.

# LOK SABHA DEBATES (English Version)

Thirteenth Session (Thirteenth Lok Sabha)



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## LOK SABHA

Friday, August 22, 2003/Sravana 31, 1925 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

## **OBITUARY REFERENCES**

#### [English]

MR. SPEAKER: Hon. Members, I have to inform the House of the said demise of three of our former colleagues, namely, Shri Nathuni Ram, Shri S. Sivan Pillay and Shri Ram Narain Singh.

Shri Nathuni Ram was a Member of the Sixth Lok Sabha, from 1977 to 1979, representing Nawada Parliamentary constituency of Bihar. He also served as a Member of the Bihar Legislative Assembly and Minister of Finance in the State Government.

Shri Nathuni Ram was an active parliamentarian. He was a member of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes from 1977 to 1979.

Shri Nathuni Ram was a member of the Indian Parliamentary Delegation to the Democratic Republic of Korea and Mongolia, which also visited Moscow, in 1978.

Shri Nathuni Ram passed away on 23 April, 2003 at New Delhi, after a brief illness.

Shri S. Sivan Pillay was a Member of the Provisional Parliament from 1950 to 1952, representing the erstwhile State of Travancore-Cochin.

He served as Sanchalak, Gandhi Nidhi, Kerala Unit, during 1950.

Shri Pillay was a fearless freedom fighter. He suffered imprisonment for participating in India's freedom struggle.

Shri Pillay was an advocate by profession. He also took keen interest in social work and fought for the cause of downtrodden, depressed and oppressed sections of the society. He had training in basic education at Sevagram and was instrumental in the running of a Basic Education School at Theroor. He also started and edited a Tamil Weekly: Nava Yugom.

Shri S. Sivan Pillay passed away on 8th July, 2003 at Theroor, Kanyakumari District, Tamil Nadu, at the age of 93.

Shri Ram Narain Singh was a Member of the Eighth Lok Sabha from 1987 to 1989, representing Bhiwani Parliamentary constituency of Haryana.

Before joining politics, Shri Singh was a civil servant. An able administrator, Shri Singh held the post of Sub Divisional Magistrate and later also served as the Deputy Commissioner in various districts in Haryana. He initiated the popular Scheme, "Government at your Doorstep".

An active social worker, Shri Singh worked hard for the redressal of the grievances of the poor and downtrodden. He also served as the Chairman of Haryana Agro-Corporation.

Shri Ram Narain Singh passed away on 4th August, 2003 at Chandigarh at the age of 87.

We deeply mourn the loss of these friends and I am sure the House would join me in conveying our condolences to the bereaved families.

The House may now stand in silence for a short while as a mark of respect to the memory of the departed souls.

11.06 hrs.

(The Members then stood in silence for a short while.)

#### ... (interruptions)

#### [Translation]

KUNWAR AKHILESH SINGH (Maharajganj, U.P.): Mr. Speaker Sir, Madhumita Shukla was murdered in Uttar Pradesh. ... (Interruptions) Now, the CBI is being misused. ... (Interruptions) The entire case is exposed. It is a very serious issue. ... (Interruptions) I have given a notice for Adjournment Motion. ... (Interruptions)

MR. SPEAKER: Please take your seat.

... (Interruptions)

#### [English]

SHRIMATI MARGARET ALVA (Canara): Sir, I have given a notice. ... (interruptions)

SHRI BASU DEB ACHARIA (Bankura): Sir, I have given a notice for Adjournment Motion. ... (Interruptions)

MR. SPEAKER: I have received several notices which are notices for Adjournment Motion. I have also received notices for the suspension of the Question Hour. I do not want that the Question Hour should be affected in any way. But since I find that the farmers' issue is an important issue, I will allow only one Member to speak. Who would like to speak on this? Only one Member will be allowed just to mention why the Question Hour should be suspended.

... (Interruptions)

SHRIMATI MARGARET ALVA: I am just mentioning. ... (Interruptions)

## [Translation]

KUNWAR AKHILESH SINGH: Mr. Speaker Sir, I have given a notice for Adjournment Motion. I am trying for some days. ... (Interruptions)

MR. SPEAKER: I am giving opportunity to the hon. Members to express their views one by one.

... (Interruptions)

#### [English]

MR. SPEAKER: It is a question of the deaths of the farmers. I will allow her to speak.

#### ... (Interruptions)

SHRIMATI MARGARET ALVA: We have given our notice. ... (Interruptions) Sir, we are having a serious problem in Karnataka. Fifteen districts have not got enough rain. A Central team has gone and come back with its report. We have pleaded for at least three lakh tonnes of foodgrains. Only one lakh tonnes of foodgrains have been given to us. The farmers are committing suicide. There is no money with the State Government. We have also submitted a Memorandum. So, the Central assistance for drought-affected districts is required. ... (Interruptions)

MR. SPEAKER: You can mention all these during 'Zero Hour'.

... (Interruptions)

SHRIMATI MARGARET ALVA: Not one thing is being given to us. We are pleading for help. ... (Interruptions)

MR. SPEAKER: You can mention all these things during 'Zero Hour'. I will permit you to speak during 'Zero Hour'.

## ... (Interruptions)

MR. SPEAKER: During 'Zero Hour' I will positively give you a chance if 'Zero Hour' takes place.

#### ... (Interruptions)

SHRI ANANTH KUMAR (Bangalore South): Hon. Speaker, Sir, 8.2 lakh metric tonnes of foodgrains have been given to the State of Karnataka by the Vajpayee Government. Not only that, a cash component of Rs. 352 crore has also been given. ... (interruptions)

MR. SPEAKER: You can discuss all these during 'Zero Hour' and not now.

## ... (Interruptions)

MR. SPEAKER: Please sit down. I have not permitted him to speak.

#### ... (Interruptions)

[Translation]

MR. SPEAKER: I have not allowed you. Please sit down.

#### [English]

Let me now go to the Question Hour now.

... (Interruptions)

#### [Translation]

MR. SPEAKER: I have talked with the hon. Minister regarding your case and when you raise the question in the 'Zero Hour' the hon. Minister will reply.

#### [English]

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Now, I go to the Question Hour. Please sit down.

Q. No. 421. Shri Mohan Rawale-not present.

Shri Shibu Sore-not present.

MR. SPEAKER: Please sit down.

... (Interruptions)

[Translation]

MR. SPEAKER: I will allow you during Zero Hour, then express your views. Please take your seat now.

KUNWAR AKHILESH SINGH: Ours is a notice for Adjournment Motion.

MR. SPEAKER: I have gone through your notice for Adjournment Motion. That is not a subject of Adjournment Motion. But, I will allow you during Zero Hour.

KUNWAR AKHILESH SINGH: Zero Hour would not take place.

MR. SPEAKER: Zero Hour takes place or not is in your hands. You know all the rules. You are also aware that I like that the Zero Hour should take place. But, if you stand in this way, the Zero Hour will not take place. Therefore, you please cooperate with the House, I will allow you during Zero Hour.

11.11 hrs.

## ORAL ANSWERS TO QUESTIONS

#### [English]

## Institute of Insurance and Risk Management

\*422. SHRIMATI REENA CHOUDHARY: SHRI BHERULAL MEENA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Insurance Regulatory and Development Authority (IRDA) has contributed a sum of Rs. 10.00 crores for setting up Institute of Insurance and Risk Management at Hyderabad;

(b) if so, whether in the process the ex-Chairman of IRDA got himself appointed as Lifetime Chairman and Director of IIRM

(c) whether IRDA is competent under Section 14 of the IRDA Act to make such a contribution without consulting the nodal Ministry; (d) if not, the action taken by the Government in this regard;

(e) whether the Government have also received various complaints regarding irregularities committed by the ex-Chairman of IRDA;

(f) if so, the details thereof; and

(g) the action taken by the Government thereon?

[Translation]

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) The former Chairman of IRDA was nominated as Chairman, IIRM at the time of its incorporation. Upon his demoting office as Chairman of IRDA he submitted his resignation from the position of Chairman and Director of IIRM also. The current Chairman of IRDA presently holds the position of Chairman IIRM, too.

(c) and (d) The Ministry of Law has advised that Section 14 of the IRDA Act does not empower the Authority to do so. This advice has been conveyed to IRDA who have accepted it.

(e) No, Sir.

(f) and (g) Do not arise.

SHRIMATI REENA CHOUDHARY: Mr. Speaker, Sir, in reply to my question the hon. Minister has said that IRDA has contributed a sum of Rs. 10 crores to IIRM, it is correct. But, the ex-Director of IRDA has been appointed as Chairman of IIRM. I would like to know from the hon. Minister whether this appointment has been made with your consent.

SHRI JASWANT SINGH: Mr. Speaker, Sir, this chapter is now over. The ex-Chairman of IRDA has already retired. My approval or permission itself has now become only an academic point. He has retired and now he is not the Chairman of IIRM.

