	0	0	0	0	0	0
Phularitand-NC	28	24	93	14	0	0	0	0	0	0	0
Damoda. B.J.I.NC	11	0	28	24	5	5	0	0	0	5	9
Phul/Muradih-WC	0	0	2	0	0	0	0	0	6	12	16
Muraidi/Baro-NC	21	5	5	10	0	5	19	28	0	0	17
KGH/NUD.D-1-NC	19	0	18	0	0	0	19	12	26	51	51
Jamuni.D-1.DG	12	0	2	0	0	0	13	1	3	0	0
Benedi.KKCL-NC	18	0	0	0	0	0	0	0	0	0	0
Benedi. KKCM-NC	50	0	0	5	0	0	0	0	0	0	0
Mahuda WSH-WC	14	0	7	23	0	6	0	10	0	3	6
Mahuda-WSH-MID	7	0	1	12	0	3	1	3	0	2	3
Moonidih-WC	21	15	0	19	42	75	63	49	53	42	47
Moonidih-MID	5	15	13	5	14	19	10	19	0	9	0

1	2	3	4	5	6	7	8	9	10	11	12
Maheshpur-DG	4	2	0	0	0	0	0	0	0	0	2
S.Gov/N.TET.DG	1	5	1	0	0	5	0	0	0	0	4
Jogidi/BL.IV-NC	18	27	16	15	14	8	15	10	27	42	26
Govindpur-NC	8	0	0	0	0	0	5	9	5	0	0
W. Katras-NC	5	0	0	0	0	0	0	0	19	0	0
Angarpathra-NC	15	79	58	25	5	4	44	76	72	47	39
Ramkanali-NC	2	17	32	10	0	0	7	10	17	19	0
W. Mudidih-NC	7	23	32	7	5	0	20	23	13	38	32

[Translation]

Translation
9.6.1.52

**Agreement between India and
Trinidad and Tobago**

1630. DR. ASHOK PATEL :
SHRI RAJENDRA AGNIHOTRI :
SHRI CHETAN CHAUHAN :

Will the Minister of FINANCE be pleased to state:

(a) whether any agreement has been signed between India and Trinidad and Tobago to avoid double taxation and prevent evasion of Income-Tax;

(b) if so, the salient features of the agreement; and

(c) the date from which the agreement is to be implemented?

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 Convention has been signed between India and Trinidad and Tobago.

(b) The Double Taxation Avoidance Convention signed with Trinidad and Tobago largely provides for:—

(i) Lower rates of withholding tax *vis-a-vis* domestic rates in respect of interest, royalties and fees for technical service payments (i.e., 10% as against 20% provided in the Income-Tax Act, 1961);

(ii) The incidence of double tax shall be avoided by giving credit for taxes paid in the other country;

(iii) Each country shall lend assistance to the other in the collection of taxes;

(iv) Exchange of information between two countries in respect of cases under tax investigation.

(c) Consequent to the signing of the Convention and in accordance with Article 29 dealing with "Entry into Force", the Contracting States shall notify each other in writing of the completion of the procedures required by their respective laws. The Convention shall enter into force 30 days after the receipt of the later of the aforesaid notifications.

[English]

263-65

Recession in Industrial Sector

1631. SHRI MADHAVRAO SCINDIA :
SHRI SUSHIL KUMAR SHINDE :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the industry continued to suffer from deep recession during the last three months;

(b) if so, the extent of recession in respect of each sector of industry and the comparative figures for the

preceding three quarters; and

(c) the reasons for the recession in each sector?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) The industrial growth during the current financial year 1998-99 for the period April-December is 3.5% as compared to 6.7% during April-December, 1997. The month-wise overall growth in IIP during the last three months has been as under:

Month	Growth(%)
October, 98	0.8
November, 98	3.8
December, 98	3.2

The industrial growth in the latest and preceding three quarters is as follows:

Year	Mining & Quarrying	Manufacturing	Electricity	Overall
1998				
Jan-Mar	7.2	5.9	8.3	6.2
Apr-Jun	-0.3	4.3	10.2	4.4
Jul-Sep	-0.5	3.9	4.6	3.5
Oct-Dec	-2.5	2.9	5.0	2.6

The analysis of the performance shows that during the nine months of the current year 1998-99 (April-December), under performance is confined to some sectors. The sectors showing fairly high growth are sectors like metal products and parts except machinery and equipment (22.9%), transport equipment and parts (20.8%), paper and paper products (16.0%), beverages, tobacco and related products (13.8%) and rubber, plastic, petroleum and coal products (10.6%). Positive growth has also been recorded in electricity, food products, basic

chemicals & chemical products, leather and fur products, non-metallic mineral products and wool, silk and man made fibre textiles. Production has been negative in respect of cotton textiles (-9.9%), manufacture of jute and other vegetable fibre textiles (-5.4%), products (-3.3%), textile products (-3.1%) and basic metal and alloy industries (-3.0%).

The slowdown in industrial growth is due to factors such as falling export growth due to an overall slump in

the world trade and a decline in investment activity. There has been a consequent slackening of domestic demand across most sectors.

Taxation 2000-00

False Customs Duty Drawback

1632. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state:

(a) whether frauds in the customs duty drawback availment have come to light where drawback has been availed without any exports actually taking place;

(b) if so, the number of cases have come to light in the last three years giving the full details thereof together with the *modus operandi* adopted in those cases;

(c) the money involved in those frauds and the people involved in those scams/fraud; and

(d) the action taken by the Government thereon fraud-wise?

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. During the last three years, 13 cases have come to light where Customs Duty drawback has been availed without any exports actually taking place. The common *modus operandi* followed in 12 of these cases involved filing of forged documents and shipping bills by the claimants, wherein the examination reports by the Customs Officers on the shipping bills were also forged. In one case, the *modus operandi* involved making fraudulent entries in the Customs EDI/Computer System including Examination Report, by using computer passwords allocated to Customs Officers, to avail drawback.

(c) and (d) The total amount of drawback involved in these 13 cases is Rs. 59.24 crores.

In one case, adjudication proceedings have been completed and demand recovery of drawback amount of Rs. 49.60 crores for bogus exports from Mumbai Air Cargo Complex claimed fraudulently during the period of July, 1995 to October, 1997, has been confirmed against the claimant. In this case, the main person involved, who admitted the fraud, was arrested in October, 1997, and was subsequently detained under the COFEPOSA Act,

1974. This case is being further investigated by the Central Bureau of Investigation. The recovery proceedings are also underway and an amount of Rs. 4.72 crores has already been recovered.

In two other cases of bogus exports from Delhi Air Cargo Complex during the period of August, 1998 to December 1998, involving fraudulent drawback claim of 5.40 crores, six persons were arrested and an amount of Rs. 1.83 crores has been recovered/frozen in the claimant's Bank account.

In addition to the above, investigations are presently in progress by the Directorate of Revenue Intelligence in one case involving drawback amount of Rs. 1.90 crores, and by Central Bureau of Investigation in 9 cases detected at Nhava Sheva Port involving drawback amount of Rs. 2.34 crores.

In order to prevent such instances of outright fraud, the Ministry has taken the following steps:

- (i) A tighter detailed procedure for scrutiny of drawback claims before sanction and disbursement of drawback has been prescribed. This procedure includes matching of all drawback claims with details of physical exports and a new procedure for post audit of drawback claims, wherever the drawback amount exceeds Rs. 1 lakh, both in the manual system and in the EDI/computerised system of disbursement of drawback.
- (ii) All field formations of customs have been alerted to step up intelligence and maintain greater vigil at all levels to prevent recurrence of such frauds.

Import of Coins

1633. SHRI C.P.M. GIRIYAPPA :
SHRI MOHAN RAJALE :
SHRI PANKAJ CHOUDHARY :
DR. RAMKRISHNA KUSMARIA :
SHRI RAMPAL SINGH :
SHRI NRIPEN GOSWAMI :
SHRI SUSHIL CHANDRA VARMA :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to import coins of small denominations such as Rs. 1, 2 and 5 to cope with the ongoing scarcity of small coins in the country,

(b) if so, the details thereof;

(c) the names of countries from which these coins are proposed to be imported alongwith denomination-wise value thereof;

(d) the time by which the coins are likely to be imported; and

(e) the impact of such import on circulation of currency?

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

(b) It has been decided to import 1000 million pieces of such coins (Rs. 1=300 MPCs, Rs. 2=300 MPCs and Rs. 5=400 MPCs) on the basis of a global tender.

(c) The names of the countries from where the coins are to be imported will be known only when the tender is finalised.

(d) During 1999-2000.

(e) The imported coins are likely to relieve pressure on currency notes.

[Translation]

Investment by Japanese Companies

1634. SHRI RAJENDRA AGNIHOTRI :
SHRI ANAND RATNA MAURYA :

Will the Minister of INDUSTRY be pleased to state:

(a) whether Japanese companies have expressed their desire to make investment in the country on some new proposals;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) Yes, Sir. A total number of 960 proposals from Japan envisaging foreign direct investment amounting to Rs. 7449.94 crore in various sectors, have been approved during the period from August, 1991 to 31.12.1998. The details of such proposals 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 SIA Newsletter which is widely circulated, including the Parliament library.

As on date, two proposals from Japan are under consideration of the Government.

[English]

Industrial Parks

1635. SHRI NRIPEN GOSWAMI : Will the Minister of COMMERCE be pleased to state:

(a) the details of Industrial Parks set up in the North-Eastern States and the assistance provided to each of those Industrial Parks, location-wise;

(b) the number of such parks set up during the current financial year and proposed to be set up during 1999-2000 in the region; and

(c) the amount allocated for setting up new parks in the region?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) On the basis of proposals received from the State Governments, three Export Promotion Industrial Parks (EPIPs) have been sanctioned for establishment in the North-Eastern States. Details of EPIPs and Central grant released by the Government to these parks are given in the enclosed statement.

(b) and (c) A proposal to set up EPIP in Manipur has been approved in 1998-99. No proposal for setting up EPIP in the North Eastern States is pending. There is no region-wise budgetary allocation under this scheme. An amount of Rs. 20 crores has been proposed in the Budget Estimates for 1999-2000 towards implementation of on-going and new EPIPs, including in the North Eastern States.

Statement*Details of approved Export Promotion Industrial Parks (EPIPs) in the North-Eastern States and Central Grant Released*

S. No.	Name of the State Government	Location of EPIP	Central Grant Released
1.	Assam	Amingaon, Near Guwahati, Distt. Kamrup.	Rs. 10 crores
2.	Meghalaya	Byrnihat, Distt. Ribhoi	Rs. 7.50 crores
3.	Manipur	Khunuta Chingjin, Distt. Thoubal	No amount of Central grant released as proposal from the State Government has not been received.

Coal Mines in Orissa

1636. **SHRI BHARTRAHARI MAHTAB** : Will the Minister of COAL be pleased to state:

(a) the location-wise details of collieries running in Orissa;

(b) the number of collieries closed in the State after initial investment;

(c) whether any research has been conducted by the Government to find out multiple use and by-products

out of the coal material found in Orissa;

(d) whether any by-product industries based on the coal raw material is being established; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) All the twenty one collieries in Orissa are being operated by Mahanadi Coalfields Limited (MCL), a subsidiary company of Coal India Limited (CIL). The names, location and type of collieries being operated in Orissa by MCL are given below:—

Number	Name/location	Type
1	2	3
1.	Talcher Colliery P.O. Dera Colliery, District Angul.	Underground
2.	Deulbera Colliery P.O. Deulbera, District Angul.	Underground
3.	Nandira Colliery, P.O. Nandira, District Angul.	Underground

1	2	3
4.	Handiduha Colliery, P.O. Talcher (Handiduha), District Angul.	Underground
5.	Lingraj Colliery, P.O. Deulbera, District Angul.	Opencast
6.	Balanda Colliery, P.O. Balanda, District Angul.	Opencast
7.	Jagannath Colliery, P.O. Balanda, District Angul.	Opencast
8.	Ananta Colliery, P.O. Dera Colliery, District Angul.	Opencast
9.	Bharatpur Colliery, P.O. Balanda, District Angul.	Opencast
10.	Kalinga Colliery, P.O. Dera Colliery, District Angul.	Opencast
11.	Orient No. 1 & 2, P.O. Brajrajnagar, District Jharsuguda.	Underground
12.	Orient No. 3, P.O. Brajrajnagar, District Jharsuguda.	Underground
13.	Orient No. 4, P.O. Brajrajnagar, District Jharsuguda.	Underground
14.	Himgir Rampur Colliery P.O. Rampur Colliery, District Jharsuguda.	Underground
15.	Hirakhand Bundia Incline Colliery, P.O. Rampur Colliery, District Jharsuguda.	Underground
16.	Belpahar, P.O. Bandhabahal, <i>Via</i> Belpahar District Jharsuguda.	Opencast
17.	Lajkura, P.O. Brajrajnagar, District Jharsuguda.	Opencast
18.	Lilari P.O. Jarabaga, <i>Via</i> Belpahar, District Jharsuguda.	Opencast
19.	Samleswari, P.O. Brajrajnagar, District Jharsuguda.	Opencast
20.	Lakhanpur, P.O. Bandhabahal, <i>Via</i> Belpahar, District Jharsuguda.	Opencast
21.	Basundhara, (Tikilipara), P.O. Balinga, District Sundargarh.	Opencast

(b) No colliery in Orissa has been closed after initial investment by CIL or MCL.

(c) to (e) As per information available in the Ministry of Coal, the Central Fuel Research Institute, Dhanbad had done a study in 1994 on production of coke from Talcher coals and that one coke oven plant to produce coke from coal has been established within the Rourkela Steel Plant.

[*Translation*]

Sharp Increase in the Cost of Raw Materials

1637. DR. CHINTA MOHAN : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether there has been a sharp increase in the costs of raw material, fuel used for the production of steel and the transportation cost as well, between 1992-93 to 1997-98;

(b) if so, the percentage of increase in raw material, fuel and transportation costs, separately;

(c) whether the wages of workers have also increased during the said period; and

(d) if so, the estimated percentage of increase in the above heads and the total increase in the production cost as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (d) There has been a substantial increase in the costs of the major raw materials used in production of steel during the period 1992-93 to 1997-98. The actual increase in various costs and the consequential impact on production costs vary from plant to plant, depending on several factors such as locational proximity to raw material sources, volume of production, product-mix etc.

As per information available, the increase in costs of major raw materials, power, transportation and wages for Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL) and The Tata Iron and Steel

Company Limited (TISCO), the main producers, has been as below:

Item	% increase during 1992-93 and 1997-98		
	SAIL	RINL	TISCO
Indigenous coal	74	54	—
Imported coal	26	29	44
Iron ore	38	66	—
Purchased power	74	—	67
Transportation	62	97	41
Wages	86	176	97

Consequential increase in cost of production (including fixed charges) of SAIL for saleable steel has been 23%, and for TISCO 26%.

In the case of RINL, the works cost per tonne of liquid steel has increased from Rs. 5291 in 1993-94 to Rs. 5767 in 1997-98, representing an increase of about 9%.

[*English*]

Financial Crisis in States

1638. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state:

(a) whether the financial position of various States is fast worsening;

(b) if so, the reason therefor; and

(c) the steps taken by the Government to improve the financial condition of the States?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) (a) to (c) The States are autonomous under the Constitution and financial management of the State is the responsibility of the concerned State Governments

for which they are accountable to their legislatures or to the Parliament if the State is in under President's Rule. Some of the State Governments have passed through periodic Ways and Means problems in the current year. The position of cash balances and overdrawal, if any, of the State Governments may vary from day to day and State to State. Ministry of Finance has rescheduled release of funds to the States and also provided Ways and Means Advance to help them overcome temporary mismatch in receipts and disbursements during the year.

Insurance Company
15
Delinking of NIAC from GIC

1639. SHRI KAMAL NATH : Will the Minister of FINANCE be pleased to state:

(a) whether the New India Assurance Company Limited, wholly owned subsidiary of General Insurance Corporation has strongly advocated for delinking it from the parent organisation in view of likely competition from the private sector; and

(b) if so, the 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) to (b) It has been reported that no proposal has been made by the New India Assurance Co. for delinking it from the parent organisation although their officers' associations through various platforms has been advocating such delinking.

5-16
Prices of Rubber

1640. SHRI P.C. THOMAS :
SHRI S. AJAYA KUMAR :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government had initiated steps to procure natural rubber so as to prop up the prices in the domestic market;

(b) if so, the quantity of rubber procured so far;

(c) whether there are demands for hiking the benchmark price of the rubber; and

(d) if so, the details thereof and the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Yes, Sir. So far, STC has procured 9310MT of Natural Rubber. This is in addition to 9596 MT of Natural Rubber procured earlier.

(c) and (d) Government has received representations for raising the Benchmark Price of Rubber. Since the present Benchmark Price has been fixed recently in September, 1998 on the recommendation of Ministry of Finance based on a thorough field study conducted by them after taking into accounts such variables as salaries and wages, cost of fertilisers, spraying materials etc. involved in the cultivation of rubber, further increase in this price is not immediately called for.

6
Sale of Stake of UTI

1641. SHRI V.V. RAGHAVAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Unit Trust of India (UTI) has proposed to sell out its stake in ITC to BAT of the U.K.; and

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

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) As per information provided by Unit Trust of India (UTI), UTI has neither received any proposal from BAT Industries, U.K., to purchase UTI's stake in ITC nor has UTI taken any step whatsoever to sell ITC shares to BAT.

(b) Does not arise. *10/07*

9-13-78
Setting up of Grievances Panel for PSUs

1642. DR. LAXMINARAYAN PANDEY : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Law Commission headed by Justice Desai of the Supreme Court had recommended for setting up of Grievance Panel for Public Sector Undertakings;

(b) if so, the salient feature of the recommendations;

(c) the names of the Public Sector Undertakings which have so far constituted such Grievance Panel;

(d) whether the Government are aware that in those Public Sector Undertakings where such Grievance Panel have not been set up, large scale irregularities have been taking place in appointments and promotions of senior level officers; and

(e) if so, the steps being taken by the Government for setting up of such panels in those Public Sector Undertakings where the same have not been set up so far?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes, Sir. The Law Commission headed by Justice D.A. Desai had submitted 126th Report on "Government and Public Sector Undertaking Litigation Policy and Strategies" on May 12, 1988, in which it was recommended for setting up of Grievance Cell by every public sector undertaking.

(b) Salient features of the recommendations are given in para 8.11 of the Report, the extracts of which are given in the statement attached.

(c) to (e) This recommendation was examined. It was decided that there was no need to set up Grievance Cells presided over by the retired High Court Judges, recommended by the Law Commission, as adequate machinery for redressal of grievances for staff and officers in Central PSEs already existed in accordance with the guidelines issued in this regard in 1985.

Statement

Salient features of the recommendations made by the Law Commission headed by Justice D.A. Desai in 126th Report on "Government and Public Sector Undertaking Litigation Policy and Strategies"

8.11 Dealing with the disputes between the public sector undertaking and its employees, every public sector undertaking must set up a Grievance Cell composed of management and Workmen's representatives not exceeding three on either side and presided over by a retired Judge who has functioned as a Judge of the Supreme Court or High Court or Chairman of the Industrial Court/Tribunal. Every dispute involving individual employee must be brought, if need be by amending the standing orders or service rules, before the Grievance Cell. The decision of the Grievance Cell shall be binding. If the dispute involves more than one employee but not all the employees of the undertaking, same procedure has to be followed. Even the disputes as to seniority, promotion

and allied issues must be brought before this Cell. Promotion has long since ceased to be a management function. Therefore, the Grievance Cell would be competent to deal with the same. In the first instance, the promotion may be decided by the management but the dispute arising out of promotions granted or refused may be brought before the Grievance Cell. The decisions of the Grievance Cell will be binding and if any one, despite this arrangement and effective implementation, takes the matter to the court, the court must decline to entertain the dispute.

Revival of Burn Standard Company Limited

1643. SHRIMATI GEETA MUKHERJEE :
SHRI AJAY CHAKRABORTY :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have decided to revive the Burn Standard Company Limited, Calcutta; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Government have positively responded to the Draft Rehabilitation Scheme circulated by BIFR for revival of the Company. BIFR is yet to pass its orders on the scheme.

(b) The cost of the scheme as circulated by BIFR is Rs. 151.04 crore, out of which Rs. 132.51 crore is to be provided by Government including Rs. 34 crore for VRS for surplus manpower/employees of non-viable units. Other reliefs and concessions from GOI include conversion of Plan loan of Rs. 46.65 crore into equity, conversion of non-plan loan of Rs. 89.07 crore into zero rate debenture and waiver of outstanding GOI interest of Rs. 329.64 crore. In addition, certain reliefs and concessions have to be provided by Banks, Fis, State Governments, etc.

Smuggling of Cellular Phones

1644. SHRI K. PARYMOHAN : Will the Minister of FINANCE be pleased to state:

(a) whether the cellular phones are being smuggled to country in a large quantity;

(b) if so, the total number of cellular phones seized by the customs authorities during the last three years, as on date; and

(c) the steps taken by the Government to prevent smuggling of cellular phones?

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 intelligence/reports available do indicate an increasing trend in smuggling of cellular phones into the country.

(b) The total number of cellular phones seized by the customs authorities during the last three years, are as under :

Year	No. of Cellular Phones seized	Value of seized Cellular Phones (Rs. in Lakhs)
1996-97	329	100.48
1997-98	1839	439.62
1998-99 (upto date)*	4300	608.31

*Figures provisional

(c) All field formations of the customs department, including Directorate of Revenue Intelligence, are on high alert to detect and prevent smuggling of all contrabands including Cellular phones.

[Translation]

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Repayment to Investors from NBFCs

1645. SHRI BHERU LAL MEENA :
 DR. SAROJA V. :
 SHRI KALLAPPA AWADE :
 SHRI MOHAN SINGH :
 SHRI BRAJ MOHAN RAM :
 SHRI MANIKRAO HODLYA GAVIT :
 COL. SONA RAM CHOUDHARY :

Will the Minister of FINANCE be pleased to state:

(a) the action being taken by the Government to ensure repayment of amount of investors from various Non-Banking Financial Companies such as JVG Group of Companies, Kuber Finance and other plantation companies; and

(b) the manner in which the investors are likely to get back their money?

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 Reserve Bank of India (RBI) Act as amended in 1997 empowers the Company Law Board (CLB) to adjudicate cases where the NBFCs default in repayment of principal or interest or both in respect of deposits. On receipt of a complaint from an aggrieved depositor, CLB passes appropriate orders for payment by the defaulting NBFC within a stipulated period. Where, however, there are large scale defaults and the viability/solvency of the company is in doubt, RBI takes the defaulting company to liquidation through the High Court.

The JVG Group consists of 4 finance companies viz. JVG Finance Ltd., JVG Leasing Ltd., JVG Securities Ltd. and JVG Holdings Ltd. In view of the large number of complaints against the Group Companies, a winding up application was filed by the Reserve bank of India in the High Court of Delhi against JVG Finance Ltd., JVG Leasing Ltd., JVG Securities Ltd., The Hon'ble High Court appointed the Official Liquidator as the provisional liquidator. Complainants have been advised from time to time to file their claim with the provisional liquidator.

As regards Kuber Finance Ltd. RBI has reported that the company was prohibited from acceptance of deposit in September, 1992 and from then onwards the company was functioning only to recover its dues and repay the depositors liabilities. The company is reported to have fully paid all the dues of its depositors.

In the Kuber Group, there are a few other NBFC notably Kuber Auto General Finance and Leasing Ltd. and Kuber Mutual Benefits Ltd. (KMBL) (a notified 'Nidhi' company under Section 620A of the Companies Act, 1956). The Hon'ble Delhi High Court has passed an interim order restraining all the companies including KMBL named in a public interest petition from alienating their assets and properties till the case is disposed off.

Since winding up petitions have already been filed by RBI in respect of JVG Group of Companies the investors claim for their money fall within the province of the Official Liquidator for determination in course of time as per the Delhi High Court's Order. In respect of other companies, investors have to file their complaints to the concerned bench of the Company Law Board under whose jurisdiction the Registered Office of the concerned NBFC falls.

[English]

World Banking System

1646. SHRI LAKSHMAN SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government propose to set up an International Authority to supervise the world banking system in order to restrict the financial turmoil being faced by several countries; and

(b) if so, the details thereof?

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

(b) Does not arise.

[Translation]

Dividend of MNCs

1647. SHRI MOHAMMAD ALI ASHRAF FATMI : Will the Minister of FINANCE be pleased to state:

(a) whether the dividend shown by the top multinational companies operating in India is constantly going up during the past few years;

(b) if not, the rate of dividend shown by these foreign MNCs on the basis of their capital investment during the last three years; and

(c) the extent to which the average profit margin of these foreign MNCs is less or more in comparison to Indian MNCs?

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.

[English]

Multifibre Agreement

1648. SHRI K. YERRANNAIDU : Will the Minister of TEXTILES be pleased to state:

(a) the details of phasing out of Multifibre Agreement by 2004; and

(b) the steps proposed to be taken to remove unnecessary control on textiles?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The Multifibre Arrangement (MFA) has already been replaced w.e.f. January 1, 1995 by the Agreement on Textiles and Clothing (ATC) of the Final Act embodying the results of the Uruguay Round negotiations. As per provisions of ATC the products not integrated into GATT 1994 are stipulated to be phased out as follows:—

(i) Not less than 16% of total volume of 1990 imports, on 1.1.1995

(ii) Not less than 17% of total volume of 1990 imports, on 1.1.1998

(iii) Not less than 18% of total volume of 1990 imports, on 1.1.2002.

(iv) Balance on 1.1.2005.

(b) India has been making efforts in coordination with other developing countries for further liberalisation of international trade in textiles.

[Translation]

M.P. State Textile Corporation

1649. SHRI DADA BABURAO PARANJPE :
SHRI CHANDRASHEKHAR SAHU :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government have placed an order to Madhya Pradesh State Textile Corporation and Madhya Pradesh Apex Weaver's Cooperative Society to prepare dhoties/sarees for supplying to Bihar;

(b) the amount of this order, the amount of dhoties/sarees supplied and the amount paid;

(c) whether the lot of prepared sarees/dhoties have been lying with the Madhya Pradesh State Textile Corporation, Madhya Pradesh Apex Weaver's Cooperative Society and other Cooperative institutions of the State; and

(d) the reason for not supplying the clothes to Bihar?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) The Association of Corporations and Apex Societies of Handlooms (ACASH) had placed an order with M/s M.P. State Textile Corporation (MPSTC), Bhopal and M.P. State Weavers Cooperative Federation Ltd. (MPSWCF) for supply of dhoties/sarees to Government of Bihar and not by Union Government.

(b) Order for supply of dhoties/sarees worth Rs. 186.50 lakhs and Rs. 160.50 lakhs was placed on MPSTC and MPSWCF respectively, against which, they have supplied goods worth Rs. 29.45 lakhs and Rs. 12.64 lakhs respectively. MPSTC and MPSWCF have been paid an advance of Rs. 32.00 lakhs and Rs. 30.00 lakhs respectively against the bank guarantee.

(c) The State Government has informed that stocks of these dhoties/sarees worth Rs. 42.84 lakhs and Rs. 6.37 lakhs are lying with MPSTC, Bhopal and Primary Weavers Cooperative Societies respectively.

(d) The supplies have been discontinued due to cancellation of contract by the Government of Bihar. No further supplies are therefore possible.

[English]

Letters Piling up in Income Tax Department

1650. SHRI JAYARAMA I.M. SHETTY :
SHRI U.V. KRISHNAMRAJU :

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "Letters piling up in IT Deptt." appearing in the 'Statesman' dated January 30, 1999;

(b) if so, the facts and details of the case reported therein;

(c) whether the Income Tax Department have failed to send the letters in time resulting loss of crore of rupees;

(d) if so, whether any responsibility have been fixed in this regard; 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 (c) In an effort to minimise both corruption as well as delays in the issue of refunds, a conscious decision was taken by the Government to issue all refunds by registered post only. Administrative instructions have been issued to the field authorities to ensure that such refunds are issued by registered post within 15 days of their determination. As it was expected that there would be additional requirement of budget allocation on account of postage costs, all field formations were, requested to submit their additional requirement in this connection. At the moment no request from any office is pending for additional funds for mailing of letters.

(d) and (e) Do not arise.

Illegal/unauthorised Coal Mining and Transportation

1651. SHRI ANANT KUMAR HEGDE : Will the Minister of COAL be pleased to state:

(a) whether the cases of unauthorised/illegal coal mining and transportation in different coalfields has been noticed by the Government;

(b) if so, the details thereof; and

(c) the action taken against the persons found guilty in the matter alongwith the preventive measures being taken by the Government to check such illegal/unauthorised mining and transportation of coal?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (c) Sporadic cases of illegal mining and transportation of coal illegally mined done surreptitiously and stealthily come to the notice of the subsidiary companies of Coal India Limited (CIL) as a sequel to the raids conducted by the security forces of

the companies as well the joint raids conducted with the law and order agencies of the State Governments. The following steps are taken to curb such illegal activities or criminal offences:—

- (i) collection of intelligence reports,
- (ii) round the clock patrolling and surprise raids in illegal mining sites by the security forces of the subsidiary companies of CIL and the personnel of Central Industrial Security Force,
- (iii) blacklisting the seized trucks carrying illegally mined coal,
- (iv) dozing off and filling up the illegal mining sites,
- (v) reporting cases of illegal mining whether within the leasehold areas of the subsidiary companies of CIL or outside, to the District Authorities,
- (vi) handing over the illegally mined coal and implements of illegal mining/coal transportation to the local Police Stations and lodging First Information Reports for taking action in such incidents of criminal offences by the State Police Authorities, and
- (vii) keeping close liaison with the District and State Authorities in order to seek their help and cooperation in curbing such criminal offences.

List of Import Duty Free Items

1652. SHRI K.P. MUNUSAMY :
SHRI NADENDLA BHASKARA RAO :

Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to prune the list of items which are imported duty free;

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

(c) whether the Government are aware that prices of certain items especially dairy items will be hiked as a result thereof; and

(d) if so, the steps taken by the Government to check the prices?

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) In this year's Budget, the Government has imposed a minimum import duty of 5% *ad valorem* on many items. This has been done with a view to provide some minimal protection to the domestic industry. The major items on which minimum duty of 5% has been imposed includes naphtha, kerosene for manufacture of N-Paraffin/LAB crude or unrefined sulphur, phosphoric acid, ammonia, fertilizers, glazed newsprint, specified wood and wood products, raw cotton and raw jute, specified goods imported for setting up of crude petroleum refinery and fertilizers projects.

(c) and (d) No minimum import duty of 5% has been imposed on any of the dairy items and, therefore, the question of their prices being hiked does not arise.

Assistance from NRF

1653. SHRI A.C. JOS : Will the Minister of INDUSTRY be pleased to state:

(a) the number of proposals received from various States for assistance from National Renewal Fund, so far;

(b) whether the proposals have been processed by the Union Government; and

(c) if so, the present status thereof, State-wise?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (c) Twenty eight proposals have been received from various States for assistance from National Renewal Fund (NRF). However, assistance from NRF is presently available for Voluntary Retirement Scheme in Central Public Sector Undertakings and for counselling, retraining and redeployment of workers in the organised sector.