SHRIMATI REENA CHOUDHARY: The hon. Minister has said that at present he is not the Chairman but he was appointed to this post. You have said that according to section 14 of the IRDA Act such appointment cannot be made. I would like to know with whose consent the said appointment was made. Whether he appointed himself, if you have not appointed, then will you remove him from the said post? MR. SPEAKER: The question is whether he was reappointed or not.

SHRI JASWANT SINGH: I am replying the same question. I am saying that post has been abolished and he retired. It would be better if this chapter is treated as closed without going into how he was appointed since IRDA itself has set up an institution and I believe that this institution will work property.

## [English]

SHRI BASU DEB ACHARIA: Sir, the IRDA's function is to expand the insurance coverage and to regulate the insurance companies, particularly the private companies which are getting registered in our country. I would like to know from the Minister whether setting up of the Institute of Insurance and Risk Management falls within the purview of the function of the IRDA and whether it was proper for the IRDA to contribute Rs. 10 crore for the setting up of that Institute.

SHRI JASWANT SINGH: Sir, the thrust of the Question is whether an institute like the IIRM established by the IRDA served a purpose. I do believe that in an evolving industry like the insurance industry, if there be an institute which goes into research and futuristic studies of what insurance should be, it would be a good thing. It is a good thing that the Institute has been established. Whether the IRDA established it or somebody else established it is an academic question now because the Institute has got established. We are encouraging the functioning of this Institute and we hope that in the years to come this Institute would flourish.

SHRI HANNAN MOLLAH: Mr. Speaker, Sir, with your permission, I would like to ask a question relating to insurance though not relating to the main question. This is the last day of this Session and the hon. Minister is also here.

I would like to know whether it is a fact that when policies are to be sold according to quotas, at the end of the year, massive fulfilling of quotas is done without going through the rules on health check up, health certification, etc. I would like to know this because lakhs and crores of rupees are siphoned off in this way through the backdoor. In the Delhi Division, last year, about 450 such cases were registered by one agent from a single address. Such things happen in many places but this is a particular case in the Delhi Division. I would like to know whether the attention of the Government has been drawn to such cases and whether the Government would inquire into them and find out whether such pliferage could be stopped and the public sector could be protected from suth methods of siphoning away of Government funds.

MR. SPEAKER: This question does not arise from the main question but still if the hon. Minister wants he may respond.

SHRI JASWANT SINGH: I would still endeavour to answer it as best as I can because it is within the large ambit of insurance as such and to the extent I have the ability to answer I would endeavour to answer it.

It is true that not simply in insurance but in various fields of Governmental activity we do tend to establish quotas or targets. For example, in tax collection, we would say that such and such circle must collect so much money. I find this an unrealistic approach and also an impractical approach because you cannot set targets which are really to subserve the public purpose of informing as if more work is being done than in reality it is being done. To correct this, soon after I got this responsibility, we instituted for all insurance companies an audit of the systems of management, that all insurance companies must now carry out detailed audit of the systems of management, not really as an exercise in fault finding but as an exercise at looking deeply into how we are running our insurance companies and how they could be improved. I am happy to say that the preliminary report of that has been submitted. We will improve the functioning of the insurance companies. It is my bounden duty to attempt to do it as best as we could. On specific aspects, it is better that I do not attempt those questions.

### Agreement with WTO for Financial Services

\*423. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have approved the recent agreement with the World Trade Organisation to start financial services;

(b) If so, the terms and conditions of the agreement;

(c) whether the Government have received any representations from various trade organisations in this regard; and

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

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THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) to (d) A Statement is laid on the Table of the House.

#### Statement

(a) and (b) There is no specific agreement on Financial Services at the World Trade Organisation (WTO) aside from the General Agreement on Trade and Services (GATS) which came into force on 1.1.1995 and the Annexe to GATS on Financial Services adopted pursuant to a decision of the Committee on Trade in Financial Services on 14.11.1997. Mandated services negotiations under GATS have been underway at the WTO since 1.1.2000 on all service sectors, including Financial Services. These negotiations, which cover all service sectors and all modes of supply, are scheduled to conclude on 1.1.2005. While India is an active participant in these negotiations, with requests having been made and received for market access in various sectors, a final decision on the extent to which commitments would be offered by India in each sector will depend on the assessment of the gains from commitments offered by trading partners.

(c) and (d) In view of the above, does not arise.

#### [Translation]

SHRI RAVINDRA KUMAR PANDEY: Mr. Speaker, Sir, I am not satisfied with the reply of hon. Minister. My first question to the hon. Minister is that whether the Government have taken any steps to have a discussion with various Industrial institutions to initiate international steps for small scale industries such as abolition of custom duty on import of raw material till WTO rate is fully implemented and lesser import duty on raw material as compared to finished goods. Whether the Government are considering to provide freight subsidy to the industrial units for carrying their finished goods to the port and also to provide easy loans at lesser interest rates to the small scale industries and export oriented units? Whether the Government is contemplating to check smuggling of goods from other countries like China? WTO agreement is to be implemented by 2005 but it is apprehended that hundreds of small scale industries would close down before its implementation. Whether the Government propose to get the quality of the imported goods checked from Bureau of Indian Standards or any other institute before making them available to the consumer?

SHRI ARUN JAITLEY: Mr. Speaker, Sir, the original question of the hon. Member was related to financial services. Discussion is going on in the WTO regarding financial services but separate talks are going on regarding agriculture sector, raw material for the industries and the services. As far as services are concerned, discussion on financial services is also going on. The question raised by the hon. Member is not about services sector rather it is about industrial products. I may tell the hon. Member that in negotiation that is going on regarding industrial products, there are many proposals before the WTO and India is commenting on these proposals. We have held detailed discussions with various political parties, commercial institutions and Labour institutions and in this regard whatever stand we take there our priority remains that the interest of the small scale industries of our country be protected.

The Hon'be Member has asked whether it may cause damage to our industries. Let me convey to the honourable member that from this point of view this industry is making progress and our manufacturing sector too, has gained more strength. Last year there has been 6 percent growth in the manufacturing sector too, has gained more strength. Last year there has been 6 percent growth in the manufacturing sector and considerable amount of growth is likely to take place this year also. In terms of export too, globally our manufacturing sector ranks second. Relating to the issue of China raised by honourable Member, I would like to submit that a huge amount of goods that was being imported from China through legal or illegal means has also undergone a change. The export to China has gone up by 106 per cent while the import figure saw a rise of 36 percent. Considerable amount of growth is likely in Indo-China Trade this year.

SHRI RAVINDRA KUMAR PANDEY: Mr. Speaker, Sir, the Honourable Minister said that in comparison to the last year, the good imported from China has come down this year. My point relates to the transparency in terms of rate contract recently appearing in the global view and I had raised a question before the Government that in case the investment has been lowered what are the terms and conditions of the contract. The implication is concerned with rate of contracts. There has been huge coverage in the Press of which all of us are well aware and the clippings are also available with me. By now, comments may have been sent by the Government of India to the W.T.O. I have come to learn through the news published in the National Dailies that some American company i.e. 'Xerox Corporation' was awarded contract, and during that period there had been a scam of about Rs. 30 crore. With this you can simply imagine how horrible the situation is when a multinational company

offered Rs. 30 crore as bribe, this may at least have cheated the Government of India by Rs. 300 crore. We happen to receive such information from America thereafter, the information to this effect comes to India. I would like to know from the honourable Minister viewpoint of the Government regarding the transparency in terms of rate contract in India.

SHRI ARUN JAITLEY: Mr. Speaker, Sir, the basic issue raised by the hon'ble Member pertained to services sector. Let me make it clear again that Indo-China trade was worth 5 billion dollars last year. We are making intense efforts to drive it to 10 billion dollar by the year 2005. It is obvious from it that this will result in growth on both import and export fronts many import-goods are of such sort as they are utilized in our manufacturing sector. The increasing rate of import doesn't constitute our consumer goods, it largely includes the things to be utilised in the manufacturing sector.

So far as his statement about Xerox companies is concerned, it has nothing to do with this issue. However, I would like to suggest the honourable Member to make himself apprised of all the fact in details. It involved a joint venture of an Indian company and a multinational company. A multinational company had alleged her Indian counterpart and an enquiry had been conducted by the Department of company Affairs. All this is in that regard. Neither it has anything to do with the WTO or to any international trade.

#### [English]

MR. SPEAKER: Shri Pawan Kumar Bansal to ask the supplementary now.

#### ... (Interruptions)

#### [Translation]

KUNWAR AKHILESH SINGH: Mr. Speaker, Sir, Shri Ravindra Kumar Pandey had categorically talked of cheating which has not been replied. The Hon'ble Minister is well versed in his legal practice in the Supreme Court and it appears that here too, he is advocating and advancing his arguments.

MR. SPEAKER: Here, you have advanced your plea in favour of Pandeyji.