Steel Authority of India

1654. SHRI BALASAHEB VIKHE PATIL : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether a financial restructuring plan has been sent to the Government for clearance in order to revive Steel Authority of India, as reported in the "Times of India" dated February, 1, 1999;

(b) if so, the details of the said plan; and

(c) the time by which it is likely to be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (c) The Industrial Development Bank of India (IDBI) have, in their report, *inter-alia*, concluded that Steel Authority of India Limited (SAIL) should consider business solutions as a long-term strategy for improving operations and enhancing returns by steps such as rationalisation/divestment of idle or non-core assets, divestment of unrelated/non-core operations and of loss making units etc.

Based on IDBI's recommendations on financial restructuring, SAIL has approached the Government for its financial restructuring which primarily envisages relief from the Steel Development Fund (SDF) loan/Government of India loan towards writing down of fixed assets to the extent of interest capitalized, writing-off of loans and advances given by SAIL to IISCO, etc. The proposal is under consideration of the Government.

Foreign Direct Investment

1655. SHRI SATNAM SINGH KAINTH : Will the Minister of INDUSTRY be pleased to state:

(a) the amount of Foreign Direct Investment proposals approved and actually matured during the last one year, month-wise and State-wise;

(b) whether ratio of proposal so matured has been very low and dismal;

(c) if so, the reasons thereof;

(d) the field/areas in which the proposals have received setbacks and the States so affected adversely; and

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

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Sir, Statement showing details of month-wise amount of Foreign Direct Investment (FDI) approved alongwith inflows is enclosed at statement-I and Statement on FDI approved state-wise is at statement-II respectively. State-wise details of actual inflow of FDI are not centrally maintained. From January, 1998 to December, 1998 foreign direct investment amounting to Rs. 30813.50 crore has been approved. Rs. 13320.36 crore has been received as inflow (including inflow against acquisition etc.) during the same period. The overall realisation rate (FDI Inflow as a % of FDI approved from 1991 onwards) is around 29 per cent.

(c) to (e) The difference between inflows and approvals is on account of varying gestation periods of projects approved. The delay in realisation of inflows is more in the mega projects like power, telecom, infrastructure etc., where the gestation period is long and the inflow of funds take place in stages as per the needs of the project.

Under the existing policy it is primarily the responsibility of the States to provide the requisite infrastructure and other facilities for translating intents into actual investment. The Central Government is mainly concerned with the overall policy concerning FDI and has put in place a liberal, attractive and transparent FDI regime.

Statement-I

1998

Year	Month	No. of Cases	Equity (Rs. Crore)	Inflow (Rs. Crore)
1	2	3	4	5
1998	1	151	5621.64	858.37
1998	2	65	1785.57	716.68

1	2	3	4	5
1998	3	83	780.40	982.25
1998	4	121	1489.79	1061.93
1998	5	100	2215.13	848.36
1998	6	113	6053.94	1588.97
1998	7	116	1250.25	434.79
1998	8	71	3733.55	513.84
1998	9	112	1068.65	561.42
1999	10	57	454.93	269.00
1998	11	101	5359.79	376.81
1998	12	101	999.87	637.99
		1191	30813.50*	8850.40**

*Includes FIPB Approvals towards acquisitions.

**Excludes inflows towards acquisitions and GDRs as the figures provided by RBI are year-wise and not month-wise.

Statement-II

State-wise break up of Foreign Collaboration & Foreign Direct Investment proposals approved during January, 1998 to December, 1998

State	No. of Approvals			Amt. of FDI Approved (Rs. Crore)	% to Total
	Total	Tech.	Fin.		
1	2	3	4	5	6
Andhra Pradesh	86	21	65	2336.80	7.58
Bihar	14	9	5	44.65	0.14

1	2	3	4	5	6
Gujarat	93	49	44	3348.71	10.87
Haryana	82	41	41	225.37	0.73
Himachal Pradesh	2	1	1	0.33	0.00
Karnataka	129	31	98	5028.85	16.31
Kerala	17	4	13	58.52	0.19
Madhya Pradesh	18	5	13	660.18	2.14
Maharashtra	314	122	192	3063.05	9.94
Meghalaya	2	0	2	44.46	0.14
Orissa	10	2	8	330.54	1.07
Punjab	14	4	10	101.59	0.33
Rajasthan	15	7	8	65.14	0.21
Tamil Nadu	196	73	123	3081.17	10.00
Tripura	1	1	0	0.00	10.00
Uttar Pradesh	78	31	47	247.21	0.80
West Bengal	58	25	33	1205.40	3.91
Andaman & Nicobar	2	0	2	12.80	0.04
Chandigarh	4	0	4	65.48	0.21

1	2	3	4	5	6
Dadra & Nagar Haveli	7	4	3	8.22	0.03
Delhi	121	22	99	1091.08	3.54
Goa	23	7	16	114.62	0.37
Pondicherry	10	5	5	38.91	0.13
Daman & Diu	6	0	6	5.85	0.02
Others	484	131	353	9636.57	31.27
Total	1786	595	1191	30813.50	

[Translation]

Relaxation in Electronic Transfer Scheme

1656. SHRI C.D. GAMIT :
SHRI A.C. JOS :

Will the Minister of **TEXTILES** be pleased to state:

(a) whether the Union Government have recently announced relaxation in the On-line Garment Export Quota Transfer System known as Electronic Transfer Scheme (ETS);

(b) if so, the details thereof;

(c) whether India's garment exports have increased during 1998 as compared to 1997 despite several recession world-wide;

(d) if so, the details thereof; and

(e) the steps taken by the Government to revitalise the textiles industry and various initiatives taken by the Government to promote development of the textile sector?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The Apparel Export Promotion Council (AEPC) has recently announced relaxation in the Electronic Transfer Scheme (ETS) permitting mutual transfers without any restrictions for a period of 60 days from 8.2.1999 to 8.4.1999. Such mutual transfers would be displayed on the display machines of regional offices and website of AEPC.

(c) and (d) During 1998, India's garment exports have shown a growth of approximately 3.8% in dollar terms over that of 1997.

(e) Some of the steps taken by the Government in this regard are as follows:

(i) Launching of a Technology Upgradation Fund Scheme (TUFS) for textile and jute industries to encourage modernisation and technology upgradation so as to enhance their viability and competitiveness.

(ii) Setting up of an Expert Committee for recommending a new Textile Policy;

(iii) Giving such EOUs producing cotton yarn, that are subject to count restrictions a flexibility to export yarn without any count restriction for 1999 within the quantitative ceiling fixed for counts 1-40s;

- (iv) Mooting a proposal to launch a Cotton Technology Mission with a view to increasing productivity, improving research, marketing and post harvest activities; and
- (v) Setting up of a task force for facilitating induction of Information Technology in the textile sector; etc.

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List of Industrially Backward Districts

1657. SHRI MITRASEN YADAV :
 SHRI GAURI SHANKER CHATURBHUI
 BISEN :
 SHRI AJIT JOGI :

Will the Minister of INDUSTRY be pleased to state:

- (a) the list of industrially backward districts in the country, State-wise;
- (b) whether industrialisation in backward States is impeded due to liberalisation policy implemented in 1998;
- (c) whether industrial capital is being invested mostly in developed States;
- (d) whether the Government are contemplating to re-introduce Capital Cost Grant Scheme to attract industries in backward districts of States;
- (e) if so, the time by which decision is likely to be taken in this regard;
- (f) the steps taken by the Government for balanced industrial development; and
- (g) whether the Government propose to make available funds to the Government of Madhya Pradesh in view of pending demands in old cases of Central Capital Cost Grant?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) A list of 123 industrially backward districts has been notified by the Government of India, Ministry of Finance (Department of Revenue) vide notification No. 714 (E), dated 07.10.1997 for grant of tax concessions under Income Tax Act, 1961. Fifty three districts are specified as category 'A' industrially backward districts (which also include zero industry districts) and 70 districts as category 'B' industrially backward districts. The State-wise list is enclosed as statement.

(b), (c) and (f) No, Sir. In the present liberalised era entrepreneurs are at liberty to invest according to their own commercial perception.

The role of the Union Government is supportive in development of backward areas. Government has provided various incentives/concessions from time to time for development of backward areas, the important ones being the Growth Centre Scheme, Transport Subsidy Scheme and the Integrated Infrastructure Development Scheme (IID).

Under the Income Tax Act, 1961, industrially backward districts have been notified as Category 'A' and Category 'B' industrially backward districts for the purpose of a two-tier fiscal benefit under Section 80-IA of the Act.

In respect of Category 'A' districts a hundred percent income tax deduction is allowed to undertakings for five years and 25% deduction (30% in the case of companies) is allowed for undertakings which start manufacture or production before 31.3.2000. For notified Category 'B' districts, the benefit to tax holiday is for a period of 3 years only while the second tier of the benefit is the same.

The Central Capital Investment Subsidy Scheme has been revived in December, 1997 exclusively for the North Eastern States to attract industries in that area.

(d), (e) and (g) No, Sir. There is no such proposal. The erstwhile Central Investment Subsidy Scheme worked on disbursement/reimbursement basis. In terms of the provisions of the Scheme no proposal is being considered to make available advance funds to the Government of Madhya Pradesh for settling the pending cases.

Statement

List of Industrially backward districts in the country, as Notified by the Ministry of Finance, Department of Revenue vide Notification No. 714(E) dated 07.10.1997

Category 'A'

BIHAR

Godda

Gumla

Araria

Panna

Madhepura

Bastar

Dumka

Sarguja

Khagaria

Chhatarpur

Kishanganj

MAHARASHTRA

Palamau

Gadchiroli

Madhubani

ORISSA

Jehanabad

Phulbani

Saharsa

Kalahandi

Nawadah

RAJASTHAN

Sitamarhi

Jalore

Sahebganj

Barmer

Aurangabad

Jaisalmer

East-Champaran

Churu

Purnia

Banswara

Siwan

UTTAR PRADESH

Vaishali

Sidharthanagar

Lohar-dagga

Baharaich

GUJARAT

Pratapgarh

The Dangs

Maharajgaj

KERALA

Banda

Idukki

Basti

Wayanad

Chamoli

MADHYA PRADESH

Uttarkashi

Mandla

Almora

Pitnorigarh

Muzaffarpur

Tehri-Garhwal

Rohtas

WEST BENGAL

GUJARAT

Malda

Banaskantha

West-Dinajpur

Sabarkantha

Murshidabad

KARNATAKA

Coochbehar

Bidar

Bankura

MADHYA PRADESH

Jalpaiguri

Seoni

Category 'B'

Tikamgarh

ANDHRA PRADESH

Shivpuri

Srikakulam

Balaghat

Mahbubnagar

Jhabua

BIHAR

Sidhi

Katiyar

Vidisha

Bhagalpur

Raigarh

Gopalganj

Morena

Darbhanga

Betul

West-Champaran

Rajgarh

Saran

Rajnandgaon

Bhojpur

Sagar

Samastipur

MAHARASHTRA

Deoghar

Beed

Nalanda

ORISSA

Gaya

Bolangir

Mayurbhanj

Jaunpur

Balasore

Sitapur

Ganjam

Jalaun

RAJASTHAN

Unnao

Dungarpur

Faizabad

Dholpur

Kanpur-Dehat

Sawai-Madhampur

Mainpuri

Tonk

Gonda

Nagaur

Farukhabad

Sikar

Sultanpur

Jhalawar

Mirzapur

UTTAR PRADESH

WEST BENGAL

Mau

Purulia

Hardoi

Midnapore

Lalitpur

Birbhum

Hamirpur

[English]

Badaun

Revival of Tea Estates

Fatehpur

1658. SHRI NEPAL CHANDRA DAS : Will the Minister of COMMERCE be pleased to state:

Azamgarh

(a) whether the Government are aware that a number of tea estates like Gombhira, Chargoota and Cheng Koorie of Barak Valley in Assam have fallen sick due to several factors including insurgency;

Etah

Barabanki

(b) if so, whether the State Government have approached the Union Government for assistance for the revival of these Tea Estates; and

Etawah

Deoria

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

Ghazipur

Ballia

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) As per survey carried out by the Tea Board, 29 weak tea gardens and one closed tea garden including the tea estates of Goombhira, Chargoota and Cheng Koorie were located in the Barak Valley in Assam. The problems of these gardens were mainly ownership disputes, managerial deficiency, financial mismanagement, protracted litigation etc. Most of the weak gardens have since been revived by new managements. However due to neglect of the planted area for long time, some of the revived gardens still exhibit symptoms of sickness by way of low productivity and improper maintenance of accounts.

(b) and (c) No request has so far been received by the Union Government from the State Government for assistance for revival of these tea estates.

Silk Industry of J&K

1659. SHRI CHAMAN LAL GUPTA : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have received any request from Jammu and Kashmir Government for rejuvenating the traditional silk industry in the State; and

(b) if so, the details thereof and the action taken by the Government thereon?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) Yes, Sir. A request has been received from the Minister of Industries and Commerce, Government of J&K for financial assistance to update the Project Report for the upgradation of Jammu and Kashmir Filatures. The Central Silk Board (CSB) has sanctioned Rs. 10 lakh for payment to M/s TECSOK who are the consultant for updating the Project Report. In addition, the State of Jammu and Kashmir has sent micro projects for implementation in the State under Catalytic Development Programme of CSB at a cost of Rs. 730 lakh. The CSB has approved implementation of these micro projects, of which, CSB's share is Rs. 311 lakh.

The above micro projects sanctioned for implementation address the following 4 major problems faced by sericulture industry in J&K.

1. Non-availability of sufficient mulberry leaf.
2. Lack of training and start up tools.

3. Assistance for construction of silkworm rearing houses.

4. Lack of marketing and reeling infrastructure.

With regard to the problem of seed supply faced by the sericulture industry, the CSB has assured adequate supplies of silkworm seed from their Seed Production Centres.

System for Screening I.T. Return

1660. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state:

(a) the system arrived at in screening the income-tax returns;

(b) the number of cases that have come to the notice of the Government about the abuse of authority by ITOs; and

(c) 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) to (c) The screening of returns of income filed under the Income-tax Act is regulated by the provisions of section 143. All the returns are initially examined for *prime-facie* adjustment and intimation is issued as per sub-section (1) of section 143. Further some of the returns are taken up for detailed scrutiny under sub-section (2) and assessment in such cases are completed under sub-section (3). The law requires a case to be taken up for scrutiny where the assessing officer considers it necessary and expedient to do so to ensure that the assessee has not understated the income or has not computed excessive loss or has not underpaid the tax in any manner. However, Board issues objective and detailed guidelines to regulate, uniformly throughout the country, the selection of cases for scrutiny. Any mistake of law or of fact leading to incorrect or unlawful act by an assessing officer is remedied by taking recourse to rectification of mistake under section 154 or by filing an appeal before the CIT (Appeals). Any allegation of misuse of application of section 143(2) by any assessing officer is subjective in nature and depends upon the facts of the case concerned. However, the supervisory officers are empowered to remedy any possible misuse of authority. No all India statistics of this nature is available with the Board.

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Handicraft Policy

1661. SHRIMATI LAKSHMI PANABAKA : Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government have decided to revamp the Handicraft policy;

(b) if so, the details thereof; and

(c) the time by which the New Handicraft Policy is likely to be announced?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) The Government is implementing various schemes for the development and promotion of handicrafts in the country. The sub-group on handicrafts for IX Five Year Plan have reviewed the schemes during 1996. Based on its recommendation some existing schemes have been modified and new schemes viz. training for trainers and master craftsmen; member education programme for handicrafts cooperative through National Cooperative Union of India (NCUI); setting up of urban haats; common facility centres for handicrafts have been introduced.

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Maharashtra Cotton Growers

1662. SHRI MOHAN RAWALE : Will the Minister of TEXTILES be pleased to state:

(a) whether the cotton growers of Maharashtra are facing acute hardship due to damage of their crops this year;

(b) if so, whether some cotton growers in the State committed suicide in the last week of November, 1998 following widespread damages of their crops;

(c) the details of the procurement price of cotton announced by the Government of Maharashtra under the Cotton Monopoly Procurement Scheme;

(d) whether the Union Government propose to intervene in the matter and advise the Government of Maharashtra to revive the procurement price; and

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

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) The information is being collected and will be laid on the Table of the House.

Restructuring of Department of SSIs

1663. SHRI RAVI SITARAM-NAIK : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are considering a series of measures and policy initiatives for restructuring the Department of Small Scale Industries, to attend the problems faced by the SSIs;

(b) if so, the details thereof alongwith progress made, so far;

(c) the details of the measures envisaged to boost the performance of SSIs during the current year and the Ninth Plan period;

(d) whether the Government are aware that SSIs have been affected by the budget allocations for the last few years; and

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

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) There is no proposal at present to restructure the Department of Small Scale Industries and Agro and Rural Industries.

(b) Does not arise.

(c) Government have been taking measures on a continuous basis for promotion and development of small scale industries in the country. During the Ninth Plan the village and Small Industries Sector has been accorded high priority by providing incentive and support to facilitate their growth and employment. Measures have been taken to provide adequate credit and improve the quality of its delivery to the SSI units. The 1999-2000 Budget has proposed to increase the composite loan limit of Small Industry Development Bank of India (SIDBI) for small scale industrial (SSI) units from Rs. 2 lakhs to Rs. 5 lakhs. The working capital requirement of SSI units having turnover upto Rs. 5 crores would be computed at the rate of 20 per cent of the annual turnover. Banks have been advised by RBI to delegate more powers to branch managers to grant *ad hoc* limits, to simplify application forms, to fix their own norms for assessment of credit

requirement and open more SSI branches. Government also proposes to launch a new credit insurance scheme for the small scale sector to take care of the inability of the SSI units to provide adequate security.

The SSI units are also being provided infrastructure support in an integrated manner through the Integrated Infrastructure Development Scheme launched since 1994. Other measures to support SSI units include enhanced technology support for modernisation and quality upgradation and for acquiring ISO-9000 certification.

(d) and (e) Though there are budgetary constraints, the need of the small scale sector has been kept in view while making budget allocations. However, higher allocations would have helped to strengthen and provide better support for the promotional efforts being made for the small sector.

Coal
Payment of Royalty

1664. SHRI NARESH PUGLIA : Will the Minister of COAL be pleased to state:

(a) whether Coal India Limited is paying royalty through their companies to the concerning State Governments;

(b) if so, the amount of royalty paid during 1997-98 and 1998-99 company-wise;

(c) whether there is a continuous demand from the concerned Members of Parliament of Coal belt area that at least 50 per cent amount of royalty amount paid by Coal India to the concerned State Governments be made available for the development of concerned coal area only;

(d) whether the Government have agreed to put this condition that royalty amount should be used in surrounding area of coal belt; and

(e) if so, the guidelines issued/being issued to the concerned State Governments in this direction?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Royalty is remitted by the subsidiary coal companies.

(b) The amount of royalty paid during the years 1997-98 and 1998-99 (upto December, 98), company-wise are,

as under:

Coal Company	1997-98	1998-99 (upto Dec.'98) Prov.
ECL	81.07	47.11
BCCL	308.70	180.21
CCL	288.11	144.84
MCL	237.42	160.85
NCL	314.35	199.12
SECL	402.45	311.93
WCL	253.97	173.37
NEC	6.13	3.93
Total	1892.20	1221.36

(c) to (e) Royalty on coal is a source of revenue for the State Government. The proceeds from royalty is credited to the Consolidated Fund of the State Government and any appropriation from such fund can be authorised by the State Legislature. Therefore any amount to be spent by the State Governments from the proceeds of royalty on coal in the affected area depends on the decision of the State Government and the State Legislature. The Mines and Minerals (Regulation and Development) Act, 1957 Provides for payment of royalty by the lessee to the lessor State Government but does not prescribe the manner of utilisation of the royalty proceeds. The Central Government, therefore, have no authority to intervene in this matter.

[Translation]

308-11
Rates of Royalty on Coal

1665. SHRI GAURI SHANKER CHATURBHUI
BISEN :
SHRI AJIT JOGI :
SHRI PUNNU LAL MOHALE :

Will the Minister of COAL be pleased to state:

(a) whether the State Governments, particularly Governments of Madhya Pradesh and West Bengal have

requested the Union Government again to revise the rates of royalty on coal as the rates have not been revised since 1994;

(b) if so, the details thereof;

(c) whether the Government have taken any decision thereon;

(d) if so, the details thereof;

(e) the time by which rates of royalty are likely to be revised; and

(f) the amount of royalty given on coal to each State during 1996-97 and 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) and (b) A summary of the representations received from the State Governments for revision of the rates of royalty on coal is given below State-wise:

State	Royalty rates on coal asked for	
Bihar	45% and 55% of Pits Mouth Value for non-coking coals and coking coals respectively;	
Madhya Pradesh	25% of the base prices of coking coals and A, B & C grades of non-coking coal and 20% of the base prices of D, E, F & G grades of non-coking coal.	
Maharashtra	30% of the base prices on various grades of coal.	
Assam	20%-25% of the base prices on various grades of coal.	
Uttar Pradesh	15%-20% of the sale prices of various grades of coal.	
Orissa	The State Government asked for the following rates of coal royalty:	
	Grade of Non-coking coal	Royalty Rates as percentage of base price
	A & B	15%
	D & E	16%
	F & G	25%

The Government of West Bengal have not asked for any specific rate of royalty on coal. The State Government have pointed out that West Bengal should be allowed the coal royalty rates at par with other coal producing States and that the State of West Bengal should not be deprived of the revised coal royalty rates on the ground that the State Government collects cesses on coal also. The Cess Acts of the coal producing States other than West Bengal had been struck down by the Supreme Court and the High Courts. The Cess Act of Government of West Bengal are *sub-judice* in the Supreme Court. As

such, it is not possible to take any decision on the State Government's request till a Judgement of the Supreme Court is received.

The Government of Punjab have intimated that the current rates of royalty on coal are appropriate and any increase in royalty rates will lead to undesirable escalation in coal prices.

The Government of Meghalaya have suggested that the coal royalty rates should be fixed on tonnage basis

to avoid administrative difficulties since the coal mining in the State is mostly done by local coal miners who are all private parties.

(c) to (e) The existing average royalty rate on coal in India is one of the highest in the World. There has been a steep increase in consumption of imported coal in the recent years. Even though the cost of Indian coal is much lower than the cost of imported coal, high freight charges and a high royalty levy have diminished the competitiveness of domestic coal within the country *vis-a-vis* imported coal. This perspective will be kept in view while taking a decision in the matter of any further increase in the existing rates of coal royalty.

(f) The amounts of coal royalty paid to various coal producing States by the subsidiary companies of Coal India Ltd. during 1996-97 and 1997-98 are given below:

States	Rs. in Crores	
	1996-97	1997-98
West Bengal	10.87	12.64
Bihar	682.77	665.24
Orissa	185.33	237.42
Maharashtra	200.29	204.79
Madhya Pradesh	684.14	663.63
Uttar Pradesh	121.41	102.35
Assam	9.92	6.13
Total	1,894.73	1,892.2

[English]

312-18

Disinvestment Fund

1666. DR. RAVI MALLU :
SHRIMATI GEETA MUKHERJEE :
SHRI S. SUDHAKAR REDDY :
SHRI V.V. RAGHAVAN :
SHRI MADHAVRAO SCINDIA :
SHRI SUSHIL KUMAR SHINDE :
SHRI K.S. RAO :

Will the Minister of FINANCE be pleased to state:

(a) the total target set for disinvestment in public sector undertakings and efforts made to achieve it;

(b) the total amount so far accrued by disinvestment of share of public sector undertakings, unit-wise;

(c) the purpose in which the amount has been utilised so far;

(d) whether any voluntary retirement scheme and compensation policy has been worked out in respect of PSUs to be closed down under disinvestment programme;

(e) if so, the details thereof;

(f) the number of employees relieved so far and likely to be relieved upto 2000;

(g) whether any study has been made about the surplus staff of sick PSUs; and

(h) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) A target of Rs. 5000 crores has been set for 1998-99 for realisation through disinvestment in Public Sector Enterprises. Out of this an amount of about Rs. 1200 crores has already been realised by disinvestment of Government held equity in CONCOR, GAIL & VSNL. The target of Rs. 5000 crores is likely to be achieved by the end of March, 1999.

(b) A statement is enclosed.

(c) The amount realised from disinvestment has been credited to the Consolidated Fund of India.

(d) to (h) The information is being collected and will be laid on the Table of the House.

Statement

S. No.	Name of the PSE	Amount realised (Rs. in crores) during		
		1991-92	1992-93 to 1997-98	1998-99 (till 20.2.99)
1	2	3	4	5
1.	Andrew Yule	—	0.00	—
2.	Bharat Earthmovers Ltd.	—	48.27	—
3.	Bharat Electronics Ltd.	—	47.17	—
4.	Bharat Heavy Electricals Ltd.	—	309.55	—
5.	Bharat Petroleum Corp. Ltd.	—	331.18	—
6.	Bongaigaon Refineries Ltd.	—	45.40	—
7.	CMC Ltd.	—	0.00	—
8.	Cochin Refineries Ltd.	—	0.00	—
9.	Container Corp. of India Ltd.	—	113.83	221.65
10.	Dredging Corp. of India Ltd.	—	0.00	—
11.	Engineers India Ltd.	—	67.53	—
12.	Fert. & Chem. (Travancore Ltd.)	—	1.30	—
13.	Gas Authority of India Ltd.	—	194.12	181.77
14.	HMT Ltd.	—	23.38	—

1	2	3	4	5
15.	Hindustan Cables Ltd.	—	0.00	—
16.	Hindustan Copper Ltd.	—	8.07	—
17.	Hindustan Organic Chem. Ltd.	—	0.00	—
18.	Hindustan Petroleum Corpn. Ltd.	—	894.96	—
19.	Hindustan Photofilms Mfg. Co. Ltd.	—	0.00	—
20.	Hindustan Zinc Ltd.	—	81.55	—
21.	Indian Oil Corpn. Ltd.	—	1033.65	—
22.	Indian Petro-Chemicals Corpn. Ltd.	—	0.00	—
23.	IRCON International Ltd.	—	0.00	—
24.	Indian Telephone Industries Ltd.	—	15.63	—
25.	Indian Tourism & Devl. Corpn.	—	51.99	—
26.	Kudremukh Iron & Ore Comp. Ltd.	—	11.40	—
27.	Madras Refineries Ltd.	—	0.00	—
28.	Mahanagar Telephone Nigam Ltd.	—	2360.46	—
29.	Minerals & Metals Trdg. Corp. Ltd.	—	0.00	—
30.	National Aluminium Co. Ltd.	—	244.30	—

1	2	3	4	5
31.	National Fertilizers Ltd.	—	1.00	—
32.	National Mineral Devl. Corpn. Ltd.	—	17.88	—
33.	Neyveli Lignite Corpn.	—	70.43	—
34.	Oil & Natural Gas Corpn.	—	1056.67	—
35.	Rashtriya Chemicals & Fert. Ltd.	—	30.36	—
36.	Shipping Corp. of India Ltd.	—	28.08	—
37.	State Trading Corpn.	—	2.25	—
38.	Steel Authority of India Ltd.	—	736.06	—
39.	Videsh Sanchar Nigam Ltd.	—	379.00	785.00\$
Total		3038.00 [@]	8205.47	1188.42

[@] As in 1991-92 the shares were sold in bundles the amount realised PSU-wise is not available.

— The total amount realised since 1991-92 is Rs. 12,431.89 crores.

\$ Approximately.

Development Works in CCL

1667. SHRI RAVINDRA KUMAR PANDEY : Will the Minister of COAL be pleased to state:

(a) the locations under jurisdiction of Central Coalfields Limited, specially in Bokaro and Kargali areas where the works relating to construction of roads, houses and maintenance have been carried out by the Civil Department during the last three years;

(b) whether there is any hurdle in the development and maintenance work being carried out in the areas under the jurisdiction of Central Coalfields Limited;

(c) if so, the details of the developmental works done in the areas under CCL;

(d) whether an amount of Rs. 1 crore 70 lakhs has been allocated to Civil and E&M Department for Bermo Central Colony under CCL during 1995-96 and 1996-97;

(e) if so, whether the allocated amount has been fully utilised; and

(f) if not, the reasons therefor and the action taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) The details of work relating to construction of roads, houses and maintenance work carried out in Bokaro and Kargali areas under Central Coalfields Limited (CCL) during the last 3 years are as

under:

Year	Road	Houses	Maintenance	Road covered by CCDA
1995-96	Bokaro Colliery	KBS GM Unit	All units under B&K Area	Gomia to Bhandardih
1996-97	GM Unit	GM Unit	-do-	-do-
1997-98	GM Unit Bokaro Colliery	GM Unit	-do-	-do-

(b) and (c) As reported by Coal India Limited, in CCL, development work is being done as per priority and recommendations of the corporate JCC and in a phased manner within the approved/sanctioned budget.

Details of expenditure on repair and maintenance, construction of buildings, roads and culverts during the last 3 years in CCL are as under:

	(Rupees Crores)		
	1995-96	1996-97	1997-98
Repair & Maintenance	13.73	11.97	19.24
Const. of Buildings	13.15	6.65	6.07
Const. of Roads & Culverts	1.51	2.20	1.58

(d) and (e) Bermo Central Colony falling under Dhori Area is not a cost centre. Hence no separate revenue budget is prepared for the particular colony under reference towards civil and E&M maintenance. Since employees from many units reside in the colony, the expenditure incurred in the maintenance of township is shared and not from the budgetary resources of different units/cost centres of the Area. The expenditure incurred

towards civil and E&M maintenance works carried out during 1995-96 and 1996-97 in respect of Bermo Central Colony is as under:

(Rupees in lakhs)

Item	1995-96	1996-97	Total
Civil Maintenance	26.09	73.32	99.41
E&M Maintenance	23.43	27.47	50.90
	49.52	100.79	150.31

(f) Does not arise in view of reply given to (d) and (e) above.

Committee on Sales Tax

1668. **SHRI E. AHAMED** : Will the Minister of FINANCE be pleased to state:

(a) whether the Committee which went into the question of Sales Tax War among States, introduction of Value Added Tax (VAT) and incentives to backward areas has submitted its report to Government;

(b) if so, the recommendations made by the Committee for phasing out Sales tax based incentive

schemes, timeframe for introduction of VAT and reduction of Central Sales Tax; and

(c) if not, the reasons for the delay?

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) Sir, the Committee held a meeting on 10.1.1999 wherein it resolved as follows:—

- (i) Floor rates of States Sales-tax be implemented by all States and Union Territories from an early date through such modalities as may be agreed upon by the Chief Ministers.
- (ii) A meeting of the Finance Secretaries of all the States and Union Territories may be convened to arrive at a uniform approach in respect of abolition/phasing out of sales tax related incentives.
- (iii) A meeting of all the Chief Ministers may be convened to discuss the strategy of implementing recommendations relating to Central Sales Tax.
- (iv) The States may go ahead with preparatory steps such as computerisation, training programme and public awareness in respect of VAT.

[Translation]

Export of Textiles

1669. SHRI SADASHIVRAO DADOBA MANDLIK : Will the Minister of TEXTILES be pleased to state:

- (a) the details of income earned from export of textiles during each of the last three years;
- (b) its percentage out of the total export income in the country during the above period, year-wise;
- (c) whether the export percentage in the textiles sector is gradually sliding;
- (d) if so, the reasons therefor; and
- (e) the steps being taken by the Government to promote export of textiles?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) The details of export of textiles during the last three years, its percentage share in the total exports of the country have been as follows:

Year	Value in Million US\$	%share in total exports
1995-96	10,685.07	33.6%
1996-97	11,839.13	35.8%
1997-98	12,389.91 (Prov.)	36.5%

(c) No, Sir.

(d) Does not arise.

(e) In order to encourage the export 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, etc.

[English]

Hemco Group of Companies, Bombay

1670. SHRI K.S. RAO :
SHRI JANG BAHADUR SINGH PATEL :
SHRI D.S. AHIRE :
SHRI MADHAVRAO PATIL :

Will the Minister of FINANCE be pleased to state:

- (a) whether attention of the Government have been drawn to the news-item captioned "Videshi saakhpatra ke zariye 950 crore rupaye ke dhokhadhari ka bhandaphor" appearing in 'Dainik Jagran' dated January 18, 1999;
- (b) if so, whether the Hemco Group of companies of Bombay have defrauded the exchequer to the tune of Rs. 950 crore; and
- (c) if so, the full facts thereof and 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.

(b) and (c) Preliminary investigations have revealed that during the years 1995-96 to 1997-98, Hamco Group of Companies, Mumbai r.mitted foreign exchange to the tune of Rs. 644 crores through Letters of Credit, without corresponding import of goods. As a corrective action, Reserve Bank of India has issued directions under section 73(3) of Foreign Exchange Regulation Act, 1973 to the banks concerned, prohibiting any withdrawals, including outward remittances from the accounts of the said Group Companies and any lien on the balance lying in the same. The banks have also been advised not to open further letters of credit (LC) and/or seek confirmation of LCs already opened in respect of the said Companies.

Loans & Advances 323-22
Loans under PMRY

1671. SHRIMATI KAMAL RANI : Will the Minister of FINANCE be pleased to state:

(a) the number of SCs/STs amongst the total entrepreneurs of the country, State-wise particularly in Uttar Pradesh who have been provided loans under the Prime Minister Rozgar Yojana (PMRY) during each of the last three years, till date;

(b) the extent to which it is lower than the target fixed for this purpose; and

(c) 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) A Statement showing State/Union Territory-wise disbursements under PMRY to SCs/STs beneficiaries during the years 1995-96, 1996-97 and 1997-98 is annexed.

(b) and (c) The number of cases disbursed under these categories as a percentage to total disbursements during the last three years against prescribed reservation of 22.5% was as under:—

Year	All India SC/ST	Uttar Pradesh SC/ST
1995-96	15.2%	16.5%
1996-97	12.7%	11.2%
1997-98	13.6%	15.3%

The shortfall in achievements is attributed to the reasons that Government agencies did not receive/sponsor enough number of applications from persons belonging to these categories and also that persons belonging to these categories show preference for secured jobs in Government/Public Sector Undertakings with a fixed income instead of taking up self-employment ventures.

Statement

State/Union Territory-wise number of Scheduled Castes/Scheduled Tribes beneficiaries under the Scheme of Prime Minister's Rozgar Yojana

Name of the State/ Union Territories	Loan disbursed to SC/ST (No.)		
	1995-96	1996-97	1997-98
1	2	3	4
Andhra Pradesh	3048	1737	2636
Arunachal Pradesh	48	267	18

1	2	3	4
Assam	1304	1212	322
Bihar	2095	1506	1523
Goa	19	05	09
Gujarat	1132	1027	2010
Haryana	581	491	369
Himachal Pradesh	370	243	235
Jammu & Kashmir	54	74	160
Karnataka	1647	1450	1503
Kerala	1230	1228	1019
Madhya Pradesh	3232	2827	1909
Maharashtra	4605	3887	3134
Manipur	184	257	10
Meghalaya	174	329	30
Mizoram	106	197	—
Nagaland	172	189	45

1	2	3	4
National Capital Territory of Delhi	253	86	59
Orissa	853	504	193
Punjab	1626	965	986
Rajasthan	1086	817	1077
Sikkim	22	88	10
Tamil Nadu	1800	1084	1552
Tripura	150	312	26
Uttar Pradesh	3341	2766	3891
West Bengal	1056	734	390
Andaman & Nicobar Islands	10	38	08
Chandigarh	15	06	09
Dadra & Nagar Haveli	79	35	20
Daman & Diu	06	—	05
Lakshadweep	35	36	40
Pondicherry	37	24	18

[*Translation*]

329-30

Losses of Private Sector Steel Plants

1672. SHRIMATI SURYAKANTA PATIL : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether some major steel plants in private sector are running in loss and their production has been gradually declining;

(b) if so, the details thereof;

(c) the total loss incurred in these steel plants during the Eighth Five Year Plan;

(d) the reasons therefor; and

(e) the effective steps taken to implement the modernisation scheme of steel plants so that these steel plants can improve their performance in coming years?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b) As per available information, financial performance of the major steel producers in the private sector during 1997-98 was as under:

(Rs. Crores.)

Name of the Company	Profit(+)/Loss (-)
M/s. Tata Iron & Steel Co. Ltd.	(+) 322.08
M/s. Essar Steel Ltd.	(+) 24.70
M/s. Lloyds Steel Industries	(-) 58.81
M/s. Ispat Industries Ltd.	(+) 55.17
M/s. Jindal Strips Ltd.	(+) 73.31

The aggregate production of the private steel majors has reportedly not declined during the current financial year so far. Financial performance, however, is expected to be adversely affected.

(c) and (d) None of the above registered losses during the VIIIth plan period.

(e) Industrial Policy encourages private steel plants to pursue initiatives, including modernisation, in response to market conditions, domestic and global.

[*English*]

330-31

Nehru Rozgar Yojana

1673. SHRI NADENDLA BHASKARA RAO : Will the Minister of FINANCE be pleased to state:

(a) the number of beneficiaries assisted through banks under the Scheme of Urban Micro Enterprises (SUME) of Nehru Rozgar Yojana during each of the last three years;

(b) the number of applications are pending and the reasons for pendency;

(c) the criteria adopted for granting loans; and

(d) the steps being taken by the Government for speedy clearance of pending applications?

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 Scheme for Urban Micro Enterprises (SUME) was launched in October, 1998 and this Scheme has been replaced by Swarna Jayanti Shahari Rozgar Yojana (SJSRY) with effect from 1st December, 1997. As reported by Reserve Bank of India (RBI), the total number of beneficiaries assisted through banks under the scheme:

during the last three years are as under:—

(Amount Rs. in Lakhs)

Year	Applications received	Loans Sanctioned		Loans Disbursed	
		No.	Amount	No.	Amount
1995-96	241542	127035	10514.71	102672	7895.06
1996-97	213249	112480	10771.97	85290	7823.30
1997-98	136676	70799	7912.73	57333	5740.61

(b) to (d) Banks have been advised to consider the applications pending as at the end of the year in the following year. Similarly, cases sanctioned but pending at disbursement level would not lapse and would be considered for disbursement in the following year. Applicants whose annual family income does not exceed Rs. 11850 and who have been living in the area at least for 3 years are eligible to get the benefit under the scheme. There is no minimum or maximum age limit or educational qualification prescribed under the Scheme.

Losses to GIC

1674. SHRI SHANTILAL PURSHOTTAMDAS PATEL:
Will the Minister of FINANCE be pleased to state:

(a) whether General Insurance Companies are set to incur huge underwriting losses;

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

(c) the steps taken/proposed to be taken by the Government in this regard?

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) The General Insurance Corporation of India (GIC) has reported that the industry has been incurring heavy underwriting losses in the Third Party motor insurance

portfolio. As a remedial measure, as recommended by the Tariff Advisory Committee, the motor Third Party premium rates have been revised w.e.f. February 15, 1998.

Policy for Investment in Mining Sector

1675. SHRI AJIT JOGI : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Government propose to develop and adopt transparent policies to facilitate investments in the mining sector;

(b) if so, the details of foreign and Indian private companies which have shown interest in the mining sector of the country;

(c) whether the Government have set up any norms and conditions for private participation in the mining sector; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b) The National Mineral Policy, 1993 announced in tune with the economic liberalisation policy, opened up the mineral sector fully for private initiatives, both domestic and foreign participation in exploration and mining for high value and scarce minerals. Foreign equity investment in joint ventures in mining promoted by Indian Companies has also been encouraged. Any Indian National or a Company

as defined in sub-section (1) of Section 3 of the Companies Act, 1956 is free to explore and exploit the mineral reserves after getting a prospecting licence or mining lease in accordance with the provisions of the Mines and Minerals (Regulation and Development) Act, 1957 and Rules framed thereunder. As per information available on foreign investment, Foreign Investment Promotion Board has cleared 51 applications for foreign investment in the mineral sector during the period September, 1992 to February, 1999. The amount of investment involved in these applications comes to Rs. 3158 crores. As many as 9 foreign multi-national companies through their Indian subsidiaries individually or in collaboration with Indian public sector and private sector companies besides an Indian public sector company have been granted 44 prospecting licences over large areas in the states of Rajasthan, Gujarat, Maharashtra, Bihar and Uttar Pradesh for high value minerals like gold, silver, basemetals, nickel, cadmium, etc.

(c) Yes, Sir.

(d) The National Mineral Policy, 1993 encourages foreign equity investment in joint ventures in mining promoted by Indian companies. Guidelines for aerial prospecting over large areas were issued in October, 1996, which permit grant of prospecting licence for areas upto 5000 sq. km. for a single prospecting licence and 10,000 sq. km. for a single company in the entire country subject to a scheme of relinquishment so that a licensee is left with an area of 25 sq. km. at the end of the third year. As per the guidelines issued by the Government of India on January 17, 1997, foreign equity participation of upto 50% in the mining sector would be automatic, except for gold, silver, diamond and precious stones. For these minerals approval would be given by the Foreign Investment Promotion Board, on a case to case basis. Government has also permitted automatic approval route for foreign equity participation upto 74% for services incidental to mining viz. drilling, shafting, reclamation of mines, surveys/mapping (excluding services related to gold, silver and precious/semi precious stones) and basic metals and alloys industries.

Credit to SSI

1676. SHRI T.B. BAALU : Will the Minister of FINANCE be pleased to state:

(a) whether the small scale industries are suffering from non-availability of credit from nationalised banks; and

(b) if so, the steps taken by the Government to rehabilitate the SSIs and providing them more credit facilities?

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 reported by Reserve Bank of India (RBI), the outstanding credit to SSI Sector as on March, 1998 is Rs. 38,109 crores as compared to Rs. 31,542 crores as on March, 1997. The outstanding credit to SSI has shown an increase of Rs. 6,567 crores as compared to Rs. 2,060 crores during the same period last year. In order to further improve the availability of credit to SSI, Finance Minister in his Budget Speech has *inter-alia* announced the increase in limit for composite loan by SIDBI from Rs. 2 lakhs to Rs. 5 lakhs and increase in ceiling of aggregate turnover from Rs. 4 crores to Rs. 5 crores for computation of working capital limit on the basis of 20% of the annual turnover.

Export from Delhi

1677. SHRI VIJAY GOEL : Will the Minister of COMMERCE be pleased to state:

(a) the forex earnings of the National Capital Territory of Delhi as a result of exports during each of the last three years; and

(b) the steps taken to remove the infrastructural bottlenecks for exporters based in the National Capital Territory of Delhi?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) The Central Government has data about forex earnings of the country as a whole; such data is not maintained State or Union Territory-wise.

(b) The Central Government has been taking steps on a continuous basis to remove infrastructural bottlenecks for exports. Two Inland Container Depots (ICD) at Tughlakabad and Patparganj are functioning in Delhi. An ICD at Loni on the borders of NCR of Delhi and Uttar Pradesh, has recently been approved. An air cargo complex is functioning at the Indra Gandhi International airport for handling export/import of goods by air. Facilities for separate handling and storage of export cargo of perishable products has been set up at the Indra Gandhi

International (IGI) Airport. Airports Authority of India has identified land at Delhi airport for setting up a satellite airfreight city. Besides, certain procedural improvements for exports and imports from various airports, including IGI airport, Delhi have been carried out under the direction of the Export Promotion Board.

More Central Aid for Handloom Sector in A.P.

1678. PROF. P.J. KURIEN : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government of Andhra State has urged the Union Government that there is a need to increase the budgetary support to the handloom sector;

(b) if so, whether the State Government has pleased for immediate and time bound measures be taken to improve the handloom sales;

(c) whether Meera Seth Committee set up in this regard has recommended that weavers as a whole be brought within the ambit of development programme; and

(d) if so, to what extent the recommendations of the Committee have been implemented?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (c) Yes, Sir. However, the enhancement in the Budgetary support to the handloom sector is dependent upon the recommendation of the Planning Commission and availability of resources.

(d) The main recommendations of the Meera Seth Committee and their implementation are given in the enclosed statement.

Statement

Details of main recommendations of high powered Committee on Handloom Sector and action thereof

1. All major handloom concentrated States may set up a separate Department of Handlooms. State Handloom Corporations and Apex Societies should be revitalised by providing suitable rehabilitation package.

The State Governments have been requested to set up separate department wherever these have not been formed yet.

2. A National Handloom Credit Fund with a Corpus of atleast of Rs. 500 crores may be set up for providing credit to the weavers outside the cooperative fold.

A study has been entrusted to Agriculture Finance Corporation to go into various aspects of problems of weavers.

3. NABARD may consider waiving the provisions with regard to the guarantee cover in respect of limits sanctioned. Loss Guarantee Scheme may be introduced to protect the interest of the Banks. The Credit for trading in yarn may also be re-financed at 9½% interest rate.

NABARD has provided refinance facility for banks for working Capital requirement of handloom weavers and for providing additional credit limit. NABARD has made a major shift in policy for sanction of credit limit to certain categories of scheduled State Cooperative Banks without the requirement of State Government guarantees in respect of good working banks and societies. Refinance to commercial banks for working capital requirements of handloom weavers has also been provided for. The rate of interest has been reduced on refinance. Reduction in interest rates have also been made for marketing activities and trading in yarn.

4. All State Governments may exempt Hank Yarn and Handloom products from any tax, including sales tax, entry tax and octroi.

The State Governments have been requested to consider exemption of hank yarn and handloom products from any Tax etc.

5. Marketing complexes including handloom haats and permanent exhibition sites at Village, subdivision, district and town level in large numbers may be set up by the Central/State Governments or their agencies.

Marketing Complexes have been set up in Jaipur, Ahmedabad, Hyderabad, Kanpur, Mumbai, Indore, Cochin, Calcutta and Kollam.

6. A comprehensive project package for development of exportable products should be developed.

A budget provision of Rs. 500 lakhs was made during 1998-99 under the scheme for Handloom Export.

7. A Calamity Relief Scheme may be introduced to provide support for purchase of handlooms and other accessories, subsidy on purchase of Hank Yarn under Hank Yarn Subsidy Scheme, enhanced availability of credit, ensured buy-back of production and to provide immediate relief under various ongoing schemes of the State Governments.

The New Insurance Scheme has been introduced wherein calamity relief together— with accidental death, loss and damage of dwelling units due to flood, fire and earthquake has been included.

8. Welfare schemes may include all handloom workers and not just weavers. Coverage of Handloom workers under the Welfare Schemes of the Handlooms should be substantially stepped up both in cooperative and outside the cooperative fold.

Under the Category of Welfare Scheme, all types of handloom weavers can be covered under the New Insurance Scheme. It would include weavers in both cooperative fold and outside.

9. Special thrust under ongoing schemes of handlooms sector may be given for overall development of North-Eastern States, by providing additional financial input, where required.

North Eastern States are being given special attention. More than 10% of the total funds had been released to N.E. States. Special dispensation is being given under different existing schemes to N.E. States.

India Brand Equity Fund

1679. SHRI K.C. KONDAIAH : Will the Minister of COMMERCE be pleased to state:

(a) whether Karnataka Soaps and Detergents Limited has sought any Central assistance under the India Brand Equity Fund (IBEF) to promote Indian brands in foreign markets;

(b) if so, the amount of assistance sought; and

(c) the reaction of the Union Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Yes, Sir. Karnataka a Soaps and Detergents Limited has sought soft loan of about Rs. 5 crores to improve the packing and presentation of Mysore Sandal Soap to suit International requirements, carry out effective sales promotion and participation in trade exhibitions with special emphasis on 'Made in India' theme.

(c) M/s. Karnataka Soaps and Detergents Limited have been requested to send their proposal with the details required to be furnished for consideration by the IBEF trust.

[Translation]

Amount Spent on VRS

1680. SHRI HARI KEWAL PRASAD : Will the Minister of TEXTILES be pleased to state:

(a) the details of amount received by his Ministry from the Union Government under the "Voluntary Retirement Scheme" during each of the last three years;

(b) the number of employees sought retirement under the Voluntary Retirement Scheme during the above period, as on date;

(c) whether the amount provided for voluntary retirement scheme has been spent on other heads; and

(d) if so, the amount provided for VRS and spent on other heads alongwith the reasons therefor?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (d) The information is being collected and will be laid on the Table of the House.

[English]

New Forum for Economic Crisis

1681. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to form new forum to prevent economic crisis on the existing economic forum which met in February 1999;

(b) whether it has revamped financial architecture;

(c) if so, the other issues that were raised in the forum; and

(d) the extent to which India's view points have been appreciated and accepted?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (d) During the World Economic Forum meeting in Davos on 31st January 1999, the creation of a rule based system which would provide an equitable environment to both industrial and developing countries, as a part of the new International Financial Architecture was proposed;

The main topic for discussion in the current year related to globalization. The World Economic Forum meeting provides an avenue for informal discussions between world leaders in Finance, business and economics on matters of current topical interest. The discussions are freewheeling in nature. The Indian view point has been well received.

Restructuring of Financial Institutions

1682. SHRI VILAS MUTTEMWAR : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have decided to restructure its financial institutions like UTI, LIC, IDBI, ICICI etc. to make their operations manageable and more efficient with proper focus;

(b) if so, the details of the changes proposed to be made, institution-wise;

(c) the details of Experts Committees appointed, recommendations made by them and the action taken thereon; and

(d) the details regarding present status of proposed restructuring of financial institutions?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (d) Restructuring of Financial Institutions in a changing commercial environment is a continuous process. The Committee on Financial Systems (Narsimhan Committee) *inter-alia* had gone into certain organisational and institutional aspects of FIs such as corporatising the financial institutions, vesting them with operational flexibility

and internal autonomy and creating a competitive environment, encouragement to commercial banks for providing term finance, permitting FIs to provide core working capital obtaining resources from the market on competitive terms etc. and had made recommendations. Government have been taking appropriate legislative and administrative measures from time to time in light of the recommendations of the Narsimhan Committee with a view to addressing the requirements of financial institutions.

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Export of Butter Files

1683. SHRI AMAN KUMAR NAGRA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are aware of the butter files being openly exported as there is no law to prevent it;

(b) if so, the details thereof; and

(c) the steps taken by the Government to ban the export of butter files?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) As per the current EXIM Policy, there is no restriction on export of butter files from the country. The data regarding export of butter files is not available.

(c) There is no proposal at the moment to ban the export of butter files.

[Translation]

Yarn to Handloom Industry

1684. PROF. PREM SINGH CHANDUMAJRA : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have recently issued new directions to spinning mills for making available spin yarn to the handloom industry;

(b) if so, the percentage of total production of spin yarn produced by the spinning mills because, it is compulsory for them to make it available for the handloom industry;

(c) the reasons for issuing new directions recently by the Government;

(d) whether the requirement of the handloom industry is likely to be met even then the low production of yarn as a result thereof; and

(e) if not, the steps being taken in this regard?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (e) No new directions have been issued recently to the spinning mills regarding availability of spin yarn to the handloom industry as adequate availability is already ensured and no report of either shortage or abnormal price increase has been reported.

[English]

300/13
Rourkela Steel Plant

1685. SHRI TATHAGATA SATPATHY :
DR. ULHAS VASUDEO PATIL :
SHRI PRASAD BABURAO TANPURE :

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether there had been cost over-run in the modernisation project of Rourkela Steel Plant;

(b) if so, the position in this regard during the last three years;

(c) whether any efforts are being made by the Government during the current fiscal year to meet the depreciation costs and the interest burden of modernisation project;

(d) if so, the details thereof;

(e) whether this plant is putting attention for modernisation rather than production; and

(f) if so, the details thereof and details of facilities?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b)

Yes, Sir. The details of cost overrun are as under :—

Approved Cost	Rs. 3954 crore (Base: 1st Qtr'92)
Anticipated Cost	Rs. 5112 crore (Base: 4th Qtr'97)
Cost overrun	Rs. 1158 crore.

(c) and (d) No, Sir. However, based on IDBI's recommendations on financial restructuring, SAIL has approached the Government for its financial restructuring which primarily envisages relief from the Steel Development Fund (SDF) loan/Government of India loan towards writing down of fixed assets to the extent of interest capitalized, writing-off of loan and advances given by SAIL to IISCO, etc.

(e) and (f) Adequate attention is being given by the management both to modernisation work as well as to production. The modernisation work has been completed in August'98 except for one Reheating Furnace (Reheating Furnace No. 5) at Hot Strip Mill, which is likely to be completed by March'2000. The salient details of the modernised facilities and the production performance of the plant during last 3 years are given in the enclosed statement.

Statement

The salient details of modernised facilities at RSP

Phase-I

Centralised Raw Material Handling System

Coal Averaging and other Coal Handling facilities

Sinter Screening and Conveyonsation of Stock Houses in Blast Furnaces

Cast House Slag Granulation facility for Blast Furnace No. 4

180 TPD Air Separation Unit

Modification of Domite Brick Plant

Combined blowing facilities in existing LD converter no. 4 and 5 at Steel Melting Shop-I

Augmentation of Power Distribution facilities

Phase-II

Base Blending facilities in Centralized Raw Material Handling System

Installation of Partial Briquetting of Coal Charge facilities

Installation of 1 x 192 M2 Sinter machine at New Sintering Plant

Conveyors from and to New Sintering Plant

Installation of 2 x 150 T LD converters at New Basic Oxygen Furnace (BOF) Shop

Installation of 2 Nos. of Single Strand Slab Casters in new BOF Shop

Phasing out 3 x 40 T converters and 4 x 80T Open Hearth Furnaces and installation of one Single Strand Slab Caster in existing Steel Melting Shop

Modification of Plate Mill and Hot Strip Mill

Installation of 4 x 250 TPD New Calcining Plant

Installation of 1 x 180 TPD Air Separation Unit

Installation of 1 x 60 TPD New Medium Pressure Boiler

Sizing Plant at Satna Line Stone Queries

Installation of One Reheating Furnace in Plate Mill and Two Reheating Furnaces in Hot Strip Mill of larger capacity in place of two old Reheating Furnaces in Hot Strip Mill.

Production of Saleable Steel in Rourkela Steel Plant

Year	1995-96	1996-97	1997-98
000 Tonnes	1148	1180	1181

Indo-Myanmar Trade

1686. SHRI N.J. BATHWA : Will the Minister of COMMERCE be pleased to state:

(a) the terms and conditions of the Indo-Myanmar Trade Treaty;

(b) whether the Government are aware that the marketing centres at Moreh have been shifted to the Myanmar side at Neamphalong and Tamu; and

(c) if so, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) India and Myanmar signed a Bilateral Trade Agreement on 27.5.1970 agreeing to develop and strengthen in every possible way trade relations between the two countries for mutual benefit on the basis of the principle of equality of rights and also agreed to accord Most Favoured Nation (MFN) treatment to each other. India and Myanmar have also signed a Border Trade Agreement on 21.1.1994. The highlights of the agreement are:

- (i) Border trade would be conducted through the designated custom posts in accordance with the laws, regulations and procedures in force in either country at Moreh in Manipur corresponding to Tamu in Myanmar and Champai in Mizoram corresponding to Rih in Myanmar and also at other places as may be notified by mutual agreement.
- (ii) Exchange of locally produced commodities as identified therein, by people living along both sides of the Indo-Myanmar border will be continued as per the prevailing customary practice including the barter mechanism.
- (iii) Trade may be conducted in freely convertible currencies or other currencies as may be mutually agreed upon by the two countries, including through counter trade arrangements.
- (iv) Periodical review by both sides to ensure successful implementation of the objectives and provisions of the Border Trade Agreement.

The border trade at Moreh was made operational in 12.4.95 whereas the border trade at other points has not yet been operationalised. Myanmar have decided in November 1997 that the normal trade through the border should take place only in US dollars with Myanmar exports preceding the imports from India.

(b) No marketing centre of Moreh has been shifted to the Myanmar side.

(c) Does not arise.

Foreign Trade

5.13-04

Public Sector
Rules for Vigilance in PSEs *25.5.16*

1687. SHRI RAMKRISHNA BABA PATIL : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to formulate new set of rules with regard to vigilance for the Public Sector Enterprises; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) and (b) Review of rules and guidelines governing vigilance matters in public sector enterprises is a continuous process. Recently, a model vigilance set up for PSUs has been recommended for adoption by the PSUs with

suitable modifications depending on their individual requirements.

Auto. vehicles
Production/Sale of Various Vehicles *24.6*

1688. SHRI GURUDAS KAMAT :
SHRI SAMAR CHOUDHURY :

Will the Minister of INDUSTRY be pleased to state the total production and sales of passenger cars, trucks, two wheelers, three wheelers etc. during each of the last three years?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : Total Production and Sales of various automotive vehicles during last 3 years were as under:

(in Nos.)

	1995-96		1996-97		1997-98	
	Prod.	Sales	Prod.	Sales	Prod.	Sales
Commercial vehicles	217437	215638	240551	235512	160998	156559
Cars	348240	345340	411145	411305	407453	416408
Multi Utility Vehicles	106251	104260	134583	134841	134613	133712
Two Wheelers	2656017	2658288	2979227	2963489	3072667	3044074
Three Wheelers	176413	177055	221619	220436	234867	233733

25.5.16
Export of Fruits and Vegetables

1689. SHRI GORDHANBHAI JADAVBHAI JAVIYA : Will the Minister of COMMERCE be pleased to state:

(a) whether fruits and vegetables are being exported from the country particularly from Gujarat;

(b) if so, the amount and the quantity of fruits and vegetables exported during the last three years;

(c) whether the Government have announced certain incentive to promote export of fruits and vegetables during the current year; and

(d) if so, the details of such incentives?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Fruits and Vegetables are exported from the country. However, the export data is not maintained on a state-wise basis.

(b) The quantity and value of fruits and vegetables exported during the last three years are as follows:—

Year	Fresh Vegetables		Fresh Fruits	
	Quantity (MTs)	Value (Rs. crores)	Quantity (Mts)	Value (Rs. crores)
1995-96	434401	301.19	109704	229.96
1996-97	498863	341.16	217753	241.17
1997-98	NA	319.45	NA	268.98

Source: DGCI&S, Calcutta/APEDA)

(c) and (d) The Government has been providing assistance and taken various measures to promote exports of horticulture products such as fruits and vegetables which are continued during the current year also. These steps include:—

- (i) Provision of 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 under the Centrally Sponsored Scheme on Integrated Development of Tropical, Temperate and Arid Zone fruits;
- (ii) Provision of soft loans for setting up of grading/processing centres, auction platforms, ripening/curing chambers and quality testing equipment;
- (iii) 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);
- (iv) Grant of financial assistance for improved packaging, and strengthening of quality control including adoption of latest ISO 9000/HACCP systems at export units;

- (v) Grant of air freight subsidy for export of selected fresh vegetables and fresh fruits;
- (vi) Establishment of vapour heat treatment facilities for improving the acceptability of the product especially mangoes in overseas markets. Research efforts are on for the use of modern technologies such as Controlled/Modified Atmosphere technologies in transportation for increasing the shelf-life of perishable products;
- (vii) Arranging promotional campaigns such as buyer-seller meets and participation in important international fairs and exhibitions;
- (viii) 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;
- (ix) Providing technical advisory services and other support services to, trade and industry including training of farmers for export production, quality control packaging, transport, etc.

[Translation]

Top Vacant Posts in PSUs

1690. SHRI RAMCHANDRA VEERAPPA : Will the Minister of INDUSTRY be pleased to state:

(a) the number and names of Public Sector Undertakings as on 31st December, 1998, in which posts of Chairman-cum-Managing Director were lying vacant and since when each of these posts are lying vacant; and

(b) the steps being taken by the Government to fill these posts?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) and

(b) There were 26 posts of Chairman-cum-Managing Director and Managing Director which were lying vacant as on 31st December, 1998. The details of these vacancies are given in the enclosed statement. There is a prescribed procedure for filling up posts of Chairman-cum-Managing Director and Managing Director, according to which selection will be made by the Public Enterprises Selection Board and appointments made by the concerned administrative Ministries/Departments after completing the requisite formalities. This is a continuous process.

Statement

Names of Public Sector Undertakings in which the posts of CMDs/MDs were lying vacant as on 31.12.1998

Sl No.	Name of the PSU	Date of Vacancy
1	2	3
1.	M.D. North Eastern Regional Agriculture Marketing Corporation Limited	2.6.1997
2.	CMD, Eastern Coalfields Limited	1.12.1997
3.	CMD, Madras Refineries Limited	25.11.1998
4.	CMD, Oil India Limited	1.2.1998
5.	MD, Indian Medicines Pharmaceuticals Corpn. Ltd.	
6.	CMD, Fertilizer Corporation of India	15.12.1998
7.	CMD, Hindustan Vegetable Oils Corpn. Ltd.	1.10.1998
8.	CMD, Videsh Sanchar Nigam Limited	1.7.1998
9.	CMD, India Tourism Development Corpn. Ltd.	1.10.1997
10.	CMD, Electronics Corporation of India Ltd.	16.10.1998
11.	MD, Indian Railway Finance Corporation Ltd.	31.8.1995

1	2	3
12.	MD, Konkan Railway Corporation Ltd.	16.12.1997
13.	MD, National Film Development Corporation Ltd.	4.5.1998
14.	CMD, NIC (Gujarat) Limited	1.5.1998
15.	CMD, NTC (South Maharashtra) Ltd.	27.1.1998
16.	CMD, NTC (Uttar Pradesh) Limited	17.3.1998
17.	CMD, National Jute Manufacturers Corpn. Ltd.	31.3.1998
18.	CMD, Cotton Corporation of India Ltd.	1.11.1998
19.	MD, Smith Stanistreet Pharmaceuticals Ltd.	31.5.1997
20.	MD, Manipur State Drugs and Pharmaceuticals Ltd.	1.10.1997
21.	CMD, Tyre Corporation of India Ltd.	21.8.1995
22.	CMD, Heavy Engineering Corporation Ltd.	1.7.1998
23.	CMD, Lagan Jute Machinery Corporation Ltd.	22.12.1997
24.	CMD, Braithwaite and Co. Ltd.	8.10.1998
25.	CMD, Hindustan Salts Ltd.	1.4.1998
26.	CMD, Central Electronics Limited	5.7.1998

[English]

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**Air Journey by Officials of Oriental
Insurance Company**

1691. SHRI MANIKBAO HODLYA GAVIT : Will the Minister of FINANCE be pleased to state:

(a) the details of air journey, in India and abroad, performed by each of the Chairman-cum-Managing Director, General Manager, AGM, Manager, Deputy Manager of the Oriental Insurance Company Limited during the last three years;

(b) the expenditure incurred on each tour; and

(c) the purpose of 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 (c) The information is being collected and will be laid on the Table of the House.