#### [English]

SHRI PAWAN KUMAR BANSAL: Sir, the answer to this question is a typical example of this Government's

evading answers to the questions put by the Members of Parliament from time to time. In this context I would like to draw your attention to part (c) of the question which says: "Whether the Government have received any representations from various trade organisations in this regard". 'In this regard' means financial services. It is about any agreement at WTO regarding financial services. The answer of the hon. Minister, which is an omnibus answer, to parts (c) and (d) is: "In view of the above, does not arise".

Does he mean to say that because of his answer to parts (a) and (b) of the question, no representation has been received, even factual representations expressing apprehensions about the foreign financial advisers and others swamping the Indian market?

I think I am not clear. From the expression of the hon. Minister I find as if I am not able to covey myself. Let me put it that way only. I repeat my question besides my objection which I had raised. The answers should, in fact, be self-explanatory. The answer should be a detailed one when Members seek information. It should not be an endeavour to keep away that information from the House.

My supplementary is: whether representations have been received from anyone by the Government about the implication of the Annexe or otherwise of the WTO negotiations on financial services. If so, what are those apprehensions and what is the Government doing to allay those fears that the people from outside will not swamp our markets?

SHRI ARUN JAITLEY: Sir, the hon. Member has commented that the answer to the first part of the question and, therefore, the answer to part (c) is also an evasion. Let me just clarify to the hon. Member that even when adequate answers are given, the hon. Member need not have said this. The first part of the question is: "Whether the Government have approved the recent agreement with the WTO to start financial services". The answer is very clear. The answer is that in the year 2000 negotiations on various service sectors including financial services have started. The negotiations are to conclude in the year 2005 and it is only thereupon that any agreement, bilaterally and otherwise, would be entered with countries.

Therefore, the question of any representation on any financial agreement which has been concluded by the Government does not arise. ... (Interruptions)

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SHRI PAWAN KUMAR BANSAL: How does it not arise? It is a factual matter. Have I written to you? Has somebody written to you on this?

SHRI ARUN JAITLEY: Please allow me to complete the answer and it will be very clear. The question relates to approving an agreement which is already entered into. The answer is—the negotiations are going on. The conclusion will take place in 2005. Therefore, the question of any concluded agreement today does not arise. Any representation against that concluded agreement does not arise. ...(Interruptions)

SHRI PAWAN KUMAR BANSAL: Sir, I am sorry. The answer is not clear. Part (c) relates to ....(Interruptions)

SHRIMATI MARGARET ALVA: The hon. Member is talking about apprehensions. ...(Interruptions)

SHRI ARUN JAITLEY: I have understood it. ...(Interruptions)

SHRI PAWAN KUMAR BANSAL: Part (c) simply refers to representations received by the Government on financial services. That is part (c) of the question. ...(Interruptions)

SHRI ARUN JAITLEY: Part (c) does not say that. Part (c) says, after part (b) which says—you give the terms and conditions of the agreement, ...(Interruptions)

SHRI PAWAN KUMAR BANSAL: Parts (a) and (b) end there. Part (c) is there independently. ...(Interruptions)

SHRI ARUN JAITLEY: Shri Bansal, it is very simple language. ...(Interruptions) Let me clarify.

SHRI PAWAN KUMAR BANSAL: It is simple language. I think I understand it. ...(Interruptions) Sir, I seek your protection. Let me clarify that the hon. Minister has tried to explain it away. ...(Interruptions)

MR SPEAKER: I do not think this should take the time of the House.

#### ...(Interruptions)

SHRI PAWAN KUMAR BANSAL: Sir, it is so simple; it is a simple language. It is before the Government. ...(Interruptions)

SHRI ARUN JAITLEY: It becomes complicated only if you do not allow the answer to be given.

Part 'A' refers to a concluded agreement; Part 'B' refers to terms and conditions of the concluded agreement; and Part 'c' says whether you have received any representation in regard to that. The answer is there is no concluded agreement, therefore, any representation does not arise. But, Shri Bansal is right, in the course of negotiations, it is the duty of the Government and, as a matter of course, we consult every segment which is a stake-holder in that interest. We have detailed discussions with every segment of the services sector. Even when we make our offers or requests in this regard, almost with every segment we have entered into detailed discussions; with the various stake-holders; and they also write to us in that regard.

SHRI PAWAN KUMAR BANSAL: That is the reply but the main part has not been replied. What are those apprehensions and what are those representations, he has not replied to them. Kindly ask the Minister to reply to that part.

MR. SPEAKER: Shri Sunil Khan, please sit down.

SHRI PAWAN KUMAR BANSAL: Broadly, of course, I do not want him to answer everything.

SHRI ARUN JAITLEY: I will give you the broad representation. Services sector is one sector on which India has gained a substantial strength in the last few years, as far as our economy is concerned. Even within our domestic economy, almost 52 per cent of our GDP is contributed by the services sector. Services sector is also a sector on which we are making an impact in various segments internationally. So, there are some organisations, some parts in the services sector where some Indian interests are very proactive. In some areas, they want to be a little more conservative in opening out. And the third category is of those who want only limited opening out and that also on a reciprocity basis.

SHRI SUNIL KHAN: Mr. Speaker, Sir, to protect small-scale sector, tiny sector, and other sectors—in spite of being a Member of WTO America and G-7 countries have already made their laws that is the buy-American Act, buy-French Act and others—why we are not making our own buy-Indian Act to protect our own domestic industries so that our small-scale and other tiny sectors can be saved.

SHRI ARUN JAITLEY: Sir, as far as the handling of various manufacturing sector, which the hon. Member is talking about, is concerned, the Government of India is very concerned and the entire protection to our own manufacturing areas where they need protection, comes by way of various market access negotiations which take place in this matter. There are also areas in the manufacturing sector where we are increasingly becoming strong and, therefore, we are trying to make sure, through the course of negotiations, that we get access to international market. The glaring example of that is areas like steel which were in great difficulties a few years ago and, suddenly, on account of the Indian companies, including SAIL and others targeting the global market, there has been a revival of our domestic sector itself. Therefore, we keep all segments of our domestic industries in mind when we enter into those negotiations.

#### [Translation]

SHRI ANANT GUDHE: Mr. Speaker, Sir, there has been import of several agricultural product since we have got the membership of the World Trade Organisation (W.T.O.). Cotton is produced in a large scale in India particularly at Marathwada and Vidarbha in Maharashtra, I would like to know whether that kind of cotton is imported from abroad? If so, the import duty being imposed there on? I would like to know further whether there is a proposal before the Government to increase import duty to provide relief to the farmers or is reducing it? We have come to know that efforts are underway to increase import duty under the compulsion of a few mill owners on the cotton produced in the country. Is it a fact?

SHRI ARUN JAITLEY: Mr. Speaker, Sir, the query raised by the honourable member has nothing to do with the original issue. Nonetheless let me inform the honourable member.

As far as the agriculture sector is concerned, even today there is almost similar sort of import duty so that agricultural produce may not be imported to the country from abroad because our agricultural sector is very much sensitive. In particular many of the countries provide huge amount of subsidy to the Agricultural sector. Therefore, it won't be proper to complete with them. We take special care of it. As a result we import the things that are not available in our country in adequate quantity. Further more, we allow the negligible amount of agricultural products to be imported in our country.

AN HONOURABLE MEMBER: How much is this duty?

SHRI ARUN JAITLEY: There is negligible import in Agriculture as compared to it. Food Basket products, food and marine products, worth Rs. 31 thousand crore have been imported during the last years. This will protect the interest of the farmers. As far as cotton is concerned, 5 percent import duty is charged on that. However, the Government is flexible in this matter. Even today, the bound rate on cotton is 100 per cent. Therefore, Whenever we feel that we have to protect the interest of farmers, we adopt flexibility in that matter where both applied rate and bound rates are high.

## investment in industrial Sector

\*424. SHRI RAM TAHAL CHAUDHARY: SHRI MANSINH PATEL:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total investment made in the industrial sector in each State during each of the last three years as compared to other sectors;

(b) whether the investments in the industrial sector are on the decline;

(c) if so, the reasons therefor; and

(d) the efforts made by the Government to increase investment in domestic industries?

## [English]

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THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) to (d) A Statement is laid on the Table of the House.

#### Statement

#### Investment in Industrial Sector

(a) to (c) Sector-wise total investment as compiled by the Central Statistical Organization (SCO) at all-India level and measured in terms of Gross Capital Formation by industry of use (at 1993-94 prices) in respect of Agriculture & allied activities, Industry, and Service sectors during the years 1999-00 to 2001-02 (latest available) is given in Annexure-I.

State-wise investment, during last three financial years, in terms of implementation of industrial investment

intentions through Letters of Intent (Lols) and Industrial Entrepreneurs' Memoranda (IEMs), as per data compiled by the Department of Industrial Policy & Promotion (DIPP) is given in Annexure-II. Likewise. State-wise investment in terms of inflow of Foreign Direct Investment (FDI) for the last three calendar years is given in Annexure-III.

The figures of industrial investment are given. in Annexure-I. Implementation status of investment intentions in terms of IEM & LOI (Annexure-II), to the extent that they have been reported, has been fluctuating. Inflow of Foreign Direct Investment has increased during the year 2000 to 2003 (Annexure-III).

Studies have shown that industrial investment is affected by a number of factors, some of which are:

- (i) Operation of investment and business cycles,
- (ii) Adjustment lags of corporate restructuring,
- (iii) Insufficient consumer and investment demand,
- (iv) High real interest rate,
- (v) Infrastructure constraints, particularly, in power,
- (vi) Institutional Rigidities in markets for land and labour,
- (vii) Economic recession in countries and their slow recovery that are major trading partners of India *viz*, USA, Japan and European Union,
- (viii) Dumping international competitiveness,
- (ix) High domestic taxation and lack of uniform taxes across the States.

Industrial restructuring, to improve efficiency and make domestic production internationally competitive has been successfully completed. This is reflected in the growth in the net profits of Indian companies by 54.4% in the first quarter of 2003-04. Similarly, exports have also been picking up, and grew by a healthy 19.18% in 2002-03. This has resulted in improvement in the business confidence index, which according to FICCI increased by 12.6% in April-June, 2003.

The improvements in the business environment owing to the restructuring within industry and the improved economic outlook, both domestically and in the global economy, have led to a significant growth in the capital goods sector, which is one of the leading indicators of investment in industry. The capital goods sector grew by 10.5% in 2002-03 as against (-) 3.4% in the previous year.

The Investment in industry can be expected to be further boosted owing to the soft interest rate policy being pursued by the RBI and the improving sentiments in the stock markets.

(d) The Government has taken several policy initiatives to accelerate investment in domestic industries and create conducive atmosphere for investment. These steps have been targeted to improve competitiveness of Indian industry in general and to boost aggregate demand, improve infrastructure base, upgrade technology, encourage Foreign Direct Investment (FDI) flows, rationalize tax structure, improve sentiments in stock market, encouragement to maximize exports, and boosting liquidity through lowering of interest rates.

Under the present liberalized Industrial policy regime, investment decisions and choice of location and made by the entrepreneurs on the basis of their own commercial judgment. This, in turn, depends on the investment climate of the States, availability of infrastructural facilities, resources and market, The Central Government supplements their efforts through various schemes and incentives.

Tenth Five Year Plan (2002-07) indicates that in order to achieve the target of 8 per cent growth in gross Domestic Product (GDP), the industrial sector will have to grow at over 10 percent in real terms. accordingly, the plan outlay for industry and minerals has been raised to Rs. 58,939 crore (at 2001-02 prices), registering a growth of 31.9 percent over the Ninth Plan Outlay (realization). Total plan outlay for Energy sector has been raised to Rs. 403,927 crore (at 2001-02 prices), registering a growth of 84.2 percent over the Ninth Plan outlay (realization).

Tenth Plan target for investment rate (as percentage of Gross Domestic Product at market price) is 28.41 percent compared to 24.23 percent in the Ninth Plan. Gross Capital Formation (GCF) for the Tenth Plan has been fixed at Rs. 40,81,670 crore (at 2001-02 prices) against Rs. 2,506,658 crore in the Ninth Plan, registering a growth of 62.8 percent. Important steps taken are indicated at Annexure-IV.

## Annexure-i

## Gross Fixed Capital Formation by Industry of Use (at 1993-94 prices)

				(Rs. crore)
Broad Sectors	1998-99	1999-00	2000-01 <b>@</b>	2001-02#
Agriculture & Allied*	16516	18082	18364	19880
Industry**	137197	127230	122406	113705
Service***	91357	96398	104555	101868
Total	245070	241710	245325	235453

\*Agriculture & Allied includes agriculture, forestry, logging and fishing.

\*\*Industry includes mining & quarrying, manufacturing (registered and unregistered), electricity, gas & water supply and construction. \*\*\*Service includes trade, hotels & restaurants, transport, storage & communication, financing, insurance, real estate & business services, community, social & personal services.

@imply provisional estimates.

#imply quick estimates.

Source: CSO.

## Annexure-II

Name of the State	ne State 2000-2001 2001-2002		1-2002	2002-2003		
	Nos.	Inv. (Rs. Cr)	Nos.	Inv. (Rs. Cr)	Nos.	Inv. (Rs. Cr)
1	2	3	4	5	6	7
Andaman and Nicobar Island	s 0	0	0	0	0	0
Andhra Pradesh	47	470	71	1753	69	638
Arunachal Pradesh	0	0	0	0	0	0
Assam	4	6	18	1000	11	61
Bihar	0	0	2	14	0	0
Chandigarh	0	0	0	0	0	0
Chhattisgarh	0	0	5	127	6	42
Dadra & Nagar Haveli	5	125	11	80	14	170
Daman and Diu	7	16	6	43	3	4
Delhi	2	0	0	0	0	0
Goa	11	68	24	309	6	32
Gujarat	54	1715	98	4377	. 49	1938
Haryana	26	278	44	1000	20	559
Himachol Pradesh	1	25	11	121	2	2

Implementation Status of Investment Intentions (IEMs+LOIs) Statewise and Financial Yearwise

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1	2	3	4	5	6	7
Jammu & Kashmir	1	130	0	0	1	3
Jharkhand	4	13	5	119	0	C
Kamataka	14	413	21	193	8	45
Kerala	3	13	6	35	1	C
Lakshadweep	0	0	0	0	0	c
Madhya Pradesh	10	199	22	248	7	32
Maharashtra	32	604	124	2200	44	586
Manipur	0	0	0	0	0	C
Meghalaya	0	0	5	10	5	25
Mizoram	0	0	0	0	0	C
Nagaland	0	0	0	0	0	C
Orissa	0	0	9	86	6	28
Pondicherry	3	14	6	47	10	43
Punjab	24	719	38	965	15	294
Rajasthan	19	97	53	1336	23	172
Sikkim	0	0	0	0	0	0
Tamil Nadu	45	384	82	1300	21	111
Tripura	0	0	0	0	2	0
Uttar Pradesh	39	525	76	845	19	253
Uttaranchal	2	6	2	8	1	5
West Bengal	34	1003	78	714	52	1422
Location in more than One State	2	o	0	0	3	67
Total	389	6823	817	16930	398	6532

Note: Investment in terms of IEMs implemented and those LOIs converted into Industrial Licences.

## Annexure-Ill

State-wise Inflows of FDI for calendar years 2000, 2001, 2002

				(Rs. crores
SI.No.	States/UTs	2000	2001	2002
1	2	. 3	4	5
1.	Andhra Pradesh	251.65	339.80	288.81
2.	Assam	0.71	0.00	5.58

1	2	3	4	5
3.	Bihar	1.60	0.00	0.00
4.	Gujarat	29.10	109.41	288.42
5.	Haryana	0.00	0.00	0.00
6.	Kamataka	582.57	1310.36	892.90
7.	Kerala	53.76	69.89	54.86
8.	Madhya Pradesh	3.30	9.73	9.17
<b>9</b> .	Maharashtra	3578.89	2991.73	4865.73
0.	Rajasthan	0.99	6.67	1.06
1.	Tamil Nadu	551.87	742.70	1341.22
2.	West Bengal	33.07	66.84	132.21
3.	Chandigarh	163.22	4.01	842.55
4.	Dadra <b>and Nagar Haveli</b>	0.20	0.00	0.00
5.	Delhí	2457.56	6918.31	2994.28
6.	Goa	34.19	10.92	146.79
7.	Pondicherry	0.00	299.26	0.00
8.	States not Indicated	2349.63	2962.27	4259.77
	Total	10092.31	15841.89	16123.35

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NB: The above inflow includes SIA+FIPB+RBI+Acquisition of Shares. Source: DIPP.

## Annexure-IV

## Important steps taken to increase investment in domestic industries

- To assess the competitiveness of the cement, cabital goods and paper industries vis-a-vis international competitors and to devise strategies to ensure long-term sustainability of growth in these industries, the Department of Industrial Policy & Promotion (DIPP) has entrusted studies to organisations of international repute.
- Study on impact on Indian industry and restructuring required to adjust to Tartiff proposals baing considered by "The Negotiating Group on Market Access (NGMA) at WTO" was entrusted to Indian Council for Research on International Economic Relations (ICRIER).
- Medium Term Export Strategy for 2002-07 was announced emphasizing the importance of maintaining appropriate real effective exchange rate coupled with lower duties for inputs needed for exports. These include transparent and comprehensive schemes of tax reimbursement, rebating service tax besides lower customs and excise duties for major inputs needed for exports, which can minimize the need for duty drawback.
- Sector-wise strategies to boost production for exports in key sectors, which include engineering/ electronic/electrical and allied, textiles, gems & jewellery, chemicals & allied sector.
- Passing of Electricity Act 2003 for facilitating comprehensive power sector reforms and to attract investment in the power sector, which is the prime mover for manufacturing.