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Revival of ECL

1692. SHRI TAPAN SIKDAR : Will the Minister of COAL be pleased to state:

(a) whether the Government are contemplating to refer the Eastern Coalfields Limited (ECL), a subsidiary of Coal India Ltd. to BIFR;

(b) if not, the action being taken to revive the ECL;

(c) whether the Government have examined the reasons for heavy losses in ECL, particularly the impact of exorbitant cess levied by the West Bengal Government;

(d) whether the Government worked out the viability of the mines taking into account a drastic rationalisation of cess levied by West Bengal; and

(e) if so, the hurdles coming in the way of implementing a package with zero cess by the State Government?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) Under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, it is the Board of Directors of an Industrial Company who are required by law to refer the company as a Sick Industrial Company to the BIFR if in their opinion the company's net worth has become negative at the end of any financial year.

(b) ECL has been incurring losses in most of the financial years from its inception. Over a period of time, the Government of India and the Coal India Limited (CIL) have provided the following support to ECL—

(i) Contribution from Coal Price Regulation Account amounting to Rs. 3265 crores.

(ii) Waiver of interest and penal interest amounting to Rs. 1309 crores.

(iii) Conversion of debt into equity in 1997-98 amounting to Rs. 1179 crores.

(iv) A moratorium of three years on repayment and interest payment of non-plan loan of Rs. 259 crores.

(v) Investment by Government of India and CIL amounting to Rs. 2800 crores at the end of 1997-98.

Studies have been conducted on ECL in an effort to prepare a revival package. The last revival package prepared in 1997 did not produce the desired yields mainly on account of surplus manpower. In order to revive this company, presently the management has worked out several alternative proposals which are under discussion with the Trade Unions. So far no agreed package has been arrived at.

(c) to (e) As has been indicated in the answer to part (b) of the question, the situation in ECL has been studied on several occasions. The cesses on coal levied by the Government of West Bengal have reduced the flexibility of the company to increase coal prices. Recently, the Government of West Bengal have reduced the average incidence of their cesses from 47% of the average base price of ECL coals to 25%. This sharp decrease in the cesses would certainly enable the company to realise a slightly higher price from the customer. However, this measure alone will not enable a viable rehabilitation package to be worked out. The fundamental problem of high manpower in ECL in relation to its production and productivity will require to be

addressed if a viable long term rehabilitation package is to be worked out. The elements of such a package can be determined. However, the Trade Unions are unwilling to accept any package which involves a reduction in ECL manpower even by voluntary retirement or by a one time retirement of the employees above the age of 55 years.

Externally Aided Projects in Tripura

1693. SHRI SAMAR CHOUDHARY : Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Tripura has sent proposals seeking external aid for projects relating to Agriculture, Road, Education and Water Resources;

(b) if so, the action taken by the Union Government thereon so far; and

(c) the total amount of external aid received for development projects in Tripura so far, project-wise?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) Information is being collected and will be furnished.

12.00 hrs.

PAPERS LAID ON THE TABLE

Annual Reports alongwith Audited Report for 1997-98, Review of the Working of the Indian Institute of Entrepreneurship, Guwahati etc. and Statement showing reasons for delay in laying the paper etc.

[English]

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : Sir, I beg to lay on the Table—

(*) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Entrepreneurship, Guwahati, for the year 1997-98 alongwith Audited Accounts.

(ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Indian Institute of Entrepreneurship, Guwahati, for the year 1997-98.

(2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library, See No. LT 2462/99]

(3) (i) A copy of the Annual Report (Hindi and English versions) of the Coir Board, Kochi, for the year 1997-98, under section 19 of the Coir Industry Act, 1953.

(ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Coir Board, Kochi, for the year 1997-98.

(4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library, See No. LT 2463/99]

(5) (i) A copy of the Annual Accounts (Hindi and English versions) of the Coir Board, Kochi for the year 1997-98, together with Audit Report thereon, under sub-section (4) of section 17 of the Coir Industry Act, 1953.

(ii) Statement regarding Review (Hindi and English versions) by the Government on the Audited Accounts of the Coir Board, Kochi, for the year 1997-98.

(6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library, See No. LT 2464/99]

(7) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Small Industry Extension Training, Hyderabad, for the year 1995-96, alongwith Audited Accounts.

(ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the National Institute of Small Industry Extension Training, Hyderabad, for the year 1995-96.

- (8) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (7) above.

[Placed in Library, See No. LT 2465/99]

- (9) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Small Industry Extension Training, Hyderabad, for the year 1996-97, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the National Institute of Small Industry Extension Training, Hyderabad, for the year 1996-97.

- (10) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (9) above.

[Placed in Library, See No. LT 2466/99]

- (11) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Small Industry Extension Training, Hyderabad, for the year 1997-98, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the National Institute of Small Industry Extension Training Hyderabad, for the year 1997-98.

- (12) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (11) above.

[Placed in Library, See No. LT 2467/99]

Annual Report alongwith Audited Accounts, Review of the working of Tobacco Board, Guntur for the year 1997-98 and Statement showing reasons for delay in laying the papers

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : I beg to lay on the Table—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Tobacco Board, Guntur, for the year 1997-98, alongwith Audited Accounts.

- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Tobacco Board, Guntur, for the year 1997-98.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library, See No. LT 2468/99]

Annual Report alongwith Audited Accounts, Review of the working of the Cotton Textiles Export Promotion Council Mumbai for the year 1997-98

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 Cotton Textiles Export Promotion Council, Mumbai, for the year 1997-98, alongwith Audited Accounts.

- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Cotton Textiles Export Promotion Council, Mumbai, for the year 1997-98.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library, See No. LT 2469/99]

Copies of Notifications under Section 159 of Customs Act, 1962 under Sub-section 7 of Section 9A of Customs Tarriff Act, 1975 etc.

[Translation]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Mr. Speaker, Sir, I beg to lay the following papers on the table—

- (1) A copy each of the following Notifications (Hindi and English versions) Under section 159 of Customs Act, 1962—

- (i) G.S.R. 11(E) published in Gazette of India dated the 4th January, 1999 together with an explanatory memorandum making certain

amendments in the Notification mentioned therein so as to increase the rate of basic customs duty on gold imported by eligible passengers and designated agencies.

- (ii) G.S.R. 18(E) published in Gazette of India dated the 6th January, 1999 together with an explanatory memorandum making certain amendments in the Notification No. 12/97-Cus., dated the 1st March, 1997.
- (iii) G.S.R. 31(E) published in Gazette of India dated the 14th January, 1999 together with an explanatory memorandum making certain amendments in the Notification No. 23/98-Cus., dated the 2nd June, 1998 so as to increase basic customs duty from 5 percent to 20 percent *ad valorem* on imported refined sugar including white crystal sugar and raw sugar.

G.S.R. 59(E) published in Gazette of India dated the 1st February, 1999 together with an explanatory memorandum making certain amendments in the Notification No. 12/97-Cus., dated the 1st March, 1997.

[Placed in Library, See No. LT 2470/99]

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A copy of each of the following Notifications (Hindi and English versions) Under section (7) of section 9A of Customs Tariff Act, 1975:—

- (i) G.S.R. 44(E) published in Gazette of India dated the 22nd January, 1999 together with an explanatory memorandum seeking to impose final anti-dumping duty on Ortho Chloro Benzaldehyde when imported into India and originating in the Peoples Republic of China at the rates specified in the notification.
- (ii) G.S.R. 45(E) published in Gazette of India dated the 22nd January, 1999 together with an explanatory memorandum seeking to rescind notification No. 95/98-Cus., dated the 24th November, 1998.
- (iii) G.S.R. 53(E) published in Gazette of India dated the 29th January, 1999 together with an explanatory memorandum seeking to impose final anti-dumping duties on Lovastatin, when imported into India, and originating in the Peoples Republic of China, at the rates specified in the notification.

(iv) G.S.R. 54(E) published in Gazette of India dated the 29th January, 1999 together with an explanatory memorandum seeking to rescind notification No. 93/98-Cus., dated the 24th November, 1998.

(v) G.S.R. 60(E) published in Gazette of India dated the 2nd February, 1999 together with an explanatory memorandum seeking to impose provisional anti-dumping duties on P Tert Butyl Catechol, originating in or imported from France, at the rates specified in the notification.

(iv) G.S.R. 64(E) published in Gazette of India dated the 5th February, 1999 together with an explanatory memorandum seeking to impose anti-dumping duties on Theophyllence and Caffeine when originating in or imported from the Peoples Republic of China, and imported into India at the rates specified in the notification.

(vii) G.S.R. 65(E) published in Gazette of India dated the 5th February, 1999 together with an explanatory memorandum seeking to rescind the notification No. 152/95-Customs, dated the 20th October, 1995.

(viii) G.S.R. 709(E) published in Gazette of India dated the 27th November, 1998 together with an explanatory memorandum seeking to impose final anti-dumping duty on HR coils, strips, sheets and plates (including boiler quality plates).

[Placed in Library, See No. LT 2471/99]

- (3) A copy of the Income-tax (26th Amendment) Rules, 1998 (Hindi and English versions) published in Notification No. S.O. 1079(E) in Gazette of India dated the 16th December, 1998, under section 296 of the Income-tax Act, 1961, together with an explanatory memorandum.

[Placed in Library, See No. LT 2472/99]

- (4) A copy of the Notification No. G.S.R. 405(E) (Hindi and English versions) published in Gazette of India dated the 18th July, 1998 together with an explanatory memorandum seeking to exempt from the whole of the service tax, the taxable services provided to any person by a tour operator in relation to a tour upto the 31st March, 2000, under

Sub-section (4) of section 94 of the Finance Act, 1994.

[Placed in Library, See No. LT 2473/99]

- PL 361
- (5) A copy of the Coinage (Standard Weight and Remedy of Commemorative Coins) of the Hundred Rupees (containing Silver 50%, Copper 40% Nickel 5% and Zinc 5%), Fifty Rupees, Ten Rupees and Two Rupees (Containing Copper 75% and Nickel 25%) coined in the memory of "Deshbandhu Chittaranjan Das" Rules, 1998 (Hindi and English versions) published in Notification No. G.S.R. 733(E) in Gazette of India dated the 11th December, 1998, under sub-section (3) of section 21 of the Coinage Act, 1906.

[Placed in Library, See No. LT 2474/99]

Annual Report alongwith Audited Accounts for 1997-98, Review of the working of the Nepa Limited, East Nimar and Statement showing reasons for delay etc.

[English]

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : On behalf of Shri Sukhbir Singh Badal. I beg to lay on the Table—

- PL 361
- (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 Nepa Limited, East Nimar, for the year 1997-98.
- (ii) Annual Report of the Nepa Limited, East Nimar, for the year 1997-98, 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 2475/99]

12.01 hrs.

STANDING COMMITTEE ON DEFENCE

Sixth Report

[English]

12.02

SHRI. LDR. KAMAL CHAUDHRY (Hoshiarpur) Sir, I beg to present the Sixth Report (Hindi and English versions) of the Standing Committee on Defence on 'Ordinance Factories'.

12.02 hrs.

STANDING COMMITTEE ON URBAN AND RURAL DEVELOPMENT

Sixteenth, Seventeenth, Eighteenth and Nineteenth Reports

[English]

SHRI KISHAN SINGH SANGWAN (Sonepat) : I beg to present the following Reports (Hindi and English versions) of the Standing Committee on Urban and Rural Development:

- (1) Sixteenth Report on Action Taken by the Government on the recommendations contained in the Twelfth Report of the Standing Committee on Urban and Rural Development (Eleventh Lok Sabha) on Demands for Grants (1997-98) of the Department of Urban Employment and Poverty Alleviation (Ministry of Urban Affairs and Employment).
- (2) Seventeenth Report on Action Taken by the Government on the recommendations contained in the Eighth Report of the Standing Committee on Urban and Rural Development (Eleventh Lok Sabha) on Demands for Grants (1997-98) of the Department of Rural Development (Ministry of Rural Areas and Employment).
- (3) Eighteenth Report on Action Taken by the Government on the recommendations contained in the Fifth Report of the Standing Committee on Urban and Rural Development

(Eleventh Lok Sabha) on Demands for Grants (1996-97) of the Department of Rural Employment and Poverty Alleviation (Ministry of Rural Areas and Employment).

- (4) Nineteenth Report on Action Taken by the Government on the recommendations contained in the Tenth Report of the Standing Committee on Urban and Rural Development (Eleventh Lok Sabha) on Demands for Grants (1997-98) of the Department of Rural Employment and Poverty Alleviation (Ministry of Rural Areas and Employment).

12.03 hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM) : With your permission, Sir, I rise to announce that Government Business during the week commencing 8th March, 1999 will consist of:—

1. Continuation of any item of Government Business carried over from today's Order Paper.
2. Consideration and passing of the Salary, Allowances and Pension of Members of Parliament (Amendment) Bill, 1999.
3. Discussion on the Motion of Thanks on the President's Address.
4. General Discussion on Budget (Railways) for 1999-2000.

Discussion and Voting on:—

- (a) Demands for Grants on Account (Railways) for 1999-2000.
- (b) Supplementary Demands for Grants (Railways) for 1998-99.
- (c) Demands for Excess Grants (Railways) for 1996-97.

- 6 Discussion on the Statutory Resolution seeking disapproval of the Patents (Amendment) Ordinance, 1999 and consideration and passing of the Patents (Amendment) Bill, 1998 as passed by the Rajya Sabha.

[Translation]

SHRI JAGAT VIR SINGH DRONA (Kanpur) : Mr. Speaker Sir, kindly allow the following subjects to be included in the agenda of the next week for discussion.

1. To withdraw the closure orders regarding the cotton mills, Kanpur Textiles, Algin Mill No. 1 and Algin Mill No. 2, under the British India Corporation, located at Kanpur and decision regarding the future of these mills be taken alongwith the N.T.C. mills.
2. Urgent need to provide air services to Kanpur, the biggest industrial city of Uttar Pradesh, having a population of 40 lakhs, with a view to save its industrial status.

SHRI RAVINDRA KUMAR PANDEY (Giridih) : Mr. Speaker, Sir, kindly following subjects be included in the agenda for the next week for discussion:

1. Effective steps be taken to check emission of pollutants from Chandrapura Thermal Power Station, situated on Damodar river in the Vananchal region of Bihar.
2. Construction work of the proposed Navinagar Thermal Power Station in the Aurangabad district of Bihar be started immediately.

[English]

SHRI HANNAN MOLLAH (Uluberia) : Sir, the following matters may be included in the next week's Agenda:

- (i) The jute industry and the jute laminating industry are facing serious trouble. Thousands of workers of these industries are in danger of losing their jobs due to non-implementation of Jute Packaging Materials (Compulsory use in Packaging Commodity) Act, 1987 by refusing to use 50 per cent jute packaging by fertiliser industry.

- (ii) The Government of India Press, Santragachi, Howrah is facing serious trouble. Both the Press and Printing Unit and the Forms Unit must be modernised immediately in consultation with the workers' union. The Ministry of Urban Affairs and Employment must come out with a comprehensive modernisation plan and discuss it in the House for its implementation.

[Translation]

SHRI ADITYANATH (Gorakhpur) : Mr. Speaker, Sir, kindly allow the following matter to be included in the next week's agenda for discussion:

1. The Gorakhpur unit of Indian Fertilisers Corporation Ltd. was set up in 1969. This unit was a boon for the farmers of the eastern Uttar Pradesh. But the said unit was closed down after a minor accident in 1990. Therefore, the Government, has taken a historical decision to re-start the closed unit, under Krishak Bharti Co-operative Ltd., in public interest. After the closure of the plant, the salaries of the employees, working in the plant, has not been revised. Hence, like the other public sector establishments, all the working employees should be given new pay scales.

2. The employees working already in the fertiliser plant should be absorbed by the KRIBHCO.

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora) : Mr. Speaker, Sir, kindly the following matters may be included in the next week's agenda for discussion:

1. Need to pass, the "Uttar Pradesh State Reorganisation Bill" earliest in this session for the setting up of Uttaranchal State.

2. The need to regularise the services of the daily wagers, of working in Border Roads Organisation, under the Ministry of Defence and the extra-departmental employees of the Telecommunication Department

SHRI RAMA NAND SINGH (Satna) : Mr. Speaker Sir, the following matters may be included in the agenda of the next week:

"Discussion in respect of sanctioning more than 300 pending irrigation schemes of Madhya Pradesh, by Government of India and Environment and Forests Ministry, which has been affected by Forest (Conservation) Act, 1980."

SHRI SHAILENDHA KUMAR (Chail) : Mr. Speaker, Sir, the following matters, may be included in the agenda of the next week:

Allahabad, in Uttar Pradesh, is a historical city. Since the ancient time this city has been an important cultural and religious centre of the country. Pilgrims from all over the world throng Allahabad on the occasion of *Ardh Kumbha* after every six years and *Kumbha*, after every 12 years. Even today, the Allahabad University is known as the oxford of the East where students from country and abroad come to study. It also has a well known carpet industry, which plays an important role in earning foreign exchange. Due to which a large number of foreigners visit Allahabad. In spite of all this, Allahabad is not on the air map of the country. Earlier, also services were provided to Allahabad by Indian Airlines, Air India and Vayudoot which are discontinued at present. I urge the Government to make an announcement regarding putting Allahabad on the map at the earliest.

[English]

PROF. SAIFUDDIN SOZ (Baramulla) : Sir, the following matter may be included in the next week's business:

The All India Institute of Medical Sciences is a prestigious national institute which needs considerable attention of the Central Government to provide more facilities for treatment of patients as also to fulfil the needs of the Faculty.

Now, the High Court of Delhi has asked the Government to implement the Bakshi Committee recommendations. The Government should implement the Bakshi Committee recommendations. The sooner it is done, the better.

[Translation]

SHRI LAL BIHARI TIWARI (East Delhi) : Mr. Speaker Sir, the following matter may be included in the next week's agenda:

1. The decision by the Ministry of Petroleum and Natural Gas to clear the waiting list for L.P.G. connection in the National Capital Region of Delhi, is laudable. But this facility is not provided through all LPG agencies but it would be only through those distributors, who have supply of less than 15,000 cylinders per month. Due to which its consumers have to go far to get gas connection.

[Shri Lal Bihari Tiwari]

Hence, through you, I urge the Government to allow all the LPG distributors to provide gas connection, so that the consumer can avail of this facility from anywhere as per his choice so that he has not to face any problem in this respect.

12.10 hrs.

DEMANDS FOR EXCESS GRANTS—(RAILWAYS)

[English]

THE MINISTER OF RAILWAYS (SHRI NITISH KUMAR) : I beg to present a statement (Hindi and English versions) showing the Demands for Excess Grants in respect of the Budget (Railways) for 1996-97.

[Placed in Library, See No. LT 2476/99]

12.10½ hrs.

DEMANDS FOR SUPPLEMENTARY GRANTS— RAILWAYS

[English]

THE MINISTER OF RAILWAYS (SHRI NITISH KUMAR) : I beg to present a statement (Hindi and English versions) showing the Supplementary Demands for Grants in respect of the Budget (Railways) for 1998-99.

[Placed in Library, See No. LT 2477/99]

12.11 hrs.

ESSENTIAL COMMODITIES (AMENDMENT) BILL

[English]

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF FOOD AND CONSUMER AFFAIRS (SARDAR SURJIT SINGH BARNALA) : I beg to move for leave to withdraw a Bill further to amend the Essential Commodities Act, 1955, as reported by Joint Committee.

MR. SPEAKER : The question is:

"That leave be granted to withdraw a Bill further to amend the Essential Commodities Act, 1955, as reported by Joint Committee."

The motion was adopted.

SARDAR SURJIT SINGH BARNALA : I withdraw the Bill.

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF FOOD AND CONSUMER AFFAIRS (SARDAR SURJIT SINGH BARNALA) : I beg to move for leave to introduce a Bill further to amend the Essential Commodities Act, 1955.

I also introduce the Bill. ...*(Interruptions)*

PROF. P.J. KURIEN (Mavelikara) Sir, I am on a point of order. The hon. Minister should have asked first the permission of the House. Only after getting the permission of the House, he can introduce his Bill. He cannot take it for granted that the permission is there. So, he has to take the permission of the House.

MR. SPEAKER : The question is:

"That leave be granted to introduce a Bill further to amend the Essential Commodities Act, 1955.

The motion was adopted.

SARDAR SURJIT SINGH BARNALA : I introduce the Bill.

12.12 hrs.

RECOVERY OF DEBTS DUE TO BANKS AND FINANCIAL INSTITUTIONS (AMENDMENT) BILL

[English]

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : I beg to move for leave to introduce a Bill further to amend the Recovery of Debts Due to Banks and Financial Institutions Act, 1993.

MR. SPEAKER : The question is:

"That leave be granted to introduce a Bill further to amend the Recovery of Debts Due to Banks and Financial Institutions Act, 1993."

The motion was adopted.

SHRI YASHWANT SINHA : I introduce the Bill.

12.13 hrs.

SALARY, ALLOWANCES AND PENSION OF MEMBERS OF PARLIAMENT (AMENDMENT) BILL

[English]

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM) : I beg to move for leave to introduce a Bill further to amend the Salaries, Allowances and Pension of Members of Parliament Act, 1954.

MR. SPEAKER : The question is:

"That leave be granted to introduce a Bill further to amend the Salaries, Allowances and Pension of Members of Parliament Act, 1954."

The motion was adopted

SHRI P.R. KUMARAMANGALAM : I introduce the Bill.

12.14 hrs.

STATEMENT RE: SALARY, ALLOWANCES AND PENSION OF MEMBERS OF PARLIAMENT (AMENDMENT) ORDINANCE—Laid

[English]

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-

CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM) : Sir, with your permission. I beg to lay on the Table an explanatory statement (Hindi and English versions) showing reasons for immediate legislation by the Salary, Allowances and Pension of Members of Parliament (Amendment) Ordinance, 1999.

[Placed in Library. See No. LT. 2478/99]

[English]

MR. SPEAKER : Now, the House will take up 'Zero Hour'.

SHRI P. SHIV SHANKER (Tenali) : Sir, I rise to raise an issue which, if not satisfactorily resolved, clouds the reputation of the Government and the country in the comity of nations.

Sir, the Advisor to the Finance Minister is said to have been sacked on the 3rd February while he insisted that he resigned on the 27th January.

The reasons for his sacking or his resignation remain shrouded in mystery till date. His allegations and charges obviously are serious which have been published in various magazines and newspapers. He was privy to quite a bit of decisions on policies, programmes and the Government decisions.

For the first time, he revealed the reasons which were published recently in various magazines and newspapers like *The Asian Age*, *The Indian Express* and so on and so forth. He virtually accused the Prime Minister of running a vicious cabal and touting for the Hinduja's. He has gone to the extent of accusing Shri Advani of lobbying for ESSAR. He has gone on record to say that Shri Pramod Mahajan was siding with Mittals. He has further alleged that the Finance Minister was lacking the backbone and involving himself in murky affairs. He has even dragged certain officials in the Prime Minister's office and the relations of the Prime Minister and made severe accusations on their conduct.

In the case of much publicised bailout meeting with the financial institutions in the room of the Finance Minister, this gentleman alleged that ESSAR chief, Shashi Ruia was summoned there. He was sitting and Shri Sinha was calling the shots.

He has also gone on record to say that a high base price was fixed below which steel imports were not to be

[Shri P. Shiv Shanker]

allowed freely to bail out the steel industry. This was higher than agreed to at the inter-Ministerial meeting held earlier. Involving in his accusations, perhaps the Finance Ministry, the Commerce Ministry and the Steel Ministry along with the respective Ministers—according to the users, it was a total give away of Rs. 5,000 crore.

The Indian Express goes on record to write that when they contacted the Finance Minister and the Steel Minister, none of them wished to comment despite repeated calls. The spokesman of the Commerce Ministry seems to have said in reply to the queries by the authorities of the newspaper that they went by the recommendations of the Steel Ministry.

Sir, certain UTI share holdings in the ITC were to be sold to the British-American Tobacco Company, what is called otherwise BAT. The price offered by BAT was Rs. 800 per share and this Advisor was said to have suggested that the shares should be sold at the rate of Rs. 2,500 per share, on which basis when he submitted the note to the Finance Minister, the Finance Minister was said to have called him to discuss the affair.

Later on again he was called when he met the Chief of the UTI and discussed with him. In spite of that, when the Finance Minister called him to discuss the matter, he seems to have spoken to him that there are very big people involved in the affairs; it is not possible to sell it at such a high price and he seems to have asked him to keep aside the note.

This Advisor goes on record to say that on that evening itself he received an offer for being silent on the issue.

Now, Sir, apart from that, this officer goes on record to say that a sum of Rs. 300 crore. ...*(Interruptions)*

MAJOR GENERAL BHUVAN CHANDRA KHANDURI, AVSM (Garhwal) : Mr. Speaker, Sir, there are many Members who would like to raise their issues. ...*(Interruptions)*

[Translation]

SHRI CHANDRAMANI TRIPATHI (Rewa) : Mr. Speaker, Sir, we also want to raise our matters. ...*(Interruptions)*

SHRI AJIT JOGI (Raigarh) : There is a scandal of Rs. 5,000 crore, they don't want to listen it. ...*(Interruptions)*

[English]

SHRI P. SHIV SHANKER : Sir, I will finish it quickly. I do not take much time. ...*(Interruptions)*

MR. SPEAKER : Today we have 30 names in the list.

...*(Interruptions)*

SHRI P. SHIV SHANKER : Sir, I will take hardly half-a-minute, if I am not interrupted.

Sir, this officer has gone on record to say that a sum of Rs. 300 crore import duty was sought to be given to Ruia on steel imports.

What I submit is that the reasons furnished by the Advisor open a can of worms, that raise questions about the integrity of the Government, its Ministers and officials. In view of this, I submit that it would be in the interests of probity and national character that a Joint Parliamentary Committee be appointed so that the matter is gone into threadbare; the truth comes out and the people know the working of this Government. ...*(Interruptions)*

SHRI BASU DEB ACHARIA (Bankura) : Sir, the allegation is of such a serious nature ...*(Interruptions)*

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Mr. Speaker, Sir, I am ready to respond. ...*(Interruptions)* I am prepared to respond. ...*(Interruptions)*

MR. SPEAKER : Let the Finance Minister reply first.

...*(Interruptions)*

MR. SPEAKER : Shri Basu Deb Acharia, please sit down. Let the Finance Minister reply first. After that I will allow you.

...*(Interruptions)*

MR. SPEAKER : Shri Basu Deb Acharia, please observe the rules in the House. Please take your seat.

...*(Interruptions)*

SHRI BASU DEB ACHARIA : Let the Finance Minister hear us first and then he can respond. ...*(Interruptions)*

MR. SPEAKER : Shri Basu Deb Acharia, this is not good. When the Speaker is on his legs, please take your seat. Let the Finance Minister first clarify. Now, the Minister.

...*(Interruptions)*

SHRI BASU DEB ACHARIA : He should hear us first. ...*(Interruptions)*

MR. SPEAKER : Please try to understand that the hon. Member, Shri Shiv Shanker, who is the Deputy Leader of Congress Party in the House has well represented the matter. Let the Finance Minister reply first. After that, I will allow you.

...*(Interruptions)*

SHRI BASU DEB ACHARIA : Sir, after hearing us, he should respond. ...*(Interruptions)*

MR. SPEAKER : Nothing will go on record except what the Finance Minister says.

...*(Interruptions)**

MR. SPEAKER : Now, the Minister.

...*(Interruptions)*

MR. SPEAKER : I will call you later.

...*(Interruptions)*

MR. SPEAKER : I have called the Minister.

...*(Interruptions)*

MR. SPEAKER : I have called the Minister. You can speak later please.

...*(Interruptions)*

MR. SPEAKER : Let the Minister speak please.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Mr. Speaker, Sir, it is entirely up to you to decide how you want to deal with the issue which has been raised by hon. Member, Shri Shiv Shanker.

SHRI BASU DEB ACHARIA : You should hear us first.

[Translation]

SHRI RAGHUVANSH PRASAD SINGH (Vaishali) : Mr. Speaker Sir, first listen to us. ...*(Interruptions)*

[English]

MR. SPEAKER : Shri Raghuvansh Prasad Singh, please sit down.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, I was saying it is entirely up to you to decide how you want to respond and how you want to treat the issue which has been raised by the hon. Member, Shri Shiv Shanker. ...*(Interruptions)*

PROF. P.J. KURIEN (Mavelikara) : You are not allowing us. ...*(Interruptions)*

MR. SPEAKER : After the Minister's reply, I will allow the Members.

SHRI YASHWANT SINHA : But I was listening very carefully to what Shri Shiv Shanker had to say. Shri Shiv Shanker has paraphrased various points which my former consultant, Shri Mohan Guruswamy, had written or said through various media—visual and print. And, because this matter has today been raised in this House by a very senior and distinguished Member, hon. Shri Shiv Shanker, I thought in all fairness, I should respond to these issues and let the House know what I feel about the matter. I will plead with the House, you listen to me for a while and then I am in your hands. I will be prepared to respond in any manner you want. I am prepared to listen to any number of Members on this issue. If you want to have a debate, I am prepared to have a debate because as I said, I have nothing to hide. ...*(Interruptions)*

MR. SPEAKER : Shri Ajit Jogi, let him complete.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, Shri Shiv Shanker referred to Shri Guruswamy as an officer of the Ministry. He was not an officer of the Ministry. He

[Shri Yashwant Sinha]

did not belong to any structured cadre. He was appointed as consultant to the Finance Minister in the Department of Expenditure. Now, I am responding to the points raised by Shri Shiv Shanker from what I recall because I have not come prepared to answer all the questions. But let me tell you this. Sir, the issues raised by Shri Guruswamy deserve to be dismissed with the contempt they deserve. How? I have today in this House answered a Question which was an Unstarred Question and that is why, it has not come to the notice of Shri Shiv Shanker and other hon. Members. It was exactly on the question of the BAT-ITC share transfer and the reply to the Question is that no proposal to this effect was received by the UTI from the British American Tobacco company and no steps whatsoever have been taken by the UTI to transfer the shares to BAT. This is on record because I have answered that Question in response to an Unstarred Question. ...*(Interruptions)* Now it is true.

I am coming to the point. I am responding to each one of the suggestions which have been made. This whole question of UTI wanting to transfer the shares to BAT, this whole question of UTI trying to bring in through the back-door the majority of BAT in the ITC is absolutely without any foundation. There was absolutely not even a smoke before the fire. There is no proposal. It is a figment of the imagination of my former Adviser. ...*(Interruptions)*

SHRI AJIT JOGI : Is that your contention?

SHRI YASHWANT SINHA : It is my contention. It is because Shri Shiv Shanker is privy only to the one-sided version of Shri Mohan Guruswamy. And, it is my duty to put questions. ...*(Interruptions)* Shri Shiv Shanker, I listened to you patiently. Please bear with me for two minutes. ...*(Interruptions)*

MR. SPEAKER : Let him complete. Let the Minister complete his reply.

SHRI P. SHIV SHANKER : But you should not be a judge in your own cause. ...*(Interruptions)* You should not be a judge in your own cause. ...*(Interruptions)*

MR. SPEAKER : Let the Minister reply.

SHRI YASHWANT SINHA : Sir, I will most respectfully submit that when Shri Shiv Shanker was speaking, we did not disturb him.

We let him have his say. I am a Minister of the Government. It concerns my former Adviser or consultant

and should I not be allowed to have my say in this House? If this is the mood of the House, then I will sit down; I will not say anything. But I will say, whether it is BAT involving ICC, it is a question of the floor prices of various steel products which have been fixed by the DGFT.

It is a question whether I have a backbone or not. According to Shri Mohan Guruswamy the only time my backbone was straight was when I was appointing him. Rest of the time my backbone was bent.

I will tell you one thing. I may tell you something which I have never said. I am saying this with great pain. They say that according to Shri Mohan Guruswamy, he is supposed to have put in his resignation and sent it to me on the 27th of January. On the 27th I was very much in Delhi, on the 28th of January I was very much in Delhi, and on the 29th of January I was very much in Delhi. On the night of 29th or the morning of 30th I went on a day's trip to Davos. I left on the 30th morning. All those days, the famous letter of resignation was not in my hands! It was not delivered to me.

On the morning of the 31st January Shri Mohan Guruswamy himself went abroad for the roadshow of the VSNL for which he had been accorded permission by the Government previously.

The simple question is, Shri Guruswamy is a man of great conscience, a man of great probity, a man of great integrity, and if Shri Mohan Guruswamy had put in or sent me his resignation letter on the 27th, why did he go abroad on official business on the 31st? That is a very important question. The point I am making is this: ...*(Interruptions)* Let me speak. ...*(Interruptions)*

Referring to the can of worms about which Shri Shiv Shanker had talked, the *ghutala* about which Shri Ajit Jogi is talking about, I would say with all the emphasis at my command, on my behalf and on behalf of the Government that there is absolutely nothing in this except the frustration of a man who has been sacked. ...*(Interruptions)*

[*Translation*]

SHRI RAGHUVANSH PRASAD SINGH : "Truth knows no fear?" ...*(Interruptions)*. You got it investigated. ...*(Interruptions)*

SHRI YASHWANT SINHA : Truth knows no fear ...*(Interruptions)*. Raghuvanshji, you please listen what I am saying. Today I am saying this matter in the House with full responsibility that if the charges of Mr. Mohan Guruswamy, alleged against me or against the Government is proved even a degree, I will resign immediately. ...*(Interruptions)*

[English]

MR. SPEAKER : Shri Yerrannaidu. Shri Lalu Prasad.

...*(Interruptions)*

SHRI H.D. DEVEGOWDA (Hassan) : To the issue raised by the hon. Deputy Leader of the recognised Opposition Party, Shri Shiv Shanker, I would like to add some more points.

When you had allowed the hon. Finance Minister to intervene and reply to the points raised by him, I was very closely watching his reply. He totally denied all those allegations which appeared in the newspapers. We are unable to get the concerned records or documents from the Government files. We have to depend only on the reports printed in the magazines or in other media versions.

I would only ask one question. What is the floor price fixed so far as the steel is concerned?

According to him, the DGFT fixed the floor price at Rs. 245. At that time, in the market, the HR coil steel was available at Rs. 190 per metric tonne. Then, it was reversed to \$ 302 per metric tonne to help certain companies. Is it not a fact? He should place all the records on the Table of the House or allow a threadbare discussion in this House. I am not going to demand a JPC just now. Let there be a discussion first in this House. Let the Government also give a reply. Then, if the House feels that a JPC is required for the scam, then we can ask for it. He said that an amount of Rs. 5,000 crore was involved. I do not want to say anything just on the basis of exaggerated reports. But I feel that in two or two and a half months an amount of nearly Rs. 1,000 crore was siphoned off. I do not know, what should I call it, whether I should call it a scam or some money has been siphoned off. This is a serious matter. I am not going to dispute the version of the hon. Minister. But let there be a threadbare discussion in this House. Please allot time for it. It is the public money. It is not anybody's private funds to be siphoned off. We

will not allow this. Let there be a discussion. As the hon. Deputy Leader of the Congress Party has requested, time may kindly be allotted in consultation with the Leader of the House. Let there be a threadbare discussion. After that if the reply is not satisfactory and if the House wants, let there be a JPC inquiry on this issue.

SHRI YASHWANT SINHA : Since a very senior Member, a former Prime Minister, has raised this issue, I think, it is only proper on my part to respond to it. I did not want to mention it before this House, but Shri Devegowda had written a letter to me. He had brought it to my notice what he thought were certain goings on and I had immediately responded to him and put in perspective all that the Government had done.

My colleague, the hon. Minister of Steel and Mines is sitting next to me. It is a common knowledge that the Indian steel industry has gone through a lot of problems because of the crash of international prices of steel along with many other commodities. It is also a common knowledge that because steel prices crashed, we started importing into this country. ...*(Interruptions)* Let me make it very clear. I am prepared for a discussion. I am prepared to show the records to whosoever. I am prepared for any inquiry by anyone.

SHRI KAMAL NATH (Chhindwara) : I have given a Motion under Rule 164. ...*(Interruptions)*

SHRI YASHWANT SINHA : Let me make it very clear that the issue that Shri Devegowda has raised does not hold any water because ...*(Interruptions)*. Let me have my say because a question has been raised. This is something that the whole world is listening. Should I not have my say? Should the media report tomorrow that Shri Devegowda said that thousands of crore of rupees have been siphoned off. He asked me a specific question and I must be permitted to respond to that. I must be permitted to respond to every question. I am not stopping a single Member. I am requesting the hon. Speaker that if he thinks that this is a serious enough subject, please fix the time for discussion because the Government has nothing to hide.

MR. SPEAKER : Since the Government has no objection, we will fix up the time for a discussion.

SHRI YASHWANT SINHA : As far as this issue raised by Shri Devegowda is concerned, the price was not fixed by the Minister, as Shri Mohan Guruswamy makes out. There was a meeting between the Minister of

[Shri Yashwant Sinha]

Steel and Mines and myself. We did not discuss this floor price. It was subsequently that the Ministry of Steel took up the matter with the Ministry of Commerce, with the Director-General of Foreign Trade within whose jurisdiction this matter lies and they have fixed the price. What does Shri Mohan Guruswamy say? Shri Mohan Guruswamy says that the Minister of Commerce, the Minister of Finance and the Minister of Steel and Mines should answer.

We have not done anything to fix those prices. They have been fixed on the recommendation made by the Steel Ministry to Commerce Ministry. There is absolutely nothing to hide there.

Sir, I would like to say that you decide how you want to treat this. This reference has been made by Shri Shiv Shanker and joined in by Shri Devegowda. Looking at the way the House is responding to it, I would request you to decide how you want to take it. I would say on my behalf and on behalf of the Government that we are ready for anything. ...*(Interruptions)*

MR. SPEAKER : We will fix up the time for discussion in the Business Advisory Committee today.

...*(Interruptions)*

SHRI KAMAL NATH : Sir, I want to make a submission. ...*(Interruptions)*

MR. SPEAKER : No. I am appealing to the Members that we have a meeting of the Business Advisory Committee at 2.30 p.m. today.

SHRI KAMAL NATH : Sir, that is all right. All I am saying is that you must decide a proper format. ...*(Interruptions)* He is responding for a floor discussion. ...*(Interruptions)*

PROF. P.J. KURIEN (Mavelikara) : Sir, you have established a convention that all those who have given notices should be allowed to supplement. That is the convention you have established. Why do you violate it now? That is your own convention. You have established the convention that all those who have given notices should be allowed to have their say. Please allow others also to have their say. That is your own convention. ...*(Interruptions)*

MR. SPEAKER : Prof. Kurien, this is not anyone's convention. This is the convention of the House.

The Government has also agreed to discuss the matter. We will fix up the time for discussion in today's Business Advisory Committee meeting.

[Translation]

SHRI LALU PRASAD (Madhepura) : Mr. Speaker, Sir, Shiv Shanker Saheb is an old Member of this House. He can not raise light matters. ...*(Interruptions)*

[English]

SHRI KAMAL NATH (Chhindwara) : Sir, I wanted to speak. ...*(Interruptions)*

MR. SPEAKER : You can participate in the debate. There is no problem.

[Translation]

SHRI LALU PRASAD : If you allow to discuss this matter then it will be criticised.

[English]

MR. SPEAKER : Shri Lalu Prasad, you speak on the other issue. This issue is over.

[Translation]

SHRI LALU PRASAD : You please refer all the matters to J.P.C. That will be true without fear or favour. ...*(Interruptions)* We want that this matter be referred to J.P.C. ...*(Interruptions)*

[English]

MR. SPEAKER : Shri Lalu Prasad, that is over. This is the second item.

SHRI CHANDRA SHEKHAR (Ballia) (U.P.) : Mr. Speaker, Sir, once the Minister has agreed and also the leader of Opposition has agreed for a discussion, no further debate on this issue is called for. I think, we should wait for the time when the discussion takes place.

SHRI H.D. DEVEGOWDA : I totally agree with Shri Chandra Shekhar. I have not said that the Finance Minister has fixed the rate. I only said that the rate fixed by ...*(Interruptions)*

MR. SPEAKER : We need not go into the details as we are going to discuss the matter.

...*(Interruptions)*

SHR H.D. DEVEGOWDA : I do not want to make any baseless statement. What he said is that the recommendation was made by the Steel Ministry and

accepted by the Commerce Ministry. This is what he has said.

MR. SPEAKER : Shri Devegowda, you can discuss all these things in the debate.

SHRI H.D. DEVEGOWDA : My only contention is that ...*(Interruptions)* by the Commerce Ministry.

MR. SPEAKER : Shri Devegowda, you can discuss all these things in the debate.

I now call Shri K. Yerrannaidu.

[Translation]

SHRI RAGHUVANSH PRASAD SINGH : Mr. Speaker, Sir, this is a serious matter. This must be investigated by J.P.C. ...*(Interruptions)*

[English]

MR. SPEAKER : When I called you, you raised another issue. I will allow you after Shri Yerrannaidu.

...*(Interruptions)*

MR. SPEAKER : I have called Shri K. Yerrannaidu.

...*(Interruptions)*

SHRI ABDUL HAMID (Dhubri) : Sir, I want to raise the matter of killings in Assam. ...*(Interruptions)*

MR. SPEAKER : I will give a chance to all of you.

...*(Interruptions)*

SHRI K. YERRANNAIDU (Srikakulam) : Mr. Speaker, Sir, this is the most important issue. I would like to bring to your kind notice a matter pertaining to the fishermen community of Andhra Pradesh. There are more than 16 lakh people in Andhra Pradesh who belong to the fishermen community. Everywhere in this country, fishermen are in the list of Scheduled Tribes, except in Andhra Pradesh. The Andhra Pradesh Assembly resolved unanimously thrice and recommended to the Union Government to include fishermen in the list of Scheduled Tribes. They are in the list of Scheduled Tribes in Madhya Pradesh and Orissa, but not in Andhra Pradesh.

They are agitating in Andhra Pradesh. Since the matter pertains to the Union Government, my request on behalf of my Telugu Desam Party and all the MPs from Andhra Pradesh is that this issue should be taken up urgently so that social justice is done to fishermen community in Andhra Pradesh.

12.44 hrs.

[Mr. Deputy Speaker in the Chair]

An agitation has already started in Andhra Pradesh on this issue. My humble request through you to the Union Government is that they must include fishermen in Andhra Pradesh in the list of Scheduled Tribes so that social justice is done to them.

...*(Interruptions)*

SHRI ABDUL HAMID (Dhubri) : Sir, in Assam, eight people have been killed, five people have been missing and three people have been seriously injured. It is a serious matter, but the Assam Government failed completely to protect the minorities. ...*(Interruptions)*

[Translation]

SHRI LALU PRASAD : Mr. Deputy Speaker, Sir, this is totally unjust. Hon. Minister should give the answer.

MR. DEPUTY SPEAKER : You, please sit down. First let Mr. Hamid complete it.

DR. SHAKEEL AHMAD (Madhubani) : Mr. Deputy Speaker, Sir, this is a serious matter. Eight people have been killed. The hon'ble Minister for Parliamentary Affairs is sitting here...

[English]

SHRI ABDUL HAMID : Sir, in lower Assam, killing of the minorities has become a daily occurrence. The Assam Government has failed completely, and the Central Government has not taken any action against the Bodo militants. Lower Assam is a very sensitive area and, in this hotbed, killings and kidnappings are taking place daily where the minorities have become the target. But the hon. Home Minister has not taken any action. When it happened in Bihar, the Central Ministers have visited Bihar. But in Assam, where the minorities are being killed systematically, no Central Minister has visited the place

[Shri Abdul Hamid]

till now. What is this? It is not merely a law and order problem. It is a serious matter. The killings have become a daily occurrence, but the Central Government has not taken any action. It is a very serious matter. When something had happened in Bihar, the Central Ministers were sent, but in the case of Assam, nobody was sent. ...*(Interruptions)*

SHRI G.M. BANATWALLA (Ponnani) : Let the Government make a statement on this. ...*(Interruptions)*

MR. DEPUTY SPEAKER : Shri Banatwalla, I have given the floor to the hon. Leader of the Opposition.

SHRI SHARAD PAWAR (Baramati) : A serious issue has been raised by the hon. Member from Assam. There were attacks on minorities, *dalits* and tribals. I think, it is high time that some definite statement is made in the House. It is the right of the House to know what exactly has happened there and what exactly the Government would like to do. ...*(Interruptions)*

MR. DEPUTY SPEAKER : The Parliamentary Affairs Minister wants to say something.

...*(Interruptions)*

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM) : Sir, he does not want me to reply. I want to be identified, but they are not listening. ...*(Interruptions)*

MR. DEPUTY SPEAKER : Shri Banatwalla, he wants to react. I am on my legs. Will you please be seated? Will you please resume your seat? Do you not want him to react?

...*(Interruptions)*

MR. DEPUTY SPEAKER : Nothing of that will go on record.

...*(Interruptions)**

SHRI P.R. KUMARAMANGALAM : Sir, I am grateful to you for having given me this opportunity. The Leader of the Opposition along with others have brought to the

notice of the House of what they consider to be a very serious situation. I will bring it to the notice of the hon'ble Home Minister. I am sure, I will revert back to the House. ...*(Interruptions)*

SHRI RAJESH PILOT (Dausa) : This is not correct. If you recollect, last time, there was a discussion on the situation in the North-East.

[Translation]

SHRI LALU PRASAD : Mr. Deputy Speaker, Sir, it is the 15th day of the imposition of Article 356. In case of Article 356...*(Interruptions)*

[English]

SHRI RAJESH PILOT : If you recollect, there was a discussion in this House for one day. We discussed the situation in the North-East and what the Home Minister said was that he would send a Parliamentary Committee to the North-East. He said that in the last Session, but till today, he has not sent any Committee.

MR. DEPUTY SPEAKER : Shri Rajesh Pilot, the Leader of the Opposition has brought it to the notice of the Government.

SHRI RAJESH PILOT : This is not about bringing the issue to the notice of the Government.

MR. DEPUTY SPEAKER : You are talking about the entire North-East. This is not about entire North-East. The hon. Member from the North-East has already mentioned it, and the Government has noted it.

...*(Interruptions)*

[Translation]

SHRI LALU PRASAD : Mr. Deputy Speaker Sir, for two days, the discussion on the subject of imposition of Article 356 in Bihar has taken place in Lok Sabha. After discussion they are not referring it to Rajya Sabha where their defeat is sure. Yesterday also we had raised this question. I have doubt that they want to continue the RSS-run Government in Bihar. We have raised this question again and again that we do not want to allow the functioning of the House. Till now, Central Ministers are issuing statements, these all are contradictory to each other. Supporting partners are saying something and

others are saying something else. Someone is talking for appeal in Supreme Court. They want to trample down all the norms, Indian constitution and the supremacy of Parliament. Today Mr. Speaker has said during the Question Hour that he will ask the Minister and also tell him strongly to announce the date on which day they want to produce it in Rajya Sabha. Rajya Sabha is not in session. Confused situation is prevailing in the entire country. We want to know as to why the Government is trying to escape from this issue. Governor has admitted that he was from the R.S.S. Do they want to impose the rule of R.S.S. there and destroy the system? Sir, bloodshed is going on everyday. C.P.I. leaders have been murdered in Samastipur. Hundreds of people have been killed. There were three incidents of massacres. People belonging to upper castes are killing backwards and downtrodden people. This situation has been created everywhere. Therefore we want to know as to when they want to produce it in Rajya Sabha? If they do not want to produce it there, then why? What is reason, what is the pressure that they do not want to produce it? ...(*Interruptions*)

SHRI PRABHU NATH SINGH (Maharajanji) : What does the higher castes or lower castes mean?

MR. DEPUTY SPEAKER : Prabhu Nathji, Please sit down quietly. ...(*Interruptions*)

SHRI P.R. KUMARAMANGALAM : Shakuniji, why are you speaking on behalf of me? Let me speak. Would you not consider my opinion also? ...(*Interruptions*)

[*English*]

MR. DEPUTY SPEAKER : Sir, normally matters which deal with the other House are not supposed to be, under our rules, part of the discussion of this House. However, ...(*Interruptions*)

PROF. P.J. KURIEN (Mavelikara) : Sir, the contention of the Minister is wrong. This is not just a matter of the other House.

SHRI P.R. KUMARAMANGALAM : Sir, this is not the way to intervene. He does not have the minimum courtesy to ask me whether I would yield or not!

MR. DEPUTY SPEAKER : Prof. Kurien, the Minister has not yielded.

PROF. P.J. KURIEN : He has yielded and sat down.

SHRI P.R. KUMARAMANGALAM : He did not even make a request to me to yield. What is happening in this House?

PROF. P.J. KURIEN : Because the Minister sat down, I thought he yielded to me.

MR. DEPUTY SPEAKER : Prof. Kurien, I conveyed to you that he had not yielded.

PROF. P.J. KURIEN : If he is not ready to yield, I will sit down.

SHRI P.R. KUMARAMANGALAM : If I may point out. ...(*Interruptions*)... Sir, with your kind permission, since my good friend wishes to say a few words, all I requested him to do was 'would you kindly yield—just one word?' This is a procedure. I just want that system. Why do you not ask me to yield? ...(*Interruptions*)... I have yielded now. ...(*Interruptions*)

MR. DEPUTY SPEAKER : Shri Fatmi, please take your seat.

...(*Interruptions*)

MR. DEPUTY SPEAKER : Shri E. Ahmed, what is this? Please take your seat.

...(*Interruptions*)

MR. DEPUTY SPEAKER : Now, he has yielded. Zero Hour is going to be over. Please allow him to speak.

...(*Interruptions*)

MR. DEPUTY-SPEAKER : Shri Prabunath Singh, please be seated.

...(*Interruptions*)

PROF. P.J. KURIEN : Mr. Deputy-Speaker, the hon. Minister was saying that this is an issue. ...(*Interruptions*)

[*Translation*]

SHRI VIRENDRA SINGH (Mirzapur) : Mr. Deputy Speaker, Sir, the House should function as per the Parliamentary Procedure. This is not Parliamentary

[Shri Virendra Sinha]

Procedure, when the hon'ble Minister is on his legs then why is he interrupting?

[English]

MR. DEPUTY SPEAKER: Shri Virendra Singh, will you please be seated? I am on my legs.

...(Interruptions)

MR. DEPUTY SPEAKER : Shri Tripathi, what is this? Please sit down. I am on my legs.

[Translation]

What is happening in this House. Why is it happening so.

[English]

There is some rule to be followed in the House. He has yielded to Prof. P.J. Kurien. He is just mentioning something and you start disturbing him. How am I to conduct this House, tell me.

...(Interruptions)

PROF. P.J. KURIEN : Mr. Deputy Speaker, Sir, the Government is trying to say as if we are trying to raise the agenda of the Rajya Sabha. ...(Interruptions) Yesterday also, the same argument was put forward in this House. My humble submission is that this is not a question of Rajya Sabha but it is a question of Government's complying with the constitutional obligation. If the Government fails to comply with the constitutional obligation, this House has a right to ask a question and get the clarification. So, let the Government not discard it saying that 'it is a matter of Rajya Sabha.' ...(Interruptions)

SHRI VAIKO (Sivakasi) : What is the constitutional obligation? You kindly explain. ...(Interruptions)

MR. DEPUTY SPEAKER : Shri Vaiko, please. We do not have time. Let him finish.

...(Interruptions)

SHRI P.R. KUMARAMANGALAM : Mr. Deputy Speaker, Sir, I am extremely grateful to my good friend, the Chief Whip of the Opposition party, to have pointed out that it has nothing to do with the agenda which is to be taken up in the other House but a Constitutional Propriety. He believes that the Constitution is being, at the moment, transgressed. I think, it is necessary for me to bring to his notice article 365. If I may, with his permission, read it out to him, because if he wants to be technical, let us also know where we stand.

SHRI AJIT JOGI : Is it article 356 or 365 that you are going to read?

SHRI P.R. KUMARAMANGALAM : It is article 365. Jogiji, I know, you are pretty intelligent on these matters. ...(Interruptions)

Sir, through you, I would like to request the hon. Members that we are all one in the sense that we belong to one House. We could ask each other's permission and give in to each other, and run this House very nicely. All of us are friends. When we are in the Central Halls, we are the best chums.

MR. DEPUTY SPEAKER : Let us be friends here also.

SHRI P.R. KUMARAMANGALAM : Yes, why not be friends here?

Sir, if I may submit, article 365 says. ...(Interruptions) I am sorry, it is article 356.

SHRI AJIT JOGI : Now, you are saying that it is article 356 that you are quoting. ...(Interruptions)

SHRI P.R. KUMARAMANGALAM : Yes, I am sorry. I stand corrected. ...(Interruptions)

Article 356(3) is very categorical. In no uncertain terms, it says:

"Every proclamation under this article shall be laid before each House of Parliament and shall, except where it is a Proclamation revoking a previous Proclamation, cease to operate ..." I repeat " 'cease to operate' at the expiration of two months unless before the expiration of that period it has been approved by resolutions of both Houses of Parliament."

13.00 hrs.

The first part of this article is "Every proclamation under this article shall be laid before each House of Parliament." This constitutional requirement has been completed.

Then it says that it will cease to operate at the expiration of two months unless before the expiration of that period, it has been approved by resolutions of both the House of Parliament.

It is a very clear article. There is no problem with this provision of the Constitution.

It was on the 12th February that the President issued the Proclamation. From 12th February, it is a period of two months I think all of us can count the dates. Today we are in the 5th of March. ...*(Interruptions)*

SHRI T.R. BAALU (Madras South) : We have already understood it. ...*(Interruptions)*

SHRI P.R. KUMARAMANGALAM : Once again I request that if any of you wish to interrupt me, please ask me and I will sit down. But do not do it without asking me when I am on my feet.

MR. DEPUTY SPEAKER : You do not want my help when interruption is made.

SHRI P.R. KUMARAMANGALAM : The point is, when I am identified and recognised by you to speak, normally it is my privilege to give way. I may be given that right. It should not be snatched away.

MR. DEPUTY SPEAKER : Yes, your right will be left with you. Nobody can take it away.

SHRI P.R. KUMARAMANGALAM : Constitutionally no violation has taken place. That is all I wanted to establish. But the fact is there is no transition. We are not going against the Constitution. I wish to assure the House, specially our senior leader, Shri Lalu Prasadji that our Government would not in any way transgress or go against the provisions of the Constitution. We will also not go against political decorum. I have told this fact to the Upper House. I am constrained to refer to it because it is a matter really to be dealt with that on the 8th the decision of the Government will be announced and we will announce on that date when we will bring it or whatever steps we are taking and I can assure him in no way we will go against even what is considered to be political decorum. The Opposition has made it very clear in this House that they are opposing the resolutions which we bring for approval and they are also very clear why they did it. From their point of view, they do not bother about the consequences of it. But that is not the relevant point. The point that is relevant is there is no need for any Member of this House to feel in any way insecure that we will not follow either political decorum or the constitutional provisions. In fact, all of you are aware that two months' period gives us time for us to move it. Rajya

Sabha wanted to know the date. We said we will announce it on the 8th and that stands.

MR. DEPUTY-SPEAKER : We will take up the next item now.

[Translation]

SHRI RAGHUVANSH PRASAD SINGH (Vaishali) : Mr. Deputy Speaker, Sir, what the Minister of Parliamentary Affairs is speaking, to let him read out. ...*(Interruptions)*

SHRI MOHAMMAD ALI ASHRAF FATMI (Darbhanga) : Mr. Deputy Speaker, Sir, it is an attempt to evade the matter what the hon'ble Minister is saying. He did the same in the meeting of B.A.C. of Rajya Sabha. ...*(Interruptions)*

13.04 hrs.

At this stage Shri Surendra Prasad Yadav (Jhanjharpur) and some other hon'ble Members came and stood near the Table

[English]

MR. DEPUTY SPEAKER : Shri Mohammad Ali Ashraf Fatmi, please go to your seat. All Members may please go to their seats.

13.05 hrs.

At this stage Shri Surendra Prasad Yadav (Jhanjharpur) and some other hon. Members went back to their seats

MR. DEPUTY SPEAKER : Prof. Kawade, please take your seat.

...*(Interruptions)*

[Translation]

MAJOR GENERAL BHUVAN CHANDRA KHANDURI, A.V.S.M. (Garhwal) : Mr. Deputy Speaker, Sir, the bogus voting which took place at the time of voting on Bihar. ...*(Interruptions)*

SHRI MOHAMMAD ALI ASHRAF FATMI : Mr. Deputy Speaker, Sir, the B.A.C. of Rājya Sabha also has made an attempt to evade it. ...*(Interruptions)*

[English]

MR. DEPUTY SPEAKER : The House now stands adjourned to meet at 2.05 p.m.

13.05 hrs.

The Lok Sabha then adjourned for Lunch till five minutes past fourteen of the clock.

14.11 hrs.

The Lok Sabha re-assembled after Lunch at eleven minutes past Fourteen of the Clock

[SHRI BASU DEB ACHARIA *in the Chair*]

[English]

SHRI KONIJETI ROSAIAH (Narasaraopet) : Sir, I wish to raise a very important point. At a time when the House is seized of the burning problem of atrocities on *Dalits* in various parts of the country, yet another such incident has occurred on March 2, 1999 at Gurazala village in Guntur district of Andhra Pradesh. ...*(Interruptions)*

MR. CHAIRMAN : 'Zero Hour' is already over.

...*(Interruptions)*

SHRI K. YERRANNAIDU (Srikakulam) : Sir, law and order is a State subject. ...*(Interruptions)*

SHRI K.S. RAO (Machilipatnam) : This is an important issue. ...*(Interruptions)*

SHRI KONIJETI ROSAIAH : The incident occurred on March 2, 1999 at Gurazala village in Guntur district of Andhra Pradesh resulting in grievous injuries to five and injuries to three others. These *Dalits*, belonging to Ambapuram village, were victims of political vendetta by Telugu Desam Party activists. ...*(Interruptions)*

SHRI K. YERRANNAIDU : We do not accept it. This is not a fact. The hon. Member is misleading the House. ...*(Interruptions)*

SHRI KONIJETI ROSAIAH : This is not a statement. This is a newspaper report. How can he refute it? ...*(Interruptions)*

SHRI K. YERRANNAIDU : The hon. Home Minister has appreciated the State of Andhra Pradesh saying that the law and order position is good there. This is a statement given by the hon. Home Minister and the entire House is aware of it. This is a fact ...*(Interruptions)*

SHRI KONIJETI ROSAIAH : Your Party is responsible for all these atrocities committed on *Dalits*. This is the report of a newspaper ...*(Interruptions)*

MR. CHAIRMAN : Shri Rosaiah, your point has already been noted by the Minister. Please take your seat.

...*(Interruptions)*

SHRI KONIJETI ROSAIAH : I would request you to please see the report published by the newspaper.

SHRI K. YERRANNAIDU : We have opposed it a number of times. ...*(Interruptions)*

MR. CHAIRMAN : Please take your seat. The Minister has already taken note of what you have said.

...*(Interruptions)*

SHRI KONIJETI ROSAIAH : Earlier, on December 30, 1998, the Barijanwada at Ambapuram was attacked by ...*(Interruptions)*

MR. CHAIRMAN : Please take your seat.

...*(Interruptions)*

SHRI KONIJETI ROSAIAH : Though the police registered a case, nobody was arrested till February 2, 1999. ...*(Interruptions)*

MR. CHAIRMAN : Nothing will go on record.

...*(Interruptions)**

MR. CHAIRMAN : Shri Rosaiah, please take your seat.

*Not recorded.

SHRI K. YERRANNAIDU : You must protect us.
...(Interruptions)

MR. CHAIRMAN : Now, Item No. 12, Shri Jethmalani.
...(Interruptions)

MR. CHAIRMAN : Nothing will go on record.
...(Interruptions)*

MR. CHAIRMAN : You have already said this. Please take your seat.
...(Interruptions)

PROF. P.J. KURIEN : Sir, I want to raise a very serious matter. ... (Interruptions)

MR. CHAIRMAN : Shri Kurien, I have already called the Minister.
...(Interruptions)

MR. CHAIRMAN : It is not going on record.
...(Interruptions)

MR. CHAIRMAN : You please take your seat.
...(Interruptions)

MR. CHAIRMAN : I have called the Minister.

[Translation]

PROF. JOGENDRA KAWADE (Chimur) : The atrocities that are being committed against dalit students of medical college in Delhi. ... (Interruptions)

MR. CHAIRMAN : Shri Jogendra, please be seated. Speak on Monday.

...(Interruptions)

MR. CHAIRMAN : Nothing will go on record.
...(Interruptions)*

PROF. P.J. KURIEN : Sir, this is an issue which cannot be postponed till tomorrow. Sir, in Delhi, there is a village called Jherada Gaon, near R.K. Puram. It is being demolished by the Army. The demolition is going on and already 65 *jhuggis* have been demolished.