- Enhancement of the investment limit in 2003 from Rs. 1 crore to Rs. 5 crore has been notified in respect of 13 items of the Stationery Sector and 10 items of the drugs and pharmaceutical sector, which figure in the list of items reserved for manufacture in the small scale industries sector. This will enable them to improve quality and compete more efficiently in a liberalizing economy.
- De-reservation of 75 items from SSI list i.e laboratory chemicals and reagents (54), leather and leather products (9), plastic products (6), chemicals and chemicals products (3), and paper products (3) is to help further investment in them.

Some of the Investment related measures announced in the Union Budget 2003-04, which are also steps towards accelerating the pace of investment and creating conducive atmosphere for investment, are given below:

- Proposal to reduce customs duty from 25 per cent to 5 per cent on specific equipment for high voltage transmission projects.
- Allocation of Rs. 20 crore to the CSIR for launching incentive-driven research in solar energy, wind turbines and hydrogen fuel cells.
- The Budget has proposed fresh initiative aimed at expediting infrastructure development and making it globally comparable. Estimated to cost about Rs. 60,000 crore, the comprehensive initiative includes new road projects of a total length of over 10,000 km, Rail Vikas Yojana for modernization of Golden Quadrilateral and upgrading of Delhi & Mumbai Airports as well as sea ports at Navi Mumbai and Cochin to international level. These projects are being taken up through new innovative modes of funding based on private-public partnership.
- During the course of the last four years, interest rates on Government securities have gone down from 12% to 7%. This soft interest rates policy has set the stage for growth of investment.
- To promote investment in the industrial sector and improve the equity market, it was announced that dividends would be tax free in the hands of the shareholders. Correspondingly, there will be a 12.5% dividend distribution tax on domestic companies.

- Exemption from the incidence of capital gains tax of all listed equities that are required on or after March 1, 2003, and sold after the lapse of a year, or more.
- To establish an "India Development Initiative" in order to promote India as both a production centre and an investment destination.
- Announcement of raising the FDI limit to at least 74 per cent from existing 49% for facilitating the setting up of subsidiaries by foreign banks, as well as for inviting investment in private banks,
- Administered rates of interest on public provident fund and other small saving schemes to be adjusted in line with market rates.

## Other measures:

- To improve operating invironment of industry, the Government has enacted several laws, which include the Competition Act and amendments to SEBI Act.
- EXIM policy 2003-04 seeks to consolidate and accelerate India's export growth by capitalizing on the areas of its core competence.
- It lays special focus on potential high growth sectors—textiles, auto components, gems & jewellery, drugs & pharmaceuticals and electronics hardware.
- The Export Promotion Capital Goods (EPCG) Scheme has been made more attractive and flexible by reducing the export obligation for manufacturers and lowering their costs of modernizing and expansion.
- Facilitating investments in Special Economic Zones (SEZs) and procedural simplifications aimed at drastic reduction of transaction costs in order to make India globally competitive.
- The RBI has continued low interest rate policy. It has cut Bank rate to 6% from 6.5% earlier, Cash Reserve Ratio (CRR) to 4.75 per cent from 5.5 per cent, a move that will ease the liquidity position further.
- DIPP has proposed a new scheme for upgradation of Industrial infrastructures for implementation in the 10th Plan.

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- Announcement of special packages for promoting industrialization in the states of Jammu & Kashmir, Sikkim on 14.06.2002, 23.12.2002 respectively, and Uttaranchal and Himachal Pradesh on 7.01.2003 (for both). The economic incentives envisaged therein, *inter-alia*, include 100% excise duty exemption for a period of 10 years; Capital Investment Subsidy @ 15% for investment in plant & machinery subject to a maximum of Rs. 30 lakhs. It is felt that these structured strategies will attract industrial investment and enhance the growth potential of indigenous industries in the these States.
- Govindarajan Committee was constituted to examine the extant procedures for investment approvals and implementation of projects and suggest measures to simplify and expedite the process for both public and private investment. The Commerce and Industry Minister has written to all State Chief Ministers urging them to review the progress of implementation of the Govindarajan Committee recommendations. There is a need for simultaneous simplification in the procedures at the State and Central levels for creating an investor-friendly climate to facilitate investments.
- In pursuance of its commitment to progressively liberalize the Foreign Direct Investment (FDI) regime, the Government has decided that all companies, which have entered into foreign technology collaboration agreements irrespective of the extent of foreign equity in the shareholding, may henceforth be permitted to make royalty payments upto 8% on exports and 5% on domestic sales without any restriction on the duration of the royalty payments.

## [Translation]

SHRI RAM TAHAL CHAUDHARY: Mr. Speaker, Sir, the reply to my question is not to the point. I asked about the total investment made in the industrial sector in each state during each of the last three years as compared to other sectors and the reply has been given in a very round about way.

Mr. Speaker, Sir, it has been seen that the Chief Ministers of each state and their close associates visit foreign countries. Through you, Sir, I would like to know from the Hon'ble Minister the names of the States whose Chief Ministers have visited foreign nations to generate foreign capital resources during the last three years alongwith the number of such visits. I would like to know the benefits that the States reaped due to those foreign visits and the amount of investment made in those States. Besides this, whether the expenses incurred on their visits have been exploited. ... (Interruptions)

MR. SPEAKER: Hon. Minister, are those expenses to be recovered?

SHRI ARUN JAITLEY: Mr. Speaker, Sir, the hon. Member has asked the names of the Ministers who have visited foreign nations and I do not have such details since this subject does not come under the purview of Ministry of commerce. Hon. Member has asked about the States where foreign investment has been made but their details have not been given and the reply is not to the point. I would like to inform the hon. Member that we have given 3 annexures with the reply-the list of last four years has been given in annexure-I under services which shows the amount of Investment made in each State all over the country in the field of agriculture and industry; Annexure-II shows the details of amount of investment in each state during the last three years and annexure-III shows the details of Foreign Direct Investment made in each state during the last three years. Mr. Speaker, Sir, I do not think more details could have been given in reply to the said question.

SHRI RAM TAHAL CHAUDHARY: Mr. Speaker, Sir, the reply that I have got does not contain state-wise details. Had there been such details. I would not have asked.

SHRI ARUN JAITLEY: Mr. Speaker, Sir, I will give the hon. Member a copy of annexures.

SHRI RAM TAHAL CHAUDHARY: Mr. Speaker, Sir, I have a supplementary question. It has been told in the reply that there was an increase in the flow of Foreign Direct Investment during 2000-2003 but studies have revealed that most of the investment has been affected by many reasons. In the reply nine reasons have been given which have affected the industrial investment. I want to know from the hon. Minister what steps the Government propose to take so that investment does not get affected by the said nine reasons in future.

SHRI ARUN JAITLEY: Mr. Speaker, Sir, I have enumerated nine reasons. For the information of hon. Member, I would like to say that FDI is affected by many reasons. Firstly, we have to take a look at its international business cycle. Since the world was going through a phase of recession during the last two years, the FDI all over the world has reduced by 65 percent during the last two years and its has affected most of the countries of the world. India alone can not control the reasons responsible for global FDI and business cycle. But we should continue the reform programmes in our economy so that the people who invest here could feel that it is a stable economy and investment would be profitable; only then we would be able to attract more investment as in the case of China.

## [English]

SHRIMATI MARGARET ALVA: Sir, I would like to ask the hon. Minister as to whether he has any uniform guidelines for clearing investments in the States. Is it a fact that the Government of Orissa has written to the Union Government, objecting to rejection of their agreements with foreign countries unlike the clearances, which had been issued to some other States by the government of India? I know that there was a row between the Government of Orissa and the Central Government over the issue of discrimination in clearing projects where States have got into direct agreements with foreign countries.

SHRI ARUN JAITLEY: Sir, may I just mention that in terms of clearance, now, of course, a large number of our sectors follow automatic route. Besides that there are some sectors where prior permission is required. We have set up an authority which works in the Government. That Authority has been clearing investments on a fast-track proposal.

I am not aware of any such issue, which has arisen, but if the specific details will be brought to my notice by the hon. Member, I will make sure that the Government informs the hon. Member.

#### [Translation]

SHRI RADHA MOHAN SINGH: Mr. Speaker, Sir, through you. I would like to know from the hon. Minister assuming that heavy investment has taken place in the industrial sector of the country during the last three financial years but as far as Bihar is concerned, the Annexure shows that there has been no investment in Bihar during 2001, 2002 and 2003. As far as Foreign Direct Investment is concerned, as per the annexure there are two states in the whole country where no investment has been made during year 2002. Those two states are Pondicherry and Bihar. I would like to know whether there can be any alternative scheme for attracting Foreign Direct Investment for the States whose Chief Ministers do not visit or can not visit foreign countries. There is neither domestic investment nor Foreign Investment in Bihar. Raghuvansh Babu might be listening to me. Only Pondicherry and Bihar and two such States.... (Interruptions). Minister should say something about Bihar.