Naturally, there is a dispute about the land. But those villagers are staying there for the last 40 years. ... (Interruptions). They are ration card holders also. I am only requesting the Government to please do something to stop the demolition immediately. Since the Minister of Defence is not there let him come and let the local MLAs and the people represent to him. After hearing them, the Government can take a final decision. But please stop it now because the villagers are crying and a lot of them have come outside. The concerned MLA met me and those people were there. They wanted me to raise this issue. That is why, I am raising this issue. I am requesting the Minister of Parliamentary Affairs or the Minister of Urban Affairs who is here, to kindly react and do something to save these poor people.

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM) : Sir, I understand that the concerned MLA has already submitted a representation and met the Prime Minister in the morning itself. I will bring to the notice of the Minister of Defence the observations of my good friend as well as of the House.

14.19 hrs.

URBAN LAND (CEILING AND REGULATION) REPEAL BILL

[English]

THE MINISTER OF URBAN AFFAIRS AND EMPLOYMENT (SHRI RAM JETHMALANI) : Sir, I beg to move for leave to withdraw a Bill to repeal the Urban Land (Ceiling and Regulation) Act, 1976.

Sir, there is a formal notice of opposition given to this withdrawal.

MR. CHAIRMAN : Shri Radhakrishnan has given the notice but he is not here.

SHRI RAM JETHMALANI : Sir, this Bill is being withdrawn because the Bill was referred to the Standing Committee and the Committee has made a unanimous report which we have very respectfully accepted. The Bill has been modified and the modified Bill is listed at Item No. 14 of today's Agenda. So, the old Bill has to be withdrawn.

MR. CHAIRMAN : The question is:

"That leave be granted to withdraw a Bill to repeal the Urban Land (Ceiling and Regulation) Act, 1976."

The motion was adopted

SHRI RAM JETHMALANI : I withdraw the Bill.

MR. CHAIRMAN : Now, item No. 14.

SHRI RAM JETHMALANI : I beg to move for leave to introduce a Bill to repeal the Urban Land (Ceiling and Regulation) Act, 1976.

MR. CHAIRMAN : The question is:

"That leave be granted to introduce a Bill to repeal the Urban Land (Ceiling and Regulation) Act, 1976."

The motion was adopted.

SHRI RAM JETHMALANI : I introduce the Bill.

14.22 hrs.

STATUTORY RESOLUTION RE: DISAPPROVAL OF
THE COMPANIES (AMENDMENT) ORDINANCE
AND
COMPANIES (AMENDMENT) BILL

[English]

MR. CHAIRMAN : The House will now take up item Nos. 19 and 20 regarding disapproval of the Companies (Amendment) Ordinance and Companies (Amendment) Bill.

Shri Radhakrishnan—not present.

Mr. Minister.

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS AND MINISTER OF SURFACE TRANSPORT (DR. M. THAMBI DURAI) : Sir, in the last session, I had already replied to certain points raised by hon. Members. But once again, I would give a brief note on this Bill and then, the Bill may be taken up for clause-by-clause consideration and passed.

SHRI SUNIL KHAN (Durgapur) : Sir, what about item No. 19?

DR. M. THAMBI DURAI : Sir, clause-by-clause consideration had already been taken up in the last session. ...*(Interruptions)*

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P.R. KUMARAMANGALAM) : Sir, with your permission, I would like to clarify this point. Item Nos. 19 and 20 came up during the last Session but due to lack of quorum, we could not complete it. It was in the process of clause-by-clause consideration. Last Session was in 1998 and now, it is 1999 and hence, there are formal amendments of change of dates which have to be carried out. That is all. It is now in the process of clause-by-clause consideration. If the Minister wants to say a few words on the question of formal amendments, he may do so and we may complete the procedure. We already has a detailed discussion.

SHRI V.V. RAGHAVAN (Trichur) : No, Sir. This is a new Ordinance and we have every right to object to it. ...*(Interruptions)*

SHRI P.R. KUMARAMANGALAM : I may submit that they have all the right to object to the Ordinance and that is a different story. But item No. 20 is not replacement of Ordinance but a Bill in itself. What has happened last time was, because of lack of quorum in the House, we could not complete the voting process. And since that was the last day of the Session, it was decided that we might complete it in the next session. ...*(Interruptions)*

SHRI V.V. RAGHAVAN : Every Member has the right to object to it.

SHRI P.R. KUMARAMANGALAM : Item No. 19 can be moved, if they wish to but normally, item Nos. 19 and 20 are taken up together.

DR. SUBRAMANIAN SWAMY (Madurai) : Disapproval of the Statutory Resolution will always have a precedence over other items ...*(Interruptions)*

MR. CHAIRMAN : Shri V. V. Raghavan.

SHRI V.V. RAGHAVAN (Trichur) : I beg to move:

"That this House disapproves of the Companies (Amendment) Ordinance, 1999 (No. 1 of 1999) promulgated by the President on 7th January, 1999."

Sir, I am very sorry to say that the Government is making a mockery of this hon. House. How many times can an Ordinance be re-promulgated? If Government wanted this Bill to be passed last time, they could have extended the Session for a few more days and could have very well passed the Bill.

After the House adjourned, again an Ordinance was promulgated including some new clauses. I can very well understand the hon. Minister's anxiety to encourage the corporate houses and monopoly houses by buying and selling shares. The hon'ble Minister has said about that. But what necessitated the promulgation of the Ordinance?

In the Statement, it has been said and I quote:

"The Corporate Sector is going through difficult times. The capital market requires immediate morale boosting efforts on the part of the Government to promote investor's confidence in the capital market. The economy also needs certain impetus for promoting inter-corporate investments considering slow flow of funds in new investments."

Is it an urgent cause for the promulgation of an Ordinance? Bypassing the right of Parliament to discuss threadbare the clauses, it has been promulgated. The House was adjourned and then new clauses had been incorporated in the Bill. Again, it was promulgated as an Ordinance. So, the Bill now has been imposed on us. It is a *fait accompli*. The Government have already implemented the clauses.

What is happening in the share market by the selling and buying efforts in our country? Even the hon'ble Prime Minister could not get the details as to how many fake companies have looted the masses and looted the investors. Today's newspaper says that more than four hundred fake companies totally faked the securities and they are nowhere to be traced. How many fake companies are coming up, looting the masses and looting the share markets?

We have not forgotten the Harshad Mehta affair. And Harshad Mehta onwards, how many fake companies have come up and gone? Thousands of crores of rupees of the masses have been looted. Even in the case of the UTI, where has the fund gone? Hon'ble Minister, please excuse me for telling this. Unreliable monopoly houses

have looted the UTI Fund. Why all these things are happening today? Crores of common people invested in the Unit Trust of India and the Fund was utilised by the monopoly houses challenging all the established rules. Where was the SEBI? Where was the Reserve Bank of India? Where was the Government of India? Thousands of crores of rupees of the common investors are looted by so many companies everyday.

Mr. Minister, could you reveal how many companies have gone underground after faking the securities? I can understand your anxiety for saving the corporate sector. But our anxiety is that crores of people are looted everyday by these unscrupulous fake companies. The Government is doing nothing on that point. So, when we think of the Companies Act and its various clauses, can you impose them on us by an Ordinance? Now, the Government come and say that it has already been implemented and we should pass it.

It is an embarrassing position for us. Proclaiming Ordinance is repeated not once but several times. The first Ordinance came in October. Then the House was in Session. What was the difficulty of the Government in asking us to sit for two more days for discussing and passing this Bill? Why was the House adjourned without passing the Bill? You thought that let the House go, we will enact it by an Ordinance. It is bypassing Parliament. You have done this several times. If the Government is serious about Parliament, the House should have been allowed to scrutinise this. If this Bill is not passed, you will again bring the Ordinance. This is not a small or ordinary thing. People's money are involved. It is going on unchecked. It is going on even now. Is it right that the number of companies involved in cheating are not available even for the hon'ble Prime Minister? The hon'ble Prime Minister asked the concerned authorities to furnish a report within three months as to how many companies have cheated the people. The facts are not furnished till now. One newspaper said that the hon. Prime Minister did not get a report from the SEBI and other agencies as to how many companies have been involved in cheating the people and as to how many thousands and crores of money have been involved.

Your anxiety for helping the corporate houses and monopoly houses is understandable. But please think of crores of common masses who have been cheated. Do you not owe any responsibility to them? This Ordinance—the Companies (Amendment) Act do not at all care for the people. There is no guarantee for the safety of their investment. The SEBI is very much there for a very long time. They have done nothing. I object to the proclamation

[Shri V.V. Raghavan]

of Ordinance by the Government. All these unreliable and unscrupulous companies float shares and cheat the people. The same is the case with the UTI Fund also.

The hon'ble Finance Minister is now very much worried about these things. The masses have at last realised that they are being cheated. The hon'ble Finance Minister has proclaimed so many incentives for the UTI and others. What is the use of it? He should guarantee that there will not be any cheating again and again. The Companies Act, the SEBI rules, etc. have to be thoroughly scrutinised. There must be some safeguards. After that you can say all these things. Then, I will agree with your arguments. But you are imposing the Ordinances on us *fait accompli*. The interest of the common masses who have invested the money is not taken care of. They are being cheated and the cheating goes on and on. The Government is bypassing Parliament by imposing such a legislation by proclaiming the Ordinance. It is the negation of basic principle of parliamentary democracy. The Government is repeatedly proclaiming Ordinances. The Supreme Court has pointed out that it is not the right thing to issue an Ordinance again and again.

The Government is not even adhering to the verdict of the Supreme Court. So, I oppose the Ordinance promulgated by the Government. This cannot be accepted and I request the House that this Statutory Resolution be passed.

[Translation]

SHRI RAJO SINGH (Begusarai) : Mr. Chairman, Sir, I am to speak on this ordinance.

MR. CHAIRMAN : How should I allow you to speak on it, let the Minister move it first.

SHRI RAJO SINGH : How should it be let to move? My name is given.

MR. CHAIRMAN : Shri Raghavan has spoken on resolution first. Let the hon'ble Minister move the Bill now.

SHRI RAJO SINGH : Mr. Chairman, Sir, it is a matter of rule that Shri Raghavan and other hon'ble Members have moved it. ...*(Interruptions)*

MR. CHAIRMAN : Shri Rajo Singh, according to the rule, amongst the names given therein I have called Shri Raghavan. He has moved his resolution and now the

hon. Minister will move the Bill. After that you will be given a chance to speak.

SHRI RAJO SINGH : Mr. Chairman, Sir, I will speak first. After that the hon'ble Minister will move the Bill.

MR. CHAIRMAN : No, there is no such rule. First the Minister will move the Bill after that I will call you. You please be seated. The rule here is different from that of Bihar assembly.

[English]

DR. M. THAMBI DURAI : Mr. Chairman, Sir, I request that further clause-by-clause consideration of the Bill further to amend the Companies Act, 1956 may be taken up.

MR. CHAIRMAN : Motion moved:

"That this House disapproves of the Companies (Amendment) Ordinance, 1999 (No. 1 of 1999) promulgated by the President on 7th January, 1999."

[Translation]

SHRI RAJO SINGH : Hon'ble Mr. Chairman, Sir, Hon'ble member Shri Raghavan put his views before the Sabha about the Ordinance. I support him. I would like to know from the hon'ble Minister what Parliament and Lok Sabha were made for. What is the duty of Lok Sabha? It is our duty to make the Laws. We can not pass the bills if there is no meeting of Parliament for a fixed date. Why did the Government feel the need to issue an ordinance instead of moving the bill in the Lok Sabha?

Mr. Chairman, Sir, you are an old member of this House. You have its knowledge. If we take into account. Only 1/3 bills are passed here. Outstanding 2/3 bills take the form of ordinances. Thus the Government plays havoc with the representatives of the people. I would like to know from the minister that since 1952, year-wise how many meetings of Lok Sabha have been held? Different departments cannot enact laws if the number of meeting would continue to reduce day by day. I support the members who have requested to cancel the ordinance under the Company law. The Government is under threat and therefore, counts its own will to be fulfilled through this ordinance and therefore this ordinance has been moved. You have seen just now that two Ministers have

withdrawn bills related to their respective departments. The members from treasury bench and opposition bench had not liked the ordinance when this bill had been moved.

They had to withdraw the Prasar Bharti when it was not accepted. Government of India should have brought the bill keeping in view the feelings and opinions and suggestions of the people so that it could be useful in public interest. I, therefore, opposing the ordinance would like to suggest them that running Government through ordinances should be stopped and the meetings of Lok Sabha should be held for more and more days and bills should be presented according to the suggestions by hon'ble members.

Mr. Chairman, Sir, I would like to thank you for providing me an opportunity to speak on the bill. Their companies act also is very inadequate. In the morning hon'ble Member of Parliament Shri Shiv Shankar raised questions and all the members and the Government have supported him. If we talk of such things by making law. I feel that problems like this would not arise and no charges would be imposed on the Government. I, therefore, would like to suggest the Law Minister to stop the convention of issuing ordinance and Government should not be run through ordinances. You move the bill. It is our duty to get bill passed by having discussion over it.

[English]

SHRI SUNIL KHAN : Sir, I would like to say something.

MR. CHAIRMAN : No, your name is not there.

SHRI SUNIL KHAN : it is there in the List of Business.

MR. CHAIRMAN : Your name is there in the List. But Shri V.V. Raghavan has already moved it.

DR. M. THAMBI DURAI : Mr. Chairman, Sir, the hon'ble Members have just now raised objections as to how the Government has brought forward the Ordinance and now trying to get it passed in the House. It is not an intention of the Government to bypass Parliament. It is also not that we have done it intentionally. In the last Session, it was explained why we had brought forward the Ordinance. Due to the representations made by

various organisations and in order to see that the economy is revived, we had brought forward the Ordinance. The comprehensive Bill is already pending before the Standing Committee. As soon as the Standing Committee approves all the necessary clauses, these can be taken up afterwards.

14.42 hrs.

[DR. LAXMINARAYAN PANDEY *in the Chair*]

Anyhow, as hon'ble Members have mentioned, some new companies are emerging. They collect the funds and run away. That is the apprehension. The Ministry is taking all the necessary steps to see that it does not happen in our contry. Whenever we receive complaints, we take immediate action.

Actually, the Bill provides for a facility to the investors to make nominations in respect of fixed deposits, shares and debentures in favour of a person who will hold these shares and debentures or will get the benefit from the fixed deposits in the event of investor's death and also to see that the corporate sector could reinvest in some other subsidiary companies in order to promote the industries.

Therefore, I, once again, request the House that the Companies (Amendment) Bill, 1998, which will replace, with appropriate modifications, the Companies (Amendment) Ordinance, 1999 (No. 1 of 1999) promulgated by the President on 7th January, 1999 be taken up for consideration and the Companies (Amendment) Bill, 1998 be accordingly passed.

MR. CHAIRMAN : Shri Raghavan is not present in the House. So, I shall now put the Resolution, moved by Shri V.V. Raghavan, to the vote of the House. The question is:

"That this House disapproves of the Companies (Amendment) Ordinance, 1999 (No. 1 of 1999) promulgated by the President on 7th January, 1999."

The motion was negatived.

MR. CHAIRMAN : The House will now take up clause-by-clause consideration of the Bill.

[Mr. Chairman]

The question is:

"That clauses 2 to 10 stand part of the Bill."

The motion was adopted.

Clauses 2 to 10 were added to the Bill.

Clause 11

Amendment made:

Page 6, line 3,—

for "1998" substitute "1999" (3)

(Dr. M. Thambi Durai)

MR. CHAIRMAN : 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.

Clauses 12 and 13 were added to the Bill.

Clause 14

Amendment made:

Page 8,—

for lines 26 to 29 substitute—

"Provided that the standard of accounting specified by the Institute of Chartered Accountants of India shall be deemed to be the Accounting Standards until accounting standards are prescribed by the Central Government under this sub-section". (4)

(Dr. M. Thambi Durai)

MR. CHAIRMAN : The question is:

"That clause 14, as amended, stand part of the Bill."

The motion was adopted.

Clause 14, as amended, was added to the Bill.

Clauses 15 and 16 were added to the Bill.

Clause 17

Amendment made:

Page 8, line 44.—

for "1998" substitute "1999" (5)

(Dr. M. Thambi Durai)

MR. CHAIRMAN : The question is:

"That clause 17, as amended, stand part of the Bill."

The motion was adopted.

Clause 17, as amended, was added to the Bill.

Clause 18

Amendment made:

Page 9, line 4,—

for "1998" substitute "1999" (6)

(Dr. M. Thambi Durai)

MR. CHAIRMAN : The question is:

"That clause 18, as amended, stand part of the Bill."

The motion was adopted.

Clause 18, as amended, was added to the Bill.

Clause 19

Amendment made:

Page 10,—

omit lines 1 to 6, (7)

Page 11.—

Clause 1

after line 5 insert—

- "(c) to any loan made by a holding company to its wholly owned subsidiary;
- (d) to any guarantee given or any security provided by a holding company in respect of loan made to its wholly owned subsidiary; or
- (e) to acquisition by a holding company, by way of subscription, purchases or otherwise, the securities of its wholly owned subsidiary".(8)

(Dr. M. Thambi Durai)

MR. CHAIRMAN The question is:

"That clause 19, as amended, stand part of the Bill."

The motion was adopted.

Clause 19, as amended, was added to the Bill.

Clause 20 was added to the Bill.

Clause 21

Amendment made:

Page 11.—

for line 41 *substitute*—

"21. (1) The Companies (Amendment) Ordinance, 1999 is hereby repealed." (9)

(Dr. M. Thambi Durai)

MR. CHAIRMAN : The question is:

"That clause 21, as amended, stand part of the Bill."

The motion was adopted.

Clause 21, as amended, was added to the Bill.

Amendment made:

Page 1, line 3,—

for "1998" substitute "1999" (2)

(Dr. M. Thambi Durai)

MR. CHAIRMAN : The question is:

"That clause 1, as amended, stand part of the Bill."

The motion was adopted.

Clause 1, as amended, was added to the Bill.

Enacting Formula

Amendment made:

Page 1, line 1,—

for "Forty-ninth" substitute "Fiftieth" (1)

MR. CHAIRMAN : The question is:

"That the Enacting Formula, as amended, stand part of the Bill."

The motion was adopted.

The Enacting Formula, as amended, was added to the Bill.

MR. CHAIRMAN : The question is:

"That the title stand part of the Bill."

The motion was adopted.

The Title was added to the Bill.

DR. M. THAMBI DURAI : I beg to move:

"That the Bill, as amended, be passed."

MR. CHAIRMAN : The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

14.51 hrs.

FINANCE (NO. 2) AMENDMENT BILL

[English]

MR. CHAIRMAN : Now, we take up Item No. 21.

Shri Arif Mohammad Khan—not present

Shri P.C. Thomas—not present

Shri Mohan Singh—not present

Dr. T. Subbarami Reddy—not present

Shri Varkala Radhakrishnan—not present

Shri Ram Narain Meena—not present.

Now Item No. 22. The hon. Minister may move the Bill for consideration and passing.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : Sir, I beg to move:

"That the Bill to amend the Finance (No. 2) Act, 1998, be taken into consideration."

The Bill seeks to replace the Finance (No. 2) Ordinance 1999, (No. 20) of 1998 without any modifications. The issue is very simple. In the last year's Budget I had mentioned that we would be implementing a *Kar Samadhan Scheme*. We started implementation of this. In the course of it, it was challenged in the Delhi High Court. The Delhi High Court gave a judgement in the month of November. The Scheme was amended in the light of that order of the Delhi High Court. There were certain other amendments which were carried out. In view of that, the date for closing the Scheme was 31 December 1998. We extended it upto 31 January 1999 by an Ordinance in view of the new steps which had been introduced in this Scheme by these changes. So, it is now before the House. The date of 31 January is already over. The Scheme stands closed.

Sir, I would request the House to pass this Bill into an Act. Now I move the Bill with a request that the same may be considered and passed.

MR. CHAIRMAN : The question is:

"That the Bill to amend the Finance (No. 2) Act, 1998, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN : The House now will take up clause-up-clause consideration of the Bill.

The question is:

"That clauses 2 to 4 stand part of the Bill."

The motion was adopted.

Clauses 2 to 4 were added to the Bill.

MR. CHAIRMAN : The question is:

"That clause 1, the Enacting Formula and the Title stand part of the Bill".

The motion was adopted.

Clause 1, the Enacting Formula and the Title were added to the Bill.

MR. CHAIRMAN : The hon'ble Minister may now that the Bill be passed.

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : I beg to move:

"That the Bill be passed."

MR. CHAIRMAN : The question is:

"That the Bill be passed."

The motion was adopted.

MR. CHAIRMAN : If the House agrees, we can now take up the Private Members' Business.

SEVERAL HON. MEMBERS : Yes.

MR. CHAIRMAN : We are now taking up the Private Members' Business.

SHRI YASHWANT SINHA : Sir, a few minutes are left. If the House agrees, we can pass the Vote on Account on Goa. It is a very simple matter. We have already agreed on this. ...*(Interruptions)*

MR. CHAIRMAN : We are now taking up the Private Members' Business.

14.58 hrs.

PRIVATE MEMBERS' RESOLUTION

Re : Rehabilitation of Sick Public Sector Undertakings—Contd.

[English]

MR. CHAIRMAN : Now, I request Shri Kharabela Swain to speak.

SHRI KHARABELA SWAIN (Balasore) : Sir, the Private Members' Resolution on which we are going to discuss today reads as under:

"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."

Sir, while I oppose this Resolution moved by the hon'ble Member, Dr. Asim Bala, my basic question to this Resolution is, why should the Central Government go for the comprehensive policy to improve the functioning of the public sector undertakings.

Dr. Asim Bala, while moving this Resolution, has said that all the public sector undertakings should be improved. What is its meaning?

15.00 hrs.

The meaning is, Government should go on providing money to all the loss-making public sector enterprises. Sir, I will just now give you two or three figures. In 1996-97, the number of operating enterprises was 236. The total capital employed in all these public sector undertakings was Rs. 2,020,21 crore. The net profit of all these 236 enterprises is Rs. 10,257 crore. The profit-making enterprises come to 129 in number. The profit amount comes to Rs. 16,120 crore. The loss-making enterprises come to 104 in number. The loss amount comes to Rs. 5,862 crore. I am just asking a question. Of the investment to the tune of Rs. 2,020,21 crore, we are just making a profit of only Rs. 10,257 crore. The percentage of net profit is coming to 5.1%. It is a question of the business. Will any businessman invest his money for a meagre profit of 5.1 per cent per year? Out of the 236 public sector enterprises, now 129 enterprises are

making profits and 104 enterprises are making losses. Almost about 50 per cent of the enterprises are loss-making enterprises. I do not know anywhere in the world, any Government is incurring a loss of about 40 to 50 per cent of the enterprises in which it has invested. I am really very surprised when even some of our hon'ble Members say that Government should go on providing money.

Sir, I am asking a question. What is the job of a Government? Is the Government an administrator? Or, is the Government a businessman? What is this Government? Yes, I agree there are certain areas where the Government, the public sector will have to go and invest. When initially India became a free country, it got its freedom in 1947, then there were so many fields like steel where heavy investment was required and where the private sector was unwilling to come. So, the Government came forward with the money. I do not say that the public sector undertakings should be abolished at one go. If not today, tomorrow the Government will have to invest some money in public sector undertakings. There are certain public sector undertakings, let us take the example of oceanology, there are sectors like oceanology where heavy investment is required, and, there is a long gestation period for making profits. So, in those cases, the Government will have to invest the money. So, not only now but also in future the Government investment is required. But why should the Government be a hotelier? Why should the Government go for making bread? There are even so many States which have invested money in poultry. Is it the job of the Government to go for making bread? Is it the job of the Government to build hotels? It is not a surprising matter that Government is making heavy losses basically in these sectors. I just mean to say that because of this type of huge losses that the Government had incurred, the Government went in for a Disinvestment Commission.

The Disinvestment Commission found certain reasons which were counted as the problems of the public sector enterprises. There are a number of reasons, that is, (i) low productivity, (ii) poor track management skills, (iii) over-manning, (iv) lack of technological upgradation, (v) inadequate attention to research and development; and (vi) low priority to human resource development. Basically, these six aspects form the problems of the public sector enterprises. The Disinvestment Commission recommended that upto 20 per cent of the Government equity in selected public sector enterprises would be offered to mutual funds and financial investment institutions. The Commission also identified some core and non-core sector companies where Disinvestment

[Shri Kharabela Swain]

Commission could go up to 40 per cent in core sector and up to 74 per cent in non-core sector.

Now, I will just mention three or four other reasons as to why the public sector enterprises did incur loss. One of the reasons is less mobilisation of internal and extra budgetary support. The mobilisation of internal and extra budgetary support was well below the level projected in the Fifth Plan. This led to slow down in disinvestment and growth plan of the public sector enterprises. It led to a very serious consequence. There was no upgradation of the technology, modernisation of the plants and there was no plan of expansion. Ultimately, the diversification of the public sector enterprises was affected.

There was another reason also. That is the fall of budgetary support. As we all know, the fiscal deficit in the Union Government is going up for the last so many years and every year it is going up. Sometimes, it has gone up to seven per cent. There are even so many States where the fiscal deficit is up to eleven per cent of the GDP. Because of the widening of the fiscal deficit, the budgetary support which was 32 per cent in 1990 came down to 13 per cent in 1995. So, that was another reason. There was no money available for further investments in areas like technological upgradation and research and development. There was no money for expansion and this led to further loss in loss making enterprises.

There is another basic reason which I will just bring to your kind notice and that is about the increase in competition. Initially, when the public sector enterprises were set up by the Government, virtually there was no competition. Later on, the private sector people come forward with heavy investment in those sectors, which were not exclusive for the Government. Let us take the example of steel. The Tata Company came. The Tata steel plant and the Rourkela steel plant are almost contiguous and hardly there is a gap of about 158 kms. between Tata Nagar and Rourkela. So, the Tata company invested heavily and it competed with the Rourkela steel plant and with other steel plants. It is very natural that this resulted in increased competition. It went not in favour of the public sector enterprises.

If went in favour of the private sector enterprises because these sectors were not exclusive for the Government. It was not a monopolistic sector like the Airlines or the Railways that Government could increase the money at any time or they had the power to fix the rate of their product as per their own sweet will. 1

The losses in the loss-making public sector enterprises account for about 60 per cent of the total direct budgetary support and, year after year, this is going to increase. There is intense competition due to deregularisation and globalisation and also because multinational companies and companies in other countries, which entered our market, produce the same thing. They also want to send their materials or products to India. This has led to intense competition. Ultimately, this has affected even the profitability of the profit-making concerns. In other words, the competition not only affected the loss-making enterprises but even the profit-making enterprises. The enterprises which were considered to be profit-making, all of a sudden, were braking break even. They did not earn any profits and they were braking even.

Therefore, there is a need for the disinvestment. I do not agree with the Resolution that the Government should go on just providing the money to all sorts of loss-making enterprises. After all, it is the Government's money and why should the Government go in for this?

Now, I will mention two points. The disinvestment is required to provide financial discipline in not only the loss-making enterprises but even in the profit-making public sector enterprises. If we go through the process of disinvestment, this will improve the performance of the public sector enterprises because they will bring in a sense of financial discipline. They will no more think that they are a monopolistic sector and the Government will go on providing the money till eternity. Secondly, the disinvestment makes the much scarce capital available for investing it or putting it to alternative use in other public sector enterprises of greater importance.

Lastly, this year, with a target of Rs. 5,000 crores from the disinvestment, the Government is expecting Rs. 8,000 crore. The hon'ble Finance Minister told the other day that the Government is going to earn Rs. 8,000 crore. Our condition is so bad that even if we are going to sell the equities, nobody is coming forward to buy them. This is one of the reasons why the Government should not wait for the Sensex in the Stock Exchanges to go up. It should not wait for that and instead it should sell the equities now itself and utilise the money in other public sector where the private sector are not willing to come forward.

With these words, I thank you very much.

SHRI BASU DEB ACHARIA (Bankura) : Mr. Chairman, Sir, I thank Dr. Asim Bala for bringing this

important Resolution on revival of such public sector undertakings.

We have been discussing this issue in the House for the last several years. We have been facing this problem since 1991 when the policy of economic liberalisation was adopted by the Government of India. After Independence, we adopted an Industrial Policy Resolution in 1948 and then again in 1956. The attempt of the Government was to change the industrial policy which we adopted in 1956. We did not agree to all the points of the Industrial policy of 1956. But we agreed to one important aspect of that policy, that is, the policy of self-reliance. The policy of self-reliance has been given a go-by now.

The aim of our struggle for independence was not just to achieve freedom. Our freedom fighters wanted that along with freedom there should be less and less infiltration of foreign capital and that we should achieve self-reliance. That was why, the concept of public sector as a policy was adopted after we achieved our independence. It was not because we wanted to go towards socialism that it was done. It was because we wanted to achieve self-reliance; it was because we wanted to strengthen our country; it was because we wanted that we should have our own control in certain important sectors like the core sector that it was done. That was why the core sector was reserved for the public sector.

We can divide our public sector into two categories. One category is of those industries which have been in the public sector since inception. When they were set up, they were set up in the public sector. In the other category, there are a large number of industries which originally belonged to private sector. When these industries became sick, the Government of India took over them and subsequently nationalised them. What happened after nationalisation of some of these industries? No modernisation took place. When we adopted the policy of liberalisation, when we opened our doors and started inviting multinational companies in, and when we started saying that we should face competition, how could we face competition? With which company could we compete?

I can give you a few examples like that of IISCO, the Indian Iron and Steel Company.

Both these steel plants—Tata Steel Plant and the IISCO in Burnpur were set up almost simultaneously, in one year. IISCO was taken over by the Government of India in seventies. They nationalised it in 1978 by an Act

of Parliament. But after nationalisation, not even a single paisa was invested over there for replacement of the age-old machinery and plants. Not even a single paisa was spent over modernisation of this plant. We have been clamouring for the last 15 to 20 years for the modernisation of this industry.

Sir, without modernisation and with the age-old machinery how can an industry compete with the modern and up-to-date technology, with the multinationals? The glaring example is the Hindustan Cables about which hon. Shri Sikandarji knows well. It had the monopoly shares. Upto 1993, it was earning profit. But since 1994 it has become sick. It has four units with two major units, one at Rupnarayan Pur and the other at Hyderabad. It has about 5,000 to 6,000 workers employed there. Now, the multinationals are allowed to compete with the Hindustan Cables. They used to enjoy monopoly. But that monopoly is not there now.

About the plant at Rupnarayanpur which is the original plant, the mother plant, the Government of India took five years to decide for the setting up of a new plant, Jellyfield Cables.

I can give another example of Scooters India. The hon'ble Minister also knows about it well. Sir, a decision was taken by the Government of India to close that unit down. We, on the floor of the House, has raised that issue. Then the Government of India in 1985 or 1986, changed its decision. What was the problem with the Scooters India? Bajaj was allowed to have collaboration with a foreign company. Bajaj was allowed to do modernisation, to have investment for up-to-date technology. But the Scooters India was not allowed to do all this. This way, how can the Scooters India compete with modern scooter industry?