DR. RAGHUVANSH PRASAD SINGH: Why do not you ask the reasons from the Union Government responsible for no investment in Bihar and what steps the Government is taking to attract capital investment over there. ... (Interruptions)

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CULTURE (SHRIMATI BHAVANABEN DEVRAJBHAI CHIKHALIA): Raghuvansh Baby you ask Lalooji to send Rabri Devi abroad as the Chief Minister. ... (Interruptions)

SHRI ARUN JAITLEY: Mr. Speaker, Sir, it is a serious matter and it is not a question of just one State. We have to keep the whole country in mind and if we want to increase the amount of foreign investment into the country then we will have to take into cognizance the reasons responsible for higher foreign investment in other countries. The nations and states where infrastructure has improved, policies are stable and the investors feel that there investment will be stable and profitable only those nations or states attract more investment. Where it the infrastructure is not good and the investor does not see prospects of profitability then investment in those countries and states will be lesser, therefore all the political parties in states and all India level will have to think in that direction.

#### [English]

SHRI RAMESH CHENNITHALA: Mr. Speaker, Sir, the hon. Minister in his reply says about the initiatives taken by the Government in the industrial sector. The figure shows that there is a steep decline in the investment in the industrial sector.

So, I would like to know from the hon. Minister two things. Firstly, will the Government make more capital investment in the industrially backward areas, in the States like Kerala?

Secondly, will the Government frame a policy to ensure that the benefits of the Foreign Direct Investment are available to the industrially backward areas? Right now, the hon. Minister has stated about the infrastructure development. If the Government takes certain steps and policy initiatives for Foreign Direct Investment, it will be very easy for the industrially backward States to get more benefits.

SHRI ARUN JAITLEY: I just want to inform the hon. Member as to what I have already said, that as far as our FDI policy is concerned, we have a liberal FDI policy. But in order to make sure that the policy results in investment, coming into the country, there are several factors which operate in that regard. One of the main factors is as to what is the quantum of FDI, which is now available globally. For instance, the figure of global FDI which had reached about \$ 12, 000 billion two years ago, is today down to about \$ 550 billion dollars. These are the approximate figures that I am giving to you. So, there is 65 per cent decline in the global FDI in the last two years, as a result of which several countries which were investment destinations have suffered. We have, by and large, been able to maintain, barring some reductions at some periods of time. But one of the factors which we will have to keep in mind is that in case we are to attract FDI, then we have to make ourselves into an FDI attractive destination not merely on the strength of our policy, but on the strength of other factors which are required in order to make that FDI investment attractive into our country. That I have said applies to the country as a whole; that also applies to individual States like Kerala which are in some sectors gaining today and there they have improved. For instance in your marine sector, you have improved; in your tourism sector, you have improved, wherever you have created the infrastructure for that you can see the positives in those areas. If you want if from the point of view of industry, we will probably have to take steps relevant for attracting investments in Kerala in that sector also.

#### Women Courts

## \*425. SHRI C.N. SINGH: SHRIMATI NIVEDITA MANE:

Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of women courts to try cases pertaining exclusively to women established in the country as on date, State-wise;

(b) whether these women courts are not working in all the States;

#### (c) if so, the reasons therefor; and

(d) the initiatives taken by the Government to set up such courts in all the States?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) to (d) A Statement is laid on the Table of the House.

#### Statement

(a) to (d) Some States, such as, Andhra Pradesh, Karnataka, Rajasthan and Delhi have set up exclusive courts to deal with cases pertaining to women. As on date, Andhra Pradesh has set up 3, Karnataka 22, Rajasthan 4 and Delhi 6 courts for women.

In some other States like Gujarat, Punjab, Haryana and Union Territory of Chandigarh, establishment of courts for women are under consideration of the concerned State Government and UT Administration. In the State of Goa, cases of atrocities against women are allotted as far as possible to lady Judicial Officers at the Sessions as well as at the Magistrate level.

Session Courts and other subordinate courts are the responsibility of States and they are set up by the State Governments in consultation with respective State High Courts. The Central Government however, implements schemes for development of judicial infrastructure under which financial assistance is provided for construction of court buildings and establishment of special courts such as Fast Track Courts and Family Courts. The Central Government has recently approached the State Governments and State High Courts to set apart an exclusive Fast Track Court at the district level, wherever it exists, to deal with cases pertaining to atrocities on women.

#### Additions to the main question:

SHRI P.C. THOMAS: Sir, there is a small printing mistake in the answer. In the answer from (a) to (d) after Andhra Pradesh 3, in the third line, after Karnataka, it is not 22. Karnataka is 1. It is printing mistake. It may kindly be corrected.

### [Translation]

SHRI CHANDRANATH SINGH: Mr. Speaker, Sir, the atrocities on women are on rise day by day. I am saying with grave concern that the Government are not serious in this matter. The honourable Minister has stated in her s

reply that many courts have been set up—three in Andhra Pradesh, one in Karnataka, four in Rajasthan and six in Delhi. On the other hand, atrocities on women in such a big state like Uttar Pradesh are also increasing. Its burning example is that Madhumita along with her foetus was killed in the constituency of honourable Prime Minister,. Thus atrocities on women continue and that too in the constituency of the hon. Prime Minister. Would the honourable Minister think over setting up of courts separately in Uttar Pradesh to check atrocities on women?

#### (English)

SHRI P.C. THOMAS: Sir, it is mainly a State subject. As far as subordinate courts are concerned, whether they are Sessions' Courts or Magistrates' Courts, they come under the States. It is the State Governments which have to set up the Courts in consultation with the High Courts. In several States, Courts have already been set up. Some of the States are considering about it. I think in U.P., fourteen Family Courts are there. There is a proposal for establishing women courts in the State of Uttar Pradesh also. It is under consideration.

With regard to some other States which have not set up the Courts as yet, there are proposals which have come to the various High Courts. That is within the knowledge of the Government of India.

### [Translation]

SHRI CHANDRANATH SINGH: Mr. Speaker, Sir, my first question has not been replied correctly. I had particularly asked whether the Government are considering to constitute special women court in Uttar Pradesh. The honourable Minister has stated that setting up session courts falls under the jurisdiction of the State Governments and the state Government can set up such type of courts on the advice of the High Court. The honourable Minister has also stated that a proposal has come from Uttar Pradesh. I would like to know from him as to by what time the Central Government will approve the proposal of State Government to set up separate courts for women.

Mr. Speaker, Sir, so far as the matter of setting up of separate courts for women is concerned, I would like to say in this regard that if the State Government is not ready to set up this type of court then whether the Government of India would endeavour *suo motu* in this regard so that atrocities on women in Uttar Pradesh could be checked.

## [English]

SHRI P.C. THOMAS: Sir, as I have already replied these are in the hand of the States.

MR. SPEAKER: You can always ask the State Governments.

SHRI P.C. THOMAS: That we have done, Sir, and the Government of India has established Fast Track Courts. The Government of India has written to all the High Courts as well as to the State Governments stating that one Fast Track Court in each district may be earmarked for this purpose.

SHRIMATI MARGARET ALVA: Fast Track Courts are different from Family Courts. We are mixing up the two. The Act of Parliament has brought in the Family Courts. He is talking of Fast Track Courts which are different. What is he talking about?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): Mr. Speaker, Sir, Shrimati Margaret Alva has raised a very important point. Family Courts have been created under the Family Courts Act for the purposes of matrimonial maintenance, guardianship and other disputes. Those Family Courts in several States are already in operation. In some States, there has been some resistance from the Bar Associations and it has been delayed. We are trying to write to the States to establish the Family Courts in those States also. Fast Track Courts, which my hon. Colleague was mentioning, are really courts which we set up for the purposes of criminal cases and about 1,200 of them are in operation. What my colleague was trying to mention is, we have now written to the Chief Justice of each High Court and the Chief Ministers of each State that in each district a Fast Track Court should be earmarked for criminal cases involving atrocities on women so that instead of going before the regular courts, those criminal cases of atrocities on women can go before the Fast Track Courts themselves.

#### [Translation]

MR. SPEAKER: Now this point is clear.

SHRIMATI RENU KUMARI: Mr. Speaker, Sir, the honourable Minister also discussed mentioned states in his reply and said that the proposal should have come from states in this regard. Later on he has said that such proposal has also been given by the judges of the High Court. I would like to know whether the Union Government will not take any action until any such proposal comes from Bihar, the State which has earned notoriety for innumerable incidents of atrocities against women and their rape.

Sir, any women belonging to any tribe or backward class or any other community is a women first. If any atrocity, a crime or any rape is committed against a woman then it is a black spot on human being. Therefore, I would like to know from the honourable Minister whether on behalf of the Union Government he would consider to set up women courts at the earliest in Bihar to check such atrocities. ... (Interruptions)

#### [English]

MR. SPEAKER: Let me have a reply from the Minister. Please sit down.

#### ... (Interruptions)

#### [Translation]

MR. SPEAKER: Let me have a reply. The honourable Minister wants to reply. You please sit down. Renuji why are you always quarreling in the House?

#### [English]

SHRI P.C. THOMAS: Sir, it is true that no Special Court for trying the offences against women are specifically set up in the State of Bihar and as I said once and I am repeating, it is for the State Governments to give a proposal and that has to be considered by the High Court also; and in consultation with the High Courts the State Governments can set up. I hope the Member's view will be taken in the proper perspective and at the right place.

#### [Translation]

SHRIMATI RENU KUMARI: Mr. Speaker, Sir, the honourable Minister did not reply to my question. I think that had the reply been given by the Cabinet Minister then perhaps I would have got reply to my questions?

MR. SPEAKER: Now you sit down.

SHRI RAJESH RANJAN ALIAS PAPPU YADAV: Mr. Speaker, Sir, what Renu Kumariji has stated in the discussion regarding my question is correct. However, I fail to understand that both UP and Bihar have lady Chief Ministers yet why such incidents of atrocities against women are on rise there? I would like to draw the attention of the honourable Minister that except in Patna there is no other woman court anywhere else in Bihar. The women court in Patna is not functioning property. Moreover, I would like to request the honourable Minister that a proposal from the Members of Parliament belonging to Bihar may also be sought by sending it to the High Court so that incidents of atrocities, exploitation and rape of women in Bihar could be curbed.

Mr. Speaker, Sir, I would like to draw the attention of the House through you that innumérable incidents of atrocities, exploitation and rape of women are taking place in Bihar. I feel that the honourable Minister has not referred to Bihar in his reply. My submission is that you should also pay attention to Bihar and had you paid attention to Bihar then the house would have been apprised of the situation prevailing in Bihar. I would like to request you that the attention should be paid to Bihar and you should make efforts to set up women courts there without any assistance of the State Government.

#### (English)

SHRI P.C. THOMAS: Sir, it is true that the hon. Member has written me a letter stating that some Special Courts be set up. He has also written to me about the Family Courts that there are about 38 districts and only one Family Court has been established there. So, I think, it is for the State Governments to take up the matter. The Government of India cannot directly do it. But as far as the Family Courts are concerned, the Government of India is giving full funds. It is giving Rs. 10 lakh for each Family Court and it is also giving Rs. Five lakh for the recurring expenses. So, that can be considered, if the matter is taken up by the State Governments in consultation with the High Court.

SHRI P.H. PANDIAN: Mr. Speaker, Sir, I find from the answer that the Central Government implements schemes providing infrastructure facility to courts and also grants money to the State Governments. Is the hon. Minister aware of the fact that the Government of Tamli Nadu has recommended a proposal to the tune of Rs. 140 crore for providing infrastructure that is pending with the Central Government for the last one year?

The answer given by the hon. Minister is not up-todate. The Government of Tamil Nadu has set up women courts recently and that has not been mentioned here. So, I would like to state, subject to correction, that there are four Special, Mahila Courts that have been set up, I think, to deal with cases relating to women. I would like to know whether the Government of India will release Rs. 140 crore to provide infrastructure for construction of court buildings. Sir, most of the Members of Parliament from our State have contributed from our MP LAD Fund for the construction of *Adalat* buildings in All District Courts. In that connection, I would request the Government of India to release Rs. 140 crore to provide infrastructure to the Madras High Court and to all the District Courts.

SHRI ARUN JAITLEY: Sir, in case the State of Tamil Nadu has already set it up and those data has not come to us, we will ask for the corrected data and I am very glad that the hon. Member says so. As far as the construction of court buildings is concerned, we were fully funding the Fast Track Court Scheme. Even with regard to others, to encourage the setting up of these courts, we have a scheme for providing infrastructure assistance to the State Governments. I will just check up at what stage the proposal is, if at all we have received such a proposal and we will give a serious consideration to it.

MR. SPEAKER: The question is about the Parliamentary Committee Report on that. Be very specific on this.

SHRIMATI MARGARET ALVA: Mr. Speaker, Sir, I am only being specific. The Parliamentary Committee on Empowerment of Women has studied the functioning of the Family Courts. The Report has been submitted to the Parliament. There is no follow-up action from the Government. We have been repeatedly having interaction. The Action Taken Report is also before the Government. Lawyers are being allowed to appear.

MR. SPEAKER: Put the question straight.

SHRIMATI MARGARET ALVA: There are no women being appointed to these Courts and the Courts are not functioning as per the Act of the Government. I would like to know what he is doing about it.

SHRI ARUN JAITLEY: Sir, as far as the Family Courts are concerned, it, indeed, has been a very good experiment. But the hon. Member is right that the Standing Committee has said that there are certain States which have not set up these courts. After the recommendations have been received, we have been pursuing the matter with several States. For instance, in Delhi there are no Family Courts. We have been pursuing it with the Delhi Government also and trying to help it in order to get some land from the DDA where these courts can be set up. 12.00 hrs.

It was not set up because of the land issue involved in Delhi. Now, the States which have not set up them, we are actively pursuing it with them and trying to make sure that courts are set up in those areas also.

SHRIMATI MARGARET ALVA: Your reply says that six courts have been set up in Delhi. I do not understand from whether they have got all these figures. First part of the reply says that six courts have been set up in Delhi. It says that no court has been set up in Tamil Nadu. Shall we know how they are dealing with family courts?

SHRI ARUN JAITLEY: SIr, I had said it earlier also and say it again for the benefit of Shrimati Alva that family courts are different from the court to which these replies relate.

SHRIMATI MARGARET ALVA: The question is on family courts and you are giving answer for other courts.

SHRI ARUN JAITLEY: This reply is with regard to the criminal cases involved of atrocities on women. The family courts are with regard to matrimonial, divorce and custody disputes which are separate as far as States are concerned. As far as family courts are concerned, the figure is much more happier than the figures mentioned in this reply. These are only criminal courts which we are referring to.

12.01 hrs.

## ANSWER TO SHORT NOTICE QUESTION

[English]

## Uniform Civil Code

\$1. SHRI M. CHINNASAMY: SHRI N. JANARDHANA REDDY: SHRI C.N. SINGH: SHRI RAM MOHAN GADDE:

Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether there is a thinking in the Government after the recent verdict of the Supreme Court to frame a Uniform Civil Code in furthering the cause of national integration and communal harmony; and (b) if so, the details thereof?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) and (b) There is no decision taken by the Government to frame a Uniform Civil Code.

The Government amends personal laws of different communities after extensive consultation with them. In recent years, amendment to several personal laws such as the Special Marriage Act, 1954, the Indian Divorce (Amendment) Act, 2001 (51 of 2001), the Marriage Laws (Amendment) Act, 2001 (49 of 2001) and the Indian Succession (Amendment) Act, 2002 (26 of 2002) has been made after consulting community leaders in order to bring these laws in consonance with various constitutional guarantees.

MR. SPEAKER: Short Notice Question No. 1 Shri M. Chinnasamy.

... (Interruptions)

SHRI G.M. BANATWALLA: Sir, the question is correct. It is necessary that the point is clarified. I am not objecting to the question because there is a good reply from the Government. It is incorrect because the Question says ".....the recent verdict of the Supreme Court....." ... (Interruptions)

MR. SPEAKER: If it is incorrect, you can put a question. Please sit down.

SHRI G.M. BANATWALLA: There is no verdict as such. There is no recommendation as such. ... (Interruptions)

MR. SPEAKER: If something is incorrect, you can always put the question to the Minister.

SHRI G.M. BANATWALLA: There may be a view, just a personal view of one of the three judges. The question, therefore, in incorrect. ... (Interruptions)

MR. SPEAKER: Please sit down.

SHRI M. CHINNASAMY: Sir, the Short Notice Question on Uniform Civil Code could not be taken up twice because the House could not function property. Today, it has come up with the blessings of the Speaker.

Mr. Speaker, Sir, the Supreme Court has recently given a verdict that Parliament may frame a Uniform Civil Code to help the cause of national integration and communal harmony. This is not the first time that the Supreme Court has given such an opinion. Some time back, in sensitive Shah Bano case also, the Supreme Court had given the same opinion. ... (Interruptions)

MR. SPEAKER: Put your question straight. Put your question to the Minister.

SHRI M. CHINNASAMY: Responding to the verdict of the court, leaders of many political parties and religious heads in the country have welcomed it. For instance, the leader of AIADMK party, Madam Dr. Jayalalitha has welcomed the verdict of the Supreme Court on Uniform Civil Code and a unanimous resolution was passed in the Party's Executive Committee meeting held on 18th of this month. The Supreme Court has given the opinion twice.

MR. SPEAKER: Why do you not ask your question? Otherwise, I will go to the hon. Minister for reply.

SHRI M. CHINNASAMY: Moreover, the policy of the BJP is also for having a Uniform Civil Code. Therefore, I would like to know from the hon. Minister what is the problem in framing the Uniform Civil Code.

SHRI ARUN JAITLEY: Sir, it is true that the hon. Supreme Court has made some observations recently in this matter. There were some observations earlier also. As I have indicated in my reply, the policy of the Government in these matters normally is two-fold. As I have indisated, we enter into consultations with various religious communities with regard to reforms as far as their personal laws are concerned. After those consultations, we try and endeavour that even personal laws are brought in conformity with various constitutional guarantees and Fundamental Rights. In the course of this term of Lok Sabha, there were several laws relating to Christian community where we have amended the laws after consulting the community and there were some aspects of those laws, which were found to be not acceptable now to the community, which the community had supported earlier.