After the Government changed its decision and decided not to close it down, it could be revived. Now, it is earning profit. So, if the Government tries to revive a sick industry, it is not a fact that it cannot be revived. It can be revived.

Sir, we are surprised to see and we did not expect that the eight public sector units, out of which the six are located in the State of West Bengal, will be closed down. Suddenly, the Government took a decision to close them down. Only one month back, we had a meeting of the Consultative Committee where we were informed that out of those eight units, at least, three were still under the BIFF.

[Shri Basu Deb Acharia]

BIFR has not given its final product. MAMC is a very important and vital engineering industry located in the State of West Bengal. Obviously, both HEC and MAMC were together. They were separated. Both used to manufacture the same product mix. They manufacture underground machinery. If HEC can be revived, if Government of India can spend Rs. 131 crore to revive HEC, why cannot MAMC be revived which has the same product mix? Both are engineering companies.

That Coal India Ltd. which is also a public sector company, used to import four years back spare parts to the extent of Rs. 500 crore. We suggested to them to give order to MAMC and they will manufacture and diversify so that the company could be revived. The revival plan was prepared. Why has BIFR decided to wind it up? It is because Government of India is the promoter and is the owner of the company. If the owner of the company shall refuse to be the promoter of that company, if the owner of the company refuses to undertake the responsibility to implement and execute the revival package prepared and approved by BIFR, what could BIFR do? If Government of India refuses to become the promoter of the company and to take the responsibility, what BIFR could do? After three years of deliberations when Government of India refuse to take up the responsibility, BIFR decided that it should be wound up. Not that the company cannot be revived. We have abundant reserve of coal for 50 years and underground coal is far better than overground coal and surplus coal. China is now producing 1,000 million tonnes of coal out of which the underground coal is at least 40 to 45 per cent. If China can produce coal from underground mining with Longwal mining machinery, then MAMC can manufacture Longwal mining machinery and this company can be revived. BHEL is the only company in our country to manufacture flint button. Defence requirement is there. What is the total requirement for the revival of this company?

It would cost only Rs. 20 crore to Rs. 25 crore. Do you not have that much money to spend on this? We are importing it from China and Russia. The Government of India has reduced the customs duty on flint button from 80 per cent to 20 per cent. Now, imported flint button is cheaper than our own product just as imported coal is cheaper than our indigenous coal.

You are destroying and ruining our indigenous industry.

[Translation]

We donot understand what is your 'Swadeshi' Policy.

[English]

Can BOGL not be revived? Can it not be made profitable? There is no need for that now because you have already got about Rs. 1,000 crore by way of excise from these public sector undertakings.

MR. CHAIRMAN : Please conclude now.

[Translation]

SHRI BASU DEB ACHARIA : Yes, I am concluding. I have to catch the train; I am also in a hurry. But, what is must should be spoken. Mr. Sikandar Bakht knows but still I would like to remind him.

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : Mr. Acharia, would you take leave after your speech?

SHRI BASU DEB ACHARIA : I will hear you some other time.

[English]

There was a joint venture proposal of the Cycle Corporation of India. It was working well and suddenly the hon'ble Minister came to the conclusion that it has to be closed down. At twelve o'clock in the night, I got a message from Delhi that the Government of India has decided to close down eight public sector undertakings.

Today, we met the Prime Minister. We saw in the newspapers ten days ago that it has been stalled. We thought that we will find something in the Budget.

[Translation]

Sir, not even a single penny is given in the budget, Mr. Minister not even a single penny. How did you stall it? Please, tell us clearly what do you want? I oppose its closure. I went to Durgapur and spoke to thousands of workers. Why do you want to close it? Can't we revive it? Aren't the goods being manufactured here in demand anymore? We can revive it. The cost of its revival would not be much.

[*English*]

The cost of closing down is more than the cost of revival. The cost of revival is only Rs. 400 crore while the cost of closing down is Rs. 600 crore.

[*Translation*]

What do you want? Revival will cost Rs. 400 crore while closure will amount to Rs. 600-700 crores. How things will work this way.

[*English*]

I will urge upon the hon'ble Minister of Industry to rethink and re-examine. He has given three months' time. We have seen in the newspapers that a high-powered committee is being constituted by him. I do not know who will be the members of that committee.

The Government should clarify its stand. The Government should try to revive all these eight public sector undertakings of which six are located in the State of West Bengal. The Government should change its policy. It should not weaken the policy of self-reliance. Our first Prime Minister used to call the public sector undertakings as the 'temples of modern India'.

[*Translation*]

Strengthen the temples of modern India, do not destroy them. Strengthening these temples will strengthen India. With these words I reiterate my demand to stop closure. While explaining the decision to close eight public sector undertakings please state clearly the intended changes. Further more, not only changes, tell us you would revive them; provide them with necessary working capital. Salaries have not been disbursed there since January.

[*English*]

The workers of these eight public sector undertakings are not getting their salaries since the month of January.

[*Translation*]

With these words I thank the Chair for giving me opportunity to give vent to my feelings.

SHRI SUBRATA MUKHERJEE (Raiganj) : Mr. Chairman, Sir, first of all, I thank you for giving me an opportunity to speak so early. I support the resolution moved by Dr. Asim Bala. I would say only a few things since Mr. Basu Deb has stated so many things in its support. I would not go in for repetition.

I would like to remind the ruling side of the atmosphere at the time of formation of their Government, an year back, we were celebrating golden jubilee of our independence. It was a feeling of Swadeshi everywhere. We were talking of self reliance and self pride in every respect. Even our hon'ble Finance Minister paid heed to these things in the budget, resultantly, a ray of hope made us feel that we are in process of building a new India. But, I was surprised at the statement of the hon'ble member from Orissa. Our first Prime Minister Shri Jawahar Lal Nehru also emphasised the need of swadeshi and self reliance. We were in the opposition then also, alongwith you and we decided unanimously on five year plans. And, we decided to pay special attention and take initiative in the field of industry and agriculture, as and when required. Self reliance in industry and other fields was not only the voice of our first Prime Minister but the whole Lok Sabha and the Parliament. When we heard the same voice in a new tone after a gap of 50 years, we felt as if some fresh step is being taken. But, it is very sad state of affairs that we are managing to hand our country to foreigners on the name of modernisation.

Right now, Mr. Basu Deb was discussing Rs. 2500 crores. I put forward an example of Government Press at Sadgachhia in Howrah. If its three machines be changed, it would cost Rs. four crores only. I was a member of Urban and Rural Development Consultative Committee in tenth Lok Sabha. It was decided in the committee meeting to revive Sadgachhia press at the cost of Rs. four crores. Likewise, U.R.D. Standing Committee also decided unanimously of the revival. But, we could not spend Rs. four crores even. We often talk of the private sector is not operated through the private owner's capital only, but our Government also play a role in terms of assistance from nationalised banks. But, neither we are able to bring our industry out of red nor we deliberate upon the ways and means, thereto. We have established B.I.F.R. to pass on the cases and it takes an year or so to decide on a case. We should pay attention to decide the items of modernisation, to manufacture high quality goods by replacement of machinery and make a company profitable by finding appropriate market for its goods.

My hon'ble colleague Basu Deb Babu was speaking about Durgapur, just now. If we are able to modernise it

[Shri Subrata Mukherjee]

at a lower cost than the cost of its closure, we may assure self reliance. But, I am unable to understand its opposition from the Government.

I won't take much time. I request the Government to support and unanimously pass the resolution moved by our hon. colleague Asim Bala to build a new India based upon self reliance.

Mr. Chairman Sir, I conclude with these words; thanking you for giving me opportunity to give vent to my feelings.

SHRI RAGHUVANSH PRASAD SINGH : Mr. Chairman, Sir, Dr. Asim Bala has done a great benefaction to the country by putting up this Resolution on his part to draw the attention of the House to those public sector units which are lying sick, closed and running in the red. Actually the Resolution has a direct hit at the mentality and the ideology. When the country became free, it was decided to have adopt mixed economy floating both private and public sectors.

But the thing is somewhat different here that the private sector forum is very powerful with the ultimate strength of lobbying and networking to make individual capitalists earn money by leaps and bounds while destroying, discouraging and discrediting the entire structure of the public sector, a major partner in Indian economy sharing 23 per cent to G.D.P. with the investment of good capital to the tune of Rs. 1,93,000 crores and having the strength of employees working therein. Although we do not know to what extent the Government has accorded with it; the mentality should be developed in this regard and the Government should come out of the capitalists' grips strengthening this major economic partner.

All public sector units and enterprises are autonomous and they should be exempted from external Government interferences. They have officials, all powerful. It is said the bureaucrats are more competent and also are their directors and chairmen. For all their competence, why the public sector units, which have so much capital intensity are ruined. Now the question is if they have competent officials and sources, why they are ruined. It is said that they suffer from political interferences; but it is beyond the truth since they are autonomous bodies. It does not matter whether someone will see or not their policy matters, yet they are turning sick. It is Mr. Yashwant Sinha who has biased approach delivering budgetary speech in English for the people of the world, not in

Hindi for the people of India for which the budget is made. I am talking of mentality that compelled him to speak in English. It is said that those who are English-speaking are more competent as compared to those ones who are speaking their national language. The native speakers are said to be of rustic background. This is the mentality.

SHRI KHARABELA SWAIN (Balasore) : Ramamurthy ji says that he will understand English ...*(Interruptions)* Only you understand Hindi, so you will forbid to speak English. ...*(Interruptions)* If he speaks Tamil, would you understand it, you know Hindi, therefore you ask to speak Hindi.

SHRI RAGHUVANSH PRASAD SINGH : Here's the mentality in India that those who are English-speaking are more competent than those who speak language of their land. We want to attack such mentality. We have received a piece of paper which reads that voluntary Retirement scheme will be implemented to revive the sick units. But the recruitment is made in on large scale. Its results are mismanagement, extravagance and their officials begin to assume themselves as dictators. It also causes scarcity of money, low productivity apart from other things. An intensive scrutiny has taken place in this connection and Government is surprised at it.

[English]

The Government has been providing budgetary support for rationalising man power under voluntary retirement scheme. However, such assistance has generally been restricted to loss making enterprises.

[Translation]

It means these enterprises are progressing the Government intend to enforce voluntary retirement scheme strengthening them and keeping in mind those which are lying sick will be worsened. It is the Government's view as has been written in paper. We are surprising over it.

Thus, the Government should take stand to revive the sick units and budgetary support should be made for it. Measures should be taken so that public sector units are not weakened. Committed officers should be sent to promote private sector units and they should not have any brokers as they are dominant in this Government. When the discussion was going on, in this regard Yashwant Sinha ji was writing in agony at that time. So, briefly it is nothing, but all conspiracy to ruin the country.

Mr. Chairman Sir, we want to cite an example.
...(*Interruptions*)

[*English*]

SHRI SATYA PAL JAIN (Chandigarh) : Sir, I am on a point of order. The hon'ble Members has used the words:

[*Translation*]

that the brokers are dominant in this Government. I understand Raghuvansh ji is a senior Member. He should not have used such a word. ...(*Interruptions*) He should withdraw his word.

SHRI RAGHUVANSH PRASAD SINGH : Is the word 'broker' unparliamentary? ...(*Interruptions*)

MR. CHAIRMAN : If he has objection, he should take back his word.

SHRI RAGHUVANSH PRASAD SINGH : All right.

DR. SHAKEEL AHMAD (Madhubani) : Sir, the word 'broker' is not unparliamentary. ...(*Interruptions*)

SHRI RAGHUVANSH PRASAD SINGH : Jain Sahib is an advocate. We do not know whether he practise law or not but he always used to stand in between ...(*Interruptions*)

Mr. Chairman Sir, Fertilizer Corporation of India, having net loss of Rs. 538 crore, is one of the top ten loss making enterprises. ...(*Interruptions*)

Sir, Sindri fertiliser manufacturing centre is under the Fertilizer Corporation of India. It is the number one fertilizer making centre of Asia. As you know India is an agriculture based country requiring agrochemical fertilizers. Much foreign exchange is spent to import fertilizers. This is also one of the principal causes of poverty prevailed in our country. The Minister has gone away. ...(*Interruptions*)

MR. CHAIRMAN : He has gone with my permission. Patelji is sitting here. He will convey your message to him.

SHRI RAGHUVANSH PRASAD SINGH : Mr. Chairman, Sir, Sindri is a fertilizer manufacturing unit and so are the Namroop and Barauni. For all its going well,

Sindri approached the B.I.F.R. alongwith the Namroop and submitted their reports to get packages for improving their conditions and making them more profitable. The package for Sindri and Namroop was prepared and the package of Namroop was implemented. It received the funds and it started its rehabilitation work while the work at Sindri yet to be started. In my opinion it is nothing but a sheer discrimination against Bihar. Rita Verma ji is not here. Sindri lies in her constituency. Recently, I visited there. All the officers and employees told me that such an injustice and discrimination had never been made to any other as it had been done to Bihar. We would like to ask the Government why the Namroop unit had come the edge over its Sindri counterpart while the two had gone together to B.I.F.R. what's the factor which prevented from sanctioning the package. What is the sickness which avoids it implementing. We want to know its reason.

The same thing is happening in P.D.I.L. which is a renowned corporation of Asia doing the work of consultancy. It has a wing and its previous headquarters was at Sindri. Now it is being shifted to Noida. It is utter callousness and negligence. People say the three Ministers—Shri Yashwant Sinha, Shri Nitish Kumar and Geoge Fernandes belong to Bihar. They say nothing except regarding the imposition of Article 356 in Bihar. Have they ever taken any step to do something for the 10 crore population of Bihar, have they ever convened a meeting of M.Ps coming from there? No, never. Discrimination is being made to Bihar, Stepmotherly treatment is being made out to the Government of Bihar.

MR. CHAIRMAN : The two hours' time allotted to the subject is coming to an end. Seven or eight Members are to speak here. If the House permits the time of the House may be extended by one hour.

SEVERAL HON. MEMBERS : That's right.

MR. CHAIRMAN : O.K. By the permission of the House, the time of the House is to be extended by one hour.

SHRI RAGHUVANSH PRASAD SINGH : Mr. Chairman Sir, Bihar stands the tenth part of India's population. If the backwardness prevails in Bihar, India will never develop. John Hilton, an English I.C.S. writer, has written a book entitled "Bihar the Heart of India" you all the Ministers are inclined for the partition of Bihar. Imposition of Article 356, but you do not wish to revive

[Shri Raghuvansh Prasad Singh]

the units installed in Bihar which are lying sick for years. Among the two public sector undertakings—Namroop and Sindri—which are running under the operation of Government of India, the former got its package sanctioned while the latter was left behind in this race. I make charges against the Government for doing sheer injustice and partiality to the Sindri unit and the P.D.I.L. Barauni units, which come under the Hindustan Corporation, is lying closed. Why is it not being started; why the Government is not taking effective measures to improve it? This is also a charge on my part.

The Cement Corporation of India having a deficit of Rs. 159 crores, is also reported to be approaching the B.I.F.R. The B.I.F.R. has asked in its report that all such loss-making units be sold. So why are they not being sold? Whereas those are running well are being deprived of getting packages. Do the Government want to close them down? The Government should make it clear why injustice and discrimination are being made to Fertilizer Corporation of India, Hindustan Fertilizer Limited and Cement Corporation of India. Sindri unit is a famous fertilizer production unit and there is need of the fertilizers in the country. The Barauni Fertilizer Corporation is lying closed. Discrimination is being made to the P.D.I.L., and why do the Government want to sell the Cement Corporation, which is in operation, why the Government is not selling those units mentioned by the B.I.F.R. in its report?

16.00 hrs.

As I have information that the Cement Corporation of India has 40 crore cash deposit in its account but it is not allowed to spend it. My specific argument is that the Government should get ready to revive the sick units so that the public sector could survive. The Government should come forward to get it free from the clutches of capitalists. They want that the private sector units should flourish and public sector grow weak. We wish that the public sector make progress, having an edge over the private sector, public sector has great contributions to Indian economy having 23 per cent share to in the G.D.P. with the investment of capital intensive Rs. 1,93,000 crores and 23 lakhs of employees are earning their livelihood under it. Therefore, every attempt should be made to make it strong. I would like to have answers to all my queries.

[English]

DR. T. SUBBARAMI REDDY (Visakhapatnam) : Mr. Chairman, Sir, I want to make a small submission. You

have extended the time for this Resolution by one more hour and there are eight more speakers who want to participate in this debate so, after five o'clock we have to take up the next Resolution. I would request you to kindly see that this debate is concluded within an hour.

[Translation]

SHRI MOHAN SINGH (Deoria) : Mr. Chairman, Sir, I would like to thank Dr. Asim Bala for putting the Resolution up to draw the attention of the House and the Government to an important issue. Actually, the public sector is the pride of India after independence, when there was no industrial atmosphere in the country and India needed to stand on its own, our Government had launched a campaign to have industrial set-ups in the name of the public sector with the help of its own resources.

16.02 hrs.

[SHRI RAGHUVANSH PRASAD SINGH *in the Chair*]

A new economic policy came in free India in 1956. On the basis of that industrial policy, our country had accepted the policy of developing healthy and competitive environment in economic field granting upper hand to the public sector, and we followed this policy till 1990. It was 1968-69 when the problem arose before the country as to how to make the unemployed youth and the poor self-dependable by providing financial assistance to them since all the economic sources and resources were in the grip of individual capitalists. People were unable to get any proper assistance from them. So, 18 banks were nationalised, which were being operated under handful of individuals. Had it not been so, it was impossible to implement various schemes and facilities provided by the Government for the benefit of the unemployed and the destitutes especially those who were living below the poverty line. If we review it, we will find that the situation prevails more or less, the same here, even today. If the public sector Banks do not co-operate, the private sector banks are in no position to provide any help to the unemployed youth of this country we have painstaking outcome of the non-banking institutions which proved to be great defaulters by cheating thousands of crores of rupees invested by the common people as well as the retired army officers who had been tempted to invest their gratuity in order to get attractive interest ratio. Even the petty officials who had invested their money after their retirement, businessmen, rickshaw pullers and those who were earning their livelihood by hard means were

not left untouched. They have suffered the loss of their thousands of crore of rupees. When I raised the question in the House in this regard, the Finance Minister answered that the Government of India had not any figures in this connection. There was also a company which fled away cheating public money worth Rs. 1700 crores.

The Reserve Bank has prepared a report about it. If depreddation of such 7-8 companies and smaller companies working at the local level is ascertained, it will certainly be around 10 thousand crore rupees and they ran away with this depreddation in the last 2-3 years. This is the only greatest contribution of public sector that it provides a guarantee to every citizen or common man of India and everyone remains convinced to know that his capital and cost will remain secure. Our public sector depends upon the labourers working in the public sector a lot. He remains convinced having this guarantee in mind that at least the labour-law will not be violated but certainly will be abided by. He will get his reasonable wages according to the prescribed working hours in the public sector. Please, have a look at the condition of private sector. Since 1991 when you gave relaxation. One is made to work for 12-14 hours per day and he/she is given 6-7 hundred rupees per month. If some more demand is made, he is kicked out. Today, the Trade Act is not being followed. We want to say that the public sector is the main pillar of progress in this country. The Government cannot do the work of social welfare by abolishing it or by being averse to it.

Mr. Chairman, Sir, I want to remind the hon'ble Minister that when he was the leader of Congress in 1977 the private sector the efforts for manufacturing Maruti cars were started by the private sector and the Prime Minister's son had himself initiated this work. He said that it would be an indigenous and cheap car. Prior to it, its proto-type engine was displayed in 1972-73. I want to remind you that I was sitting in the audience gallery when the leaders of Opposition Shri S.N. Mishra and Shri Madhu Limaye had raised this issue that the engine which had been displayed was not an indigenous engine. A hue and cry continued for many days over this issue. Ultimately, after the election of 1980, that private company become the public company in 1981. Today, we want to salute and thank the contribution it has made in the industrial auto sector. Had this public sector industry not been there today, could we have brought about the revolution in the auto sector in the country? Even today the Ambassador cars is in existence as a result of the arbitrary actions of the Government. Nobody is there to buy it. To the best of my knowledge, the Hindustan Motors have incurred the loss of 13 thousand crores. Over the

last 50 years, the Government could not carry out any change in its machinery, engine, structure or the dye. If changes are not carried out, that car will deserve throwing into the dustbin. The Government has made it sustainable in the private sector. So, the contribution of the public sector and the revolutionary industrial change cannot be denied.

Mr. Chairman, Sir, I still remember the time when a watch was not available in the country. At that time, H.M.T. company was established in the public sector. I would walk with a bag in my hand with the M.P. of that time and the recommendation of an M.P. was sought for a hundred rupee watch for the marriage. I would take that letter and go to the Ministry that our so-and-so man needs a watch. Now, such a miracle has been made in the field of watches that H.M.T. watches are running in the losses, and being sick watches their business is on the verge of collapse. It should be given financial assistance for making it viable. This effort was also made by the Government we, therefore, want to say that when a new Government was formed under a new revolution in 1977, this policy was formulated that the sick industries, if they are concerned with the public anyhow, will be nationalised by the Government. Since then, the Government has continued the nationalisation. If a businessman knowingly makes a company sick, the Government will nationalise all the companies concerned with that company, after this declaration, the Swadeshi Cotton mill, Kanpur became sick. There, the workers went on strike. They did not get their salaries for a month. In the vicinity of that mill, there was a sugar mill. You nationalised all those factories in 1997. Shri Sikander Bakht of this Government was in the Government of that time. After nationalising it, it was left to the will of God. All the factories you undertook, they are in worse condition than the conditions of that time. Our farmers are dying. The sugar mill along with the swadeshi cotton mill came into the hands of the Government and the Government has not done anything about it so far. The farmers and the labourers are dying. There was a unit of Fertiliser Corporation of India in Gorakhpur which has been lying closed since 1990. From 1990 onwards, the Fertiliser Corporation continuously paid them salaries and in paying the salaries to the labourers approximately an amount of Rs. 50 lakh rupees was being spent every month by Indian Government for the supply of electricity and for maintaining other infrastructure. When asked as to why you do not run them after renovation, they say that running them is rather a loss incurring affair. Paying them salaries without any work and maintaining them is rather a cheap affair for us. I had put up a question in the tenth Lok Sabha in this Parliament as to what the

[Shri Mohan Singh]

Government of India is doing for the production of the Chemical fertilisers of our country and the fertiliser factory which would supply fertiliser to the Eastern Uttar Pradesh, is lying closed and the Government of India should run it. The Prime Minister of that time, who was, by coincidence, the Minister for Industry also, had said that "The fertiliser we import from outside is 100 rupees cheaper per ton than the fertiliser prepared from the indigenous means, so we don't feel any need to improve the fertiliser in our own country. This is quite an unfortunate situation that whenever the Government has changed during the last 50 years the Government has adopted a different stand and attitude towards the industries of the public sector and under that practices the factories have closed down. The Government of Uttar Pradesh has said that it has no money in order to pay the salaries to their employees. But this is a strange irony that four factories were running under the Government of India, one was a distillery and four were the sugar mills. There was a corporation functioning as the branch of the British India Corporation which is known as Kanpur Sugar Works. Out of them, two sugar mills fall in my Lok Sabha constituency, one is in Bihar and there is a Padrona Sugar Mill and there is a distillery attached to it in Madhura. All these five factories were sold by BIFR to a minister of Uttar Pradesh at Rs. 64 crores. It is a very strange thing. The Government is getting poorer, the state Government have no money in; its exchequer for paying the salaries to the employees. But the Ministers are becoming richer and richer. A minister of Uttar Pradesh Government bought these five factories of Indian Government in public sector at Rs. 64 crores which was rather a very low price. If it is looked into, the land of a single sugar mill will be of that price. You have opened a hospital known as BIFR in order to run the sick factories but instead of surviving, it has become industries killer factory. The hon'ble Minister needs reconsider the working of BIFR. On the other hand, the surviving of public sector industries are connected with the life of the common man. So, they need to be revived anew by introducing new rules, new techniques, new methods and new capital. Making this urge, I do want to say to the hon'ble Minister that if the public sector of the country is not strong, the country's private sector cannot be strong, either. You need know this basic fact.

Secondly, I want to say that the dead industries of the public sector have a definite cause behind them. The Finance Minister whatever may say against the Government of Bihar here but when he went to distribute Rs. 1000 crores through banks among the poor people over there, I was watching him delivering the speech on

the television. He was quite right when he said that this leader or that leader had not ruined Bihar but it had been ruined by its bureaucracy. He spoke about a basic thing, on T.V., when he was giving out money to the poor. He was providing money to them which had not been made available to them earlier. It is my allegation about the public sector that we have done the same thing to the industries of the public sector by giving their charge to the bureaucracy. The selected people in the bureaucracy acted like Zamindars while conducting and managing them.

They looked upon themselves as the owners of these industries and started pleading to go there by giving up their pomp and show, their extravagance, their dissipation and administrative works of the Government. They knew that their wives would have a chance to sit in the cars and children would have a chance to sit in the car while sending them to school and would have also a chance for an air-conditioned bungalow and extravagance. Specifically, the bureaucracy is responsible for destroying all these factories of the public sector due to not taking any new viewpoint. The private sector of the country is also dependent on the public capital. But the owner of that industry is falling prey to the regency pleasures and extravagance and under such practice, the private sector of this country, is feeling itself unable to become self-reliant. In view of all these points, I would like to make an earnest request to the hon'ble minister that the motion of Asim Bala Sahab is very weighty and it is my submission from the Government is that it should develop and improve the sick industries of this country which are directly related to the public while considering the weight of this motion and thinking it as its duty to perform social obligations.

SHRI SATYA PAL JAIN (Chandigarh) : Mr. Chairman, Sir, today this House is considering the motion of Dr. Asim Bala and, through this motion he wants that this House should take steps in order to revive and rehabilitate. The public undertakings and sick industrial units and simultaneously it should formulate such sort of policy which can help a lot in the functioning of sick units. Having this spirit and feeling in his mind, he has mooted up this proposal before us.

Mr. Chairman, Sir, a lot of discussion kept on regarding the economy of this country during fifth, sixth and seventh decade after the independence of India. But only those persons were having their clout in discussion who wanted that every thing from industry to society, social structure and a socialist set-up should be controlled by the state and until and unless there is the control of the Government, there will be no reform. Such people were having dominance. After independence, in 1956, the

Congress party had itself given the slogan of socialistic pattern of society. This is a different thing that the Congress which gave the slogan of socialistic pattern of society in 1956 reached the point of liberalisation and globalisation of Sardar Manmohan Singh ji. Two three decades were such sort of decades in which the slogan of the socialism and socialistic pattern was given. Shri Mohan Singh ji mentioned. I remember as to why a division was made in Congress in 1969. Late Smt. Indira Gandhi is no more, so I don't want to say that. But the effort of using the nationalisation of the banks as a political weapon was made and it was said that they who talked about social control and socialism were the messiahs of the poor and well-wishers of them. If you talk against nationalisation, you are a big capitalist and you are the enemy of the country—effort was made to create such an atmosphere. Today, I am glad that his proposal has been brought by a member of the Communist party, the supporters of that set-up who used to say at that time if public undertakings would come into existence or the Government would have a control over them, all the problems of this country would be solved. Industries will be progressing fast, the poverty will vanish, common man will be supported. Today, that member is forced to move this proposal and wants that Government should take steps for their revival.

I wished him and other hon'ble members necessarily mention the reasons as to why these public undertakings become sick. What were the reasons of their becoming sick. Until we probe into the reasons of their becoming sick and their facing a failure, how can we request the Government of India to take steps in this regard. I feel that there are two or three reasons as to why this public undertakings matter was a failure.

Mr. Chairman, Sir, the chief necessity of a public undertaking is that there should be a strong patriotic approach of thought, where there is governmental control, and this is a great thought. Until and unless an official working in that institution feels that he is not the owner but a serve-man, a manager, he cannot weigh that the losses and profits equally effect the country also as well as himself.

Mr. Chairman, Sir, if patriotic approach in thoughts he does not possess, the institution cannot succeed further. We have never endeavoured to arise that approach. We only raised slogans, but never tried to make the workers feel that the industry they work for, is their own industry. If the factory suffers a strike, if suffers closure due to tools-down, then it'll be their own loss, the country's loss. Suppose, an I.A.S. officer tries to cut

a piece of his individual profit from that industry and makes money then that industry can never succeed. This is a sheer lack, I feel, when the loss to the industry is not treated as a loss to an individual.

Mr. Chairman, Sir, Soviet Russia which was the pioneer of communism, is now divided after an 'iron-rule' of 70 years, it simply disintegrated. This disintegration of Russia has proved that you cannot rule by force, by help of militia or police. I salute the person who atleast felt the tension within himself, realised the perplexity, the frustration of his mind and that great man Gorbachov opened the satchel of the tension out, having learned that Russia can no more be ruled through state-control. This was the essence of the thing, which could not be generated throughout the iron-rule of 70 years and that led to the failure.

Mr. Chairman, Sir, the other point I want to mention while agreeing with Shri Mohan Singh completely that no accountability has been fixed in this country and this has been a big reason of failure not only in the field of industry, but the other walks of life also. What we did, we picked up some I.P.S. officer from a ministry and posted him as M.D. in any public sector industry. The factory runs in loss, but airconditioned car is being bought for him and a car is being bought for his P.A., his room is magnanimously decorated and carpets are spreadout for luxuries. If the industry suffers more loss continuously even after his taking over, still we have not fixed any responsibility for anybody. What best could be done was that, an inter-departmental transfer is given to him or an inter-ministerial one. My request is this, that under whose tenure the industry suffers loss, those officers must be fixed with an accountability and that loss should be recovered for their salaries because he has spared nothing to spend out the public money, the Government-money which was in fact recovered in the form of taxes imposed on the people; that officer must be rendered accountable for that and the money should be recovered from him personally. Those M.D.s/Chairmen should be held responsible to repay the amount personally under whose tenure, the industry suffers failure, losses or faces closure. Until this type of system is chartered, until the industry-workers are made country-conscious, all this is going to go.

Mr. Chairman, Sir, I would like to say that we can serve the nation but we donot intend to. Our communist friends are here. I want to say that today, in every industry such a mentality is adopted that 'opt for strike and until that is done, our leadership is not going to survive', such an atmosphere prevails that on every small issue, tools

[Shri Satya Pal Jain]

are down and the factory is closed down. They just don't try to understand that some talks can solve the problems and this is at all a proper way for this. The leaders expect their leadership to fully bloom on the wages of closure of two or three months. They wish some workers be terminated as they could get workers for their party. It results in greater strikes over smaller issues. If this happens on some genuine issue, some genuine problem; then the entire country will be going to support you but what mentality you work with is that 'let's care not a fig, as this is a Government public-undertaking'. It resulted in the sickness of industries and we have sorted out some factors for that.

Mr. Chairman, Sir, our Government industry have failed, still they want to remain being funded by the Government, but how long can the Government waste their money with them and that too only because of our favouring the public sector and sticking to that? I want to mention that this money belongs not to the Government, but to the common-man of India, the tax-payer who pays it honestly. Should not throw this expensive penny into the hole and waste it? Have you ever calculated that what and how much return would be on the money invested in public undertakings, and if the investment is increased in case of its sickness, would it fetch the desired turn-over? It is not so that if some 20 or 30 crores more are given, the industry will start functioning. The question is that, that whether the loss can be compensated with an extra-investment of 20, 30 or 50 crores, and can the industry start functioning? If it is so, well and good; but unfortunately it is not so, because on extra-investment, the loss would increase and so would the retrenchment. Therefore the public-money is not to be wasted, no more wastage on this.

Mr Chairman, Sir, the times are of competition, globalisation, common-trade; and this inspires us to have a broader look on emerging newnesses and new system, at the same time not being too sticky to our orthodox beliefs. If we be too sticky, we are not going to be benefitted, so the country. Therefore I want the Government to consider this situation. It's true that we cannot adopt any uncasual, uncared attitude towards such a big public-undertaking. If we can restart it, then do consider it, but if not; and the industry faces loss despite, then it's time to let it open to the private sector and private management so that it may be rightly utilized.

Mr. Chairman, Sir, this I never succeed to understand that the same industries run in loss while being in the public sector and start fetching good results, profit and

production, the moment they are under private management. Most of the fields are facing this. ...(*Interruptions*) I am talking about most of the fields; exceptions may also be there, I am not determining every private field right and the public wrong. But we should take benefit from the experiences we've witnessed. I feel we should do that. If we adopt such a policy, we'll be in greater profit. Of course, I favour this point that we cannot leave our personnels on the mercy of private management we may be encouraging private management handing over to them, but we should take care of any exploitation of workers.

Not only I agree with Mr. Mohan Singh's point rather I know that no matter special arrangements are made in any public sector, where there private management is adopted for, there still are complaints of exploitation of workers. In my constituency Chandigarh, many hospitals, departments are under private sector's management and there are news to trifle the workers with a salary of mere Rs. 1200, Rs. 1500 or Rs. 1900. We have a very good project as in the case of a medical college in sector 32, and its personnels keep on doing regular meetings with me.

Under Industrial Disputes Act there are provisions, rather they can be made if necessary, that whether the private management reigns, but the conditions and terms of service of the personnels, should be safeguarded. For this, minimum wages should be prescribed and the Government should come out with a machinery to provide all this.

I still have to make a point. If someone commits a crime in our land, no case is filed against him on any individual basis. If you beat someone or murder or hit a person, then the nature of the case against you, will be as 'state *versus* accused'. Similarly, if any mill-owner maltreats any worker in industry sector, it is my view that it should also be treated as a crime against the society. The Government should pursue his case. A labourer never possesses enough money to employ any advocate and pay him, in case he is not on good terms with the management. I request therefore to consider this new concept under Industrial law. If the worker enjoys favourable decision, the Government should come out to safeguard and shield him.

While speaking on this proposal, B.I.F.R. has also been quoted. I would like to get information about the profits B.I.F.R. had made so far, yet I have witnessed that B.I.F.R. has proved a panacea for many more

concerns, because you have made a provision in the Civil Procedure Code, Industrial Dispute Act and also in the B.I.F.R. Act. It is, if any unit is sick and approaches B.I.F.R. about its sickness through an application and demands itself to be declared 'a sick unit' or to be provided with any assistance, then it happens that all the cases in any court against it, are treated as 'stayed' automatically. I myself have come across many-a-cases, in which ever reputable concerns to turn away from their liabilities, take a short-cut through just an application. B.I.F.R. will not be going to make any hearing normally for a year or two or three, and in the duration any case filed against that industry and management, will be rendered 'stayed' automatically. We should reconsider this aspect also. A reconsideration is necessary in this regard. I feel that same people have misused these provisions, so they must be reconsidered. The Government has to think, rethink in regard to sick public undertakings, a detailed supervision should be made in this case. Whether there are informations of failures solely by officers, their accountability be fixed and rendered responsible for that, they should not be spared. No casual approach should be adopted in this regard. Action against them must be taken and where Government control fails to set the matters right, private management should be called for. We should guarantee workers' safety and take care of extravagance.

With these words, I agree with the approach of the proposal made by Asim Balaji, but if we try to shoulder this burden on the Government then it will be only paving way for more monetary wastage in addition to millions and billions of rupees already gone misused. Here, lies that blind alley which can swallow up all money you invest, giving no profit. We should ask the Government and it should form a solid stand on it after considering it and should go ahead withstanding the policy.

DR. LAXMINARAYAN PANDEY (Mandsaur) : Mr. Chairman, Sir, while expressing my views on this proposal I had requested that public undertakings were set up in view of the healthy competition for making good atmosphere and to ensure regular productivity in industrial sector.

They got success in early years but slowly, Government machinery dominated and the productivity reduced due to it and management kept on deteriorated due to this season one by one many units suffered loss. According to the details made available here the top ten loss incurring units are—Fertiliser Corporation of India, Eastern Coal Field, Air India, C.C.I., Hindustan Fertilizer

Corporation, I.D.P.L., Bharat Coaking Coal, National Steel Corporation, Indian Iron and Steel Company and Hindustan Shipyard. The overall loss suffered by these units is Rs. 5862 crores. Such a huge loss is a matter to be considered. We should ponder on the resolution moved by Dr. Asim Bala that how we could run the units which could be. Otherwise many more undertakings would be shut down and the loss continue to increase.

I would like to mention particularly some of the cases. One of them is the matter of Cement Corporation of India. I have mentioned regarding some of them earlier. Loss in it is increasing day by day. Negotiations are going on to sell some of the units. They could be set right but for it there should be will power, which lacks. The loss is increasing because of it and gradually it increased so much that a situation come that they could not be run. There are some units which run some times and sometimes they do not. The employees and labourers are paid late but they are not using their full production capacity.

There are two units of Cement Corporation of India in 'Naya Gaon' in my constituency. Sometimes they are functioning and sometimes they are not working for many years. This situation is because of this management. I want to put before you some portion of a opinion published in 'Mahanagar Times' under the title 'Cement Nigam Men Pal Rahe Bhraashtachar'. It is said in it that to declare our commitment to end the corruption in country, we can accept the corruption in Cement Corporation as a challenge. If any positive action is taken in this regard the corruption in many areas could be eradicated. The prevailing corruption in Cement Corporation of India is the matter of public discussion. When Cement Corporation was asked whether loading work of lime is done on contract basis, it rejected it outrightly, but the fact is opposite and that is done there violating all rules and norms.

Mr. Chairman, Sir, I would like to make one more request in this regard. When it was asked why you are buying diesel generator sets, it was said that there is scarcity of electricity in Madhya Pradesh and other places. Although scarcity is not as much as it was estimated on the pretext of shortage of power the recovery of power tariff was not made because of it power connection was cut and generator sets also did not work. In this way generator sets were bought by making false story in C.C.I. To hide its work inefficiency false report was submitted to Ministry of Industry after 1992-93 and power cut was given the main reason for the loss incurred to C.C.I. It

[Dr. Laxminarayan Pandey]

is said that since 85% of the total production by the Corporation is made by Madhya Pradesh and Andhra Pradesh and power cut is 60% in these two states, whereas the fact is opposite. And why these generator sets were bought? Either they should be used or should not be bought. I want to say that if they were bought, then factories could be run by using sets. Even this is not being done. In this way Corporation is continuously growing in it.

The Hon'ble Minister had mentioned at one place in clear words that he is going to close down some factories. An interview of Industry Minister Shri Bakht was published in a newspaper regarding public undertakings. In that interview Hon'ble Bakht ji had said that the Government will close down nine sick industries this year under the policy of winding up those public undertakings which could not be started again. I like to ask which factories among them are to be closed down this year. As I have said there are some factories under Cement Corporation which could not be run. I have requested that they should be given a thought again. It is okay, in this way Hindustan Antibiotic was a profit making unit and a profitable institute but gradually it is also making loss and today it has been turned in a loss making unit. Just now Hon'ble Member who was speaking earlier to me told why C.C.I. suffered loss. There was no reason for it, but it happens only due to mismanagement and corruption.

I want to mention about a report published in 'Hindustan' under the title 'Sarwajanik Upkramon Men Badhta Hua Bhrashtachar'. Public undertakings had an important role in India, but gradually evils like corruption, mismanagement and adhocism prevailing there. Loss is increasing day by day. The question is that the dream with which modern makers of independent India set up these undertakings. Why did that dream not come true? The reason is the increasing corruption, theft and adhocism there? Who is responsible for that? Higher officers there get good salary, many facilities, but condition is not improving there. Whereas if private concerns buy them, they start running in profit. Cement Corporation sold a unit and that unit converted in a profit making unit. So there should be a clear policy and Hon'ble Minister should clarify that policy and how these public undertakings should be run and kept on line. It is being considered to send them to B.I.F.R. Nearly 60 matters are under consideration. Here public undertakings are sick, which are not being considered. No decision is being taken about them. It is said that they are taking decision about them? After all when will this decision be taken? Their issue should be considered, will you fix the time limit. I would like to draw your attention towards both

these facts. The increasing corruption in these factories should be stopped certainly and the undertakings which could be kept revived whether their case is with B.I.F.R. or being considered. The Finance Minister in his budget speech has mentioned about sick units specially National Textiles, textile industry. We would like that effective policies should be made and concrete measures be taken to ameliorate the bleak conditions in which lacks of workers are toiling. I have mentioned in C.C.I. A Kendriya Vidyalaya was functioning there. Some employees came to me. C.C.I. was giving salary to them. That is about to close. C.C.I. says that it can not give the salary to the employees of Kendriya Vidyalaya because the unit there is closed. What will be the future of children of 700-800 employees. These are questions related to the children of workers and officers and their family.

So a clear policy should be decided and I hope that Hon'ble Minister will mention all these facts in his reply. I had mentioned some points in my speech but I won't repeat them. I would like to say that those undertakings which could be run. Some concrete measures be taken to revive them. I would like to quote a last sentence.

[English]

Public sector in India—An Appraisal. The growing incidence of the sickness in various industries including those of the public sector is one of the most serious problems facing the industrial sector of India. Sickness and loss-making among the Central and State enterprises are becoming a burden on the Indian Government or Exchequer. About Rs. 1,00,000 crore of the country's wealth is tied up with the Central Public Sector Enterprises and the return is less than one percent as on 31st March, 1997. Sixteen sick industries under the public sector were registered with the BIFR for revival. The following were the top ten loss making enterprises.

[Translation]

As I have mentioned, loss of crores of rupees should be saved and evolve the clear policy to revive these undertakings.

MR. CHAIRMAN : There is a half-an-hour discussion regarding which notice has been given by Shri Swain. Discussion under rule 193 is accepted. If the House agrees, that should be included in it.

SHRI ADITYANATH (Gorakhpur) : Mr. Chairman, Sir, we are discussing on a resolution moved by Dr. Asim

Bala related to sick undertakings. Surely the role of public and private undertakings in industrial revolution can not be ignored. The resolution moved by Dr. Asim Bala on the situation in which public undertakings are running in loss and a position comes when they are declared sick is considerable. Whereas private undertakings are profit earning. It is giving a huge revenue deficit lacks of employees, businessmen, farmers and workers are affected. Definitely we should respect their feelings.

If we look at the mismanagement in public undertakings. Officers having no experience of that field are sent there. Neither they try to ascertain the facts nor do they understand their responsibility because they know that if the unit is closed, they would be transferred somewhere else. They do not have any emotional attachment with that undertaking. With this, the prevailing corruption, theft and the lack of latest technology for the undertaking is also a major reason. Trade unions have only one slogan that 'fulfill our demands'. They never tried to think of their duties towards that unit and the society. Some of the undertakings are in my constituency. An hon'ble member before me had said that there was a unit of Fertiliser Corporation of India in Gorakhpur. It was set up in 1969 and closed down in 1990 due to a small accident. The employees and officers demanded 65 crore rupees from the Government of India to restart that factory but Government of India could not be able to provide 65 crore rupees. That fertiliser plant used to supply 2.5 lakh tons fertilisers as per the demand. The demand of fertiliser is 2.5 lakh tons of the farmers of that area but only 30,000 tons are being supplied.

Instead of sanctioning 65 crore rupees, the then Government expended Rs. 133 crores in the name of urea scam. Like-wise there are many sugar mills under the Ministries of Government of India. If the Government of India pays attention, they could be restarted and if they are modernised they can earn profit again. We did not try to know the feelings of many employees and farmers attached to public undertakings. That is why they are running in loss, there is need to think of it. As far as B.I.F.R. is concerned, there is a private sugar mill in Gorakhpur. Not a single paisa is paid to farmers for the last three years. The farmers are on the verge of ruination there. The owner of the sugar mill went to BIFR and it declared the mill sick. Because of it the farmers are on the verge of ruination. In the same way Ganesh Sugar Mill, Anand Nagar is closed for the past 7-8 years. If the ministry paid attention towards that, it could have been restarted. The condition of the affected farmers and employees would have been ameliorated *vis-a-vis* the economic condition of the mill. The resolution moved by

Dr. Asim Bala regarding the sick public enterprises should be considered and concrete action should be taken in the interest of the employees, businessmen, farmers and nation.

SHRI K.D. SULTANPURI (Shimla) : Mr. Chairman, Sir, as far as my friend Asim Balaji's motion is concerned I stand to support it. He has moved a very good motion. Today most of the public sector industries are running in losses. Some of them have discussed upon by all members. Except some units, all industries of public sector are running in losses. These units are running in losses in Bengal, Gujarat and Maharashtra. This is a conspiracy to make labourers unemployed. Government should think that if we can not provide employment to these labourers who work in these units to feed themselves, at least some arrangement should be done so that factories may be reestablished. We must think over how to bring back these industries to profits which used to be so but are going in losses. So many opinions have come up. All officers earn benefit because if any relative of an officer establish an industry then he becomes managing director. So there is a conspiracy to declare public sector useless to provide benefit to private sector. It should be investigated into. The appointment of such officers should be cancelled. So whatever steps have been taken should be stopped in future.

There is investment of one lakh ninety one thousand rupees in public sectors. A lot of money is invested in private sector also. If a sick industry is handled with new mode and machinery then nation will get benefit. If factories will be on the service then there shall be no need to sacking labourers. We have coal mining. Coal is provided to electricity board on loan. Labourers are retrenched there. They do not get full amount because electricity board does not pay full amount. We should discuss this matter. At some places production of power takes place only up to the tune of 7% and somewhere it is 40%. Here too labourers suffer. Private factories always get benefit but exploitation of labourers go on. Monitoring must be done.

Mr. Jain has rightly said that responsibility should be fixed upon managing directors to bring back the factories to profit. So that nation gets benefit. Large profits are shown in schemes. Industry Minister, other ministers and M.P.'s go to inaugurate there. They deliver speeches there and say that industry will be successful and people will get jobs. But after four or five years result is loss. Today private buses are running in profit but Government buses are in loss. Government State buses are in losses. Tender system is not healthy and work on contract is also not

[Shri K.D. Sultanpuri]

appropriate. This proposal should be unanimously implemented. Government should revitalize closed units, so that welfare of labourers and production increase. You sell profit making factories to others. This is injustice with the people. The schemes that are going to show that Government is not serious to the poor. This will destroy the poor. What will happen to a familyman who has 18 wives. They will drag him from 18 sides. Vajpayeeji is a very gentle and decent person. It is not good to give all the jobs of country on tender. On bills has proposed here, discussion should take place amongst both side on bills being moved here. We have infights regarding this issues on there is between labourers and owners of factories. Today owners are getting profits. Today how much income tax is pending against capitalists. Today nobody is going to ask them. You trouble the poor as much they are troubled. I will congratulate you.

Your Government will not survive after troubling the poor as you had removed our Government. You should understand that why factories suffer in losses after taken over by bureaucrats. It may be textiles mills of Gujarat or other mills of Maharashtra. Labourers are crying for jobs. You are paying their salary in such a manner that Government coffers are going to be empty. They do not have any work. If some step is going to be taken then they try to stop it.

Mr. Chairman, Sir, the country has taken loan from foreign countries. Although loans have been taken on cheep rate, even then factories are becoming expensive here. I want to tell Government that if you want to run a factory of public undertaking then you should have budget for that too. You have money for them who want to spoil the country and its culture. Its reason is that they do not pay taxes to the Government and also do not want to set up new machiney in factories. These things will have to be understood by them. Country will go up only if you understood these things.

Mr. Chairman, I want to tell something regarding my own state Himachal Pradesh. There is a forest corporation in my state and its function is marking of trees. These trees will be cut down under five years scheme. So thousands of trees will be cut down this year. Corporations contractors purchase them but there are middlemen. Wherever forest and cement factories are existing, this type of work takes place there. There are cement factories in Himachal Pradesh but people purchase it at very high rates. Is this going to be justice with those people? Factories are established for profit of political people only. Agreements take place and they are signed. I want to tell the Government that responsibility should be fixed

upon state Government or Central Government. The D.A. and T.A. of those bureaucrats should be investigated. These bureaucrats are free to send their children, even abroad for schooling and no one cares. It is said that Minister or Officer had to go abroad because they had to bring in technology. But when the officer will come back then he will be transferred to another department after four months. I request the Government to put an end to this type of scenario.

Mr. Chairman, we fight amongst each other. We should think of nation and chalk out a path of progress for national development. I request all of you that when M.P.'s and Minister will be on tour abroad no interaction shall take place with public. We have found in our villages that bureaucrats do not understand the public. Bureaucrats should act only in such way that directly benefits people. Honest people would be given priority. Provide help to those people who run industries honestly.

17.00 hrs.

But cases are also pending in B.I.F.R. Cases do not progress in courts. So a policy will have to be formulated in such a way that nation could go ahead.

With these words I congratulate Mr. Asim Balaji for his motion and hope that it will be passed unanimously.

MR. CHAIRMAN : There are three hon'ble members to speak if the House wishes then the debate may be extended for 45 minutes.

SEVERAL HON. MEMBERS : Yes, yes.

MR. CHAIRMAN : It is all right. With the consent permission of the House 45 minutes of time is extended for debate.

Prof. Jogendra Kawade.

PROF. JOGENDRA KAWADE (Chimur) : Hon. Chairman, Sir, I thank Dr. Asim Bala from the core of my heart for moving a proposal before the House regarding revival of public sector industries and revitalisation of sick industries.

Mr. Chairman Sir, as far as the issue of public sector undertakings is concerned, public sector has played a vital role in building modern India ever since independence and start of economic planning. It's contribution is

unforgettable. If a person fall prey to some ailment, he/she is cured of that and not left to slow-poisoning death. I appeal to the whole House and the minister not to commit gross injustice to the people of the country by attempting closure of the public sector undertakings terming them sick; since the public sector has contributed significantly towards modernisation of the country, strengthening of the economy and towards the honour and dignity of the country.

Mr. Chairman, Sir, we envisaged socialistic pattern of society at the dawn of our economic plannings. We talked of socialistic social fabric and establishment of Welfare State. The only target of the Welfare State was benefit of all, welfare of all and to materialise that target, to accelerate industrial development and economic development. Changes were brought to the industrial policy adopted in 1948. Public sector industry has played a vital role under the policy. It is the duty of the Government and all of us to take all possible steps to strengthen the ailing public sector industry.

Mr. Chairman, Sir, ever since we have adopted and resorted to new economic policy and followed the policy of globalisation, privatisation and liberalisation, we see that it appears to be a conspiracy by running the industries and undertakings of public sector of country in deficit to close them.

17.04 hrs.

[MR. DEPUTY-SPEAKER *in the chair*]

My allegation is that industries belonging to public sector are being made sick knowingly and a conspiracy is being hatched to bring them under private sector so that the state of capitalism may be established here. A conspiracy is being hatched in the country to establish capitalistic system. The foundation of capitalistic system is Manuvad. This Manuvad kept the country away from development and progress and it destroyed the mutual brotherhood in the country and did not let the country proceed further. This attitude did not let the people with respect. That very Manuvad is capitalism. That very capitalism is Manuvad. Private sector are being encouraged and an attempt is being made to bring them again. It is very unfortunate.

Mr. Deputy Speaker, Sir, I am surprised to see when some members oppose it with regard to improvement in the conomic condition of our public sector undertakings. Our hon'ble Finance Minister is present here. Last time

when our hon'ble Finance Minister had presented the budget, he talked of the honour. The undertakings of public sector which had raised our standard, are under the conspiracy to close them down on the pretext of being sick. It is not in the interest of the country. It is not good for us if we do not honour the policy of social justice of our Government and our country and its accountability to the people of the country laid by constitution of our country.

Mr. Deputy-Speaker, Sir, a talk on B.I.F.R. was going on here. One of our hon'ble members said with great responsibility that the industries under the public sector run into deficit and if those public sector industries go into private sector, they start running in profit. I do not agree with it. The officers working in public sector, go in the private sector, then the private sector starts running in the profit.

Whether or not the officers and bureaucrats in our public sector are working honestly needs to be investigated. It is not possible to carry on without doing so.

Mr. Deputy Speaker, Sir, I will not take much time, but this question is a matter of life and death for lakhs of workers, it is related to the economic development of the country. We see that private sector industries are flourishing at the cost of public sector industries. Our banking sector is already nationalised. We provide loan from banking sector to private sector industries, then those industries flourish. Can our banking system not revive, rehabilitate and modernise the industries of public sector? You can provide foreign aid in private sector.

As one of my friend has correctly stated now that permission is being given to Bajaj Auto Ltd. to take foreign aid. But did not why you give permission to public sector industries to take foreign aid? If we can provide the joint sector advantage to public sector, I think our sick public sector industries could run well.

Mr. Deputy Speaker, Sir, it is necessary to review the B.I.F.R. policies. Because, through the B.I.F.R. these industries have to be kept functional, it should be taken into consideration as to which industry should be provided financial aid and which should not be. It should be considered at the time of chalking out policies. As Shri Sultanpuriji have stated that which industries should be given aid to be kept in operation and which not, it is necessary to be kept in mind while fixing criteria in this regard. We talk about socialism, social justice and social obligation. To run a public sector enterprise is a social

[Prof. Jogendra Kawade]

obligation, it is our national duty and public sector industries should not be closed at any cost. One of my friend Shri Mohan Singh has said, that there is less expenditure on modernisation and revival than the closing of these public sector industries, it is fact. Therefore it should be taken into consideration.

I would like to mention one more point that there are some industries in public sector industries which have been in the list read out by our colleague here.

Mr. Deputy Speaker, Sir, I would like to mention the names of those industries which have been listed here for closure like Hindustan Antibiotics, Cement Corporation of India etc. and announcement in this regard has been made by our Hon'ble Minister, I would like to request and appeal, the Hon'ble Minister that there are still some industries today which are properly and scientifically managed and allowed to start production on commercial lines can earn profit and make significant contribution in the development of our country.

Mr. Deputy Speaker, Sir, so far as the national spirit is concerned, it is not display item, and this can be reflected through our management and administration. Today there is such a position in our country that we have confined ourselves to our ownself and we do not work for the welfare of others. All our officers, bureaucracy, M.Ps, common people have the national spirit and these public sector industries have been established with the same spirit and contributed a lot for the development of our country.

Mr. Deputy Speaker, Sir, today we are greatly concerned about social justice and for the cause of those people who are being neglected and I wish to raise this issue in the House that efforts are being made to close the public sector industries and deny the rights of reservation to SCs, STs, OBCs and tribals which have been given to them constitutionally. There is one I.P.C.L. company in Maharashtra which is called as Indian Petro Chemical Corporation Limited. I have written a letter to Mr. Surjit Singh Barnala, the Minister of Chemicals, Fertilisers and Consumers Affairs in this regard. A delegation of the employees and officers of that company came and told me that efforts were being made to sell I.P.C.L. to private sector. I wrote a letter to Shri Barnala. Mr. Barnala has replied very clearly. I would like to quote from his letter.

[English]

"As you are aware, the Government had set up a Public Sector Disinvestment Commission in 1996 to

advise on disinvestment of Government share holding. The Disinvestment Commission has recommended that the Government should disinvest in IPCL and also make over the management control in favour of strategic buyers identified through the procedure of global tenders. The Government has since accepted this recommendation with the proposed disinvestment in IPCL. The Company would no longer be a Government Company within the ambit of Companies Act, 1956 and (this is more important) hence not obliged to follow the reservation policy in employment."

[Translation]

If the public sector industries are closed in that manner, privatised in the name of sickness and are shifted into private sector, then, this Government is conspiring to deprive the people of scheduled castes, scheduled Tribes and the Tribals of this country, the rights provided to them in the constitution and this should not happen. I therefore would like to request the House and the Hon'ble Minister that the public sector industries which have contributed in the formation, development and progress of this country should not be allowed to be destroyed merely on the pretext of their sickness. We should instead provide them an opportunity to contribute towards economic development of the country by providing them all types of facilities, by revamping them and by making them self-reliant.

With these words, I would like to congratulate Mr. Asim Bala. I conclude my statement by expressing my thanks to you also.

[English]

SHRI V.V. RAGHAVAN (Trichur) : Mr. Deputy-Speaker, Sir, the entire House is grateful to Dr. Asim Bala for bringing forward this most burning issue before the House and before the Government.

It is high time that all of us closely pondered over this issue. We have to not only revive the sick units but also prevent more and more units from falling sick. When we think of the entire industrial sector including the sick units and the healthily running units, we find that our industrial growth is slackening. It is a fact that it is alarmingly slackening. What is the real reason for this? In my humble opinion, as far as my knowledge goes on economic policies, this happens because of the economic policy that the Government of India followed for some years. I am talking not only of this Government alone. Unless we think of some changes in our economic policy, we will not be able to revive the sick units, we will not be able to prevent more and more units from falling sick

and we will not be able to take our industrial growth on the right track.

Our hon. Finance Minister has declared so many incentives and programmes to get our industrial growth on the right path. I am afraid, all these incentives will not do any help unless we change our economic policy.

Look at the Import Policy. We have liberalised our Import Policy. That is one of the main reasons for this slackness. We open up our markets to the multinational companies of the developed countries. When we open up our market to the multinational companies, they are capturing the market and dumping it on us. How can our industrial growth go on increasing? How can we prevent our units from falling sick?

Let me cite a small instance from my State of Kerala. Sir, you know about the Fertilizers and Chemicals Travancore Limited, the FACT. It was a prestigious unit for us. But gradually our Import Policy of bringing down the import duty on caprolactam year by year has resulted in that unit facing a crisis. Even in this year's Budget, despite our representations, our hon'ble Finance Minister has reduced the duty by five per cent more. That has led the FACT, the Travancore Titanium and other units to land in a very deep crisis. I do not know how they can survive.

That is a small instance. We are reducing the import tariff for so many items. I am not pleading for productions. But we must think of some protection. If our industry is to grow. Because we know that the cut-throat competition is going on.

Here, I must say that our hon'ble Finance Minister has said about the integration of the world economy. How can it be possible in the present world? There are inherent contributions between the developed and developing countries and that contradictions are not smooth one. It involves every nation's interest. We have a share of 99 crore population in the world population. Our interests are very much involved in this cut-throat competition. If we integrate our economy with those of the highly developed countries it is they and they alone will benefit, not us. We will have to lose so many things. It is true that our hon'ble Finance Minister has no role in signing the WTO. But even now within the WTO clauses and obligations, we have to put up a fight. Are we to succumb to all those pressures? Look at the European Union. The United States and the European Union are allies yet. They are putting up a stern fight. Even

yesterday we saw, they are not succumbing. They are fighting the U.S.A.'s 301 and other acts. The United States is out to dominate the entire market, the entire economy. They are dominating on the political level also and it is a tragedy. The mighty Indian nation—I say 'mighty' because we have a tradition of fighting these forces. We fought them for 2000 years for independence and we have the capacity to fight. In this present world we are not alone. Can we not go as far as Malaysia has gone? Malaysia is fighting them. Why do we succumb to the WTO obligations with the American pressure? Under the pressure we are reducing the import duties and giving our market to those multinationals.

We have a very prestigious electronic Corporation—KELTRON. You know that. What is the present state of the most prestigious corporation because of the cut-throat competition? They do not lack any technological or scientific knowledge. They are having them. But under the cut-throat competition from external countries and under the compulsion of the WTO clauses, we are going back and back. We find it very difficult to survive. So, looking at this picture, the very tragic picture of our industrial growth and looking at the pitiable condition of the sick units and those on the edge of falling sick, are we not obliged to do something to change our policy boldly? If you cannot do that, the whole industrial growth will never improve.

I see from the Budget and I see from the Policy Statement of our hon'ble Industry Minister that they are not in the mood of fighting back. They are succumbing on every point.

Sir, if we look at the globalisation programme pursued by the United States of America, it will be clear that they are compelling us to do certain things. The hon'ble Minister has projected a very rosy picture about our pharmaceutical sector. But I cannot share his optimism. When the Government amends our laws, especially Acts like the Patents Act for giving Exclusive Marketing Rights for the products of companies of other countries, the rosy picture projected by the Minister will not be there. We are amending our Patents Act for opening up our market to others. What is the need for allowing Exclusive Marketing Rights now? It is not obligatory for us to do that and even according to the WTO clause, there is no need to give them Exclusive Marketing Rights now. We can make them patentable. We have one year left now before we take any decision on this. When we give Exclusive Marketing Rights for the products of other countries which are part of WTO, what will be our fate?

[Shri V.V. Raghavan]

The Minister has said that there would be some control on them. I do not know how the Government can have control on them. If the Government is succumbing to the pressure like this, how can they have control on them and how can they safeguard our pharmaceutical companies?

Sir, our country's present population is 99.26 crores and even for the child that is just born, pharmaceutical products are very much required. Ours is a vast market. The United States of America is very particular that we should amend our Patents Act and allow them our vast market for their products. We are succumbing to their pressures. It is not in the interest for our country. I am very much pained at the fate of 99 crores of our brothers and sisters. The Government has particularly safeguarded our corporate houses, our monopoly houses and I am thankful that the hon'ble Minister has openly said that he does not want to curb the monopoly, but he wants to amalgamate them and let them grow further.

[Translation]

SHRI RAJO SINGH (Begusarai) : Mr. Deputy-Speaker, Sir, there is no quorum as well. You are asking

us to remain here. Where is the quorum? ...*(Interruptions)* we are to say that there is no quorum in the House. Will you run the House without quorum? If it so happens anywhere? This is quite strange. It is duty of the majority Government to maintain their quorum. Now everything is upto the Chair. Let the chair decide. ...*(Interruptions)*

17.29 hrs.

[English]

MR. DEPUTY SPEAKER : The bell is being rung...

17.35 hrs.

MR. DEPUTY SPEAKER : As there is no quorum, the House stands adjourned to meet again on Monday, the 8th March, 1999 at 11 a.m.

17.36 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, March 8, 1999/Phalgun 17, 1920 (Saka)