Those have been amended. This is an on-going process which the Government intends to continue.

MR. SPEAKER: Shri Chinnasamy, you can ask your supplementary.

SHRI M. CHINNASAMY: Mr. Speaker, Sir, the question is:

"Whether there is a thinking in the Government after the recent verdict of the Supreme Court to frame a Uniform Civil; Code...." SRAVANA 31, 1925 (Saka)

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I would like to know from the hon. Minister whether there is any thinking in the Government to frame a Uniform Civil Code. Have you thought about any timeframe for framing this Uniform Civil Code?

SHRI ARUN JAITLEY: The thinking in the Government is very clear on these matters. In regard to personal laws, we enter into consultations with various religious groups, and then whatever reforms are required, after a larger consensus is brought about in this House, we will try and bring about those reforms.

#### [Translation]

SHRI CHANDRANATH SINGH: Mr. Speaker, Sir while clarifying the constitution the architect had made a provision that everybody should have equal respect for all religions and observe Civil Code as per his religion. This Government is trying to tamper with these provision. Minorities, Christians, tribals etc. all are acting as per their religion and, they are working according to their religions. I would like to know from the Government whether another effort is being made to ruin the country? Do you have any such design?

SHRI ARUN JAITLEY: Mr. Speaker, Sir, it may be a matter of difference of political opinions as to policy of which political party and group is spoiling the country and of which one is preparing it. But it is not proper time to discuss this issue through this question.

#### [English]

SHRI RAM MOHAN GADDE: Mr. Speaker, Sir, whether there had been pressure on the Government even from minority communities to secure for the citizens of India a Uniform Civil Code to achieve economic, educational and social progress; if so, the reaction of the Government thereto.

SHRI ARUN JAITLEY: Sir, I have already made the stand of the Government very clear. On all issues relating to personal laws and wherever reforms are required, the Government has been having consultations both with the political community as also with various religious communities. Whenever there is an environment within those religious groups, and when they agreed with reforms, the Government has been taking steps positively in that direction.

## [Translation]

SHRI ANANT GUDHE: Uniform Civil Code law should be implemented in the country. It is being demanded by people at large in the country. We all are equal before the constitution drafted by Hon. Baba Saheb Ambedkar. The increasing population of the country is the greatest challenge before us today. The population of the country is increasing day by day. The population is increasing continuously. Many problems have arisen while implementing the uniform civil code. But in this regard we at least can make family planning compulsory for whole of the society and for all the people of different religions, if the increasing population of the country is to be checked. If the Hindus believe that the child has been blessed by the God, then we all should follow the principle of 'Hum do haamare do'. Otherwise, such a tradition is going on in the country now-a-days that 'Hum paanch, hamare pachchis'. The Uniform Civil Code and compulsory family planning is required to be implemented, if the increasing population of this country is to be checked and the family planning is to be implemented. The Government should, therefore, implement the Uniform Civil Code. If there is any problem in implementing this, at least the policy of 'Hurn do, harnare do' should be implemented there and after enactment of such a law, if anyone is blessed with a child beyond two children, in that case all the facilities available from the Government should be discontinued for that child. Whether the Government are considering over any such proposal or not?

SHRI ARUN JAITLEY: Mr. Speaker, Sir, the suggestion given by the Hon'ble Member that there should be control over the increasing population of the country and that the population should be stabilized, is not a subject directly related to Uniform Civil Code, but the same is related to National Health and Population Policy. The policy that is likely to be brought forward by the Ministry of Health, wherein the policy of the Government in regard to incentive and disincentive is to be enshrined has been clearly mentioned in the policy itself. ... (Interruptions).

SHRI CHANDRAKANT KHAIRE: Mr. Speaker, Sir, what efforts would be made by the Government so as to ensure enactment of such a law?

#### [English]

SHRI K. MALAISAMY: Mr. Speaker, Sir, to supplement Shri Chinnasamy, I am sorry to observe that

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the Minister's answer is not specific. Framing a Uniform Civil Code and implementing it is not a new idea. This had been conceived and contemplated as early as in the Constitution in the Directive Principles of the State Policy. We have a common criminal procedure code, CPC and we have umpteen number of common laws in the country. Now, as the hon. Member has mentioned, new provocation has come based on the observation of the Supreme Court. The hon. Member wanted to know whether, after the verdict or observation of the Supreme Court. Government-the NDA Government or the BJP Government whichever Government-is seriously considering the issue of bringing a legislation in this regard and, if so, what is the time frame within which this task will be completed? Then hon. Minister has said that they are going to evolve a consensus, etc. It is okay. The Minister can carry out all that process. How long will it take for it to be completed? Say, six months, one year, or three months? Kindly give us a time frame within which you are going to bring in the legislation.

SHRI ARUN JAITLEY: This debate has been going on for a considerable amount of time. The hon. Member is right that article 44 of the Constitution very specifically provides that the State shall endeavour to have a Uniform Civil Law. The learned Member has also given several reasons why he feels it should be proclaimed. There would be a large number of Members in this House and people outside who may agree with the hon. Member. At the same time, as far as the Government is concerned, particularly in view of the policy of the NDA Government, our stand in this regard has been very clear. We are making progressive amendments to various personal laws and those amendments would be required in case we move in this direction. For this purpose, we take communities into consultation. Our object largely is that all personal laws must gradually come into consonance with guarantees such as equality, dignity, liberty, etc. That is the efforts as far as the Government is concerned.

SHRI G.M. BANATWALLA: Mr. Speaker, Sir, a considerable misinformation is going on with respect to this question of Uniform Civil Code and the nation is being misled. Here also the question refers to a recent verdict of the Supreme Court. There is the case A.I.R. 2003 S.C.W. 3536. Here, there is no verdict as such of the Supreme Court; there is also no recommendation as such of the Supreme Court; only one out of three judges has, in his judgement, given his personal view about it. The two other judges in their two separate judgements have not referred to the matter at all. So, what we have, has nothing to do with either the verdict or the

recommendation of the Supreme Court as such. It is only a personal view of one of the three judges. ...(Interruptions)

DR. VIJAY KUMAR MALHOTRA: Sir, how can he say like that. ...(Interruptions) A judge cannot give his personal view. ...(Interruptions)

SHRI A.P. JITHENDER REDDY: Sir, when a judge speaks, it is his verdict. ...(Interruptions) When the hon. Speaker speaks, it is his ruling. ...(Interruptions)

SHRI G.M. BANATWALLA: Sir, the Supreme Court itself had clarified the matter in its judgement 2000 SCC 224. In this particular judgement the Supreme Court had clarified and revealed that the Supreme Court had never issued any direction for the codification of various personal laws into a Uniform Civil Code. The Supreme Court clarified that judges have, from time to time, only expressed their personal views. Here we have a clarification of the Supreme Court.

The Government is not clarifying the matter and this question is trying to mislead the nation. However, the reply of the Government is good enough, though much improvement is needed.

I want to ask the Government whether it will make necessary clarifications on the lines that I have put. Secondly, whether the Government is aware of the strong opposition to the Uniform Civil Code by various sections of the people, not merely by the minorities but also by tribal people, Hindus, Christians and others. ...(Interruptions)

MR. SPEAKER: Shri Banatwalla, you cannot put all the questions. Please sit down now.

SHRI ARUN JAITLEY: Sir, this is not the forum where we really debate what the interpretation of the judgement of the Supreme Court is.

SHRI G.M. BANATWALLA: But you please clarify the matter. The question has been put to you.

SHRI ARUN JAITLEY: The judgement of the Supreme Court is a public document. It is for all the Members to really read it. Yes, when the hon. Member says that there are strong views on the subject, the Government is fully conscious of the fact that there is a strong view in support of this suggestion, and there is also a view which is against this suggestion. That is why there is a need a debate on the issue. That is exactly why the Government has formulated its stand.

SHRI S.S. PALANIMANICKAM: Sir, the main point is that the Personal Law is based on religious faith. This religious faith guarantees the Fundamental Right under article 25(1) of the Constitution.

So, firstly, whether the Uniform Civil Code, if it is amended, would not affect the Fundamental Right characterised under article 25(1) of the Constitution; and secondly, if the Common Civil Code is implemented, will it not affect the principle of 'unity in diversity'?

Sir, the concept of unity is different from uniformity. In the NDA Agenda, we have not mentioned anything about the Common Civil Code. So, do we have any moral right to discuss about this matter in this 13th Lok Sabha?

SHRI ARUN JAITLEY: Sir, the hon. Member has made several suggestions. A question has been put by the hon. Member that it is not a part of the NDA Agenda. but the obligation of the Government is still to answer that question because that is a part of the parliamentary right as far as the hon. Member is concerned.

As far as the question of enacting is concerned, I would request the hon. Member not to go into the hypothetical questions because there would be several views on it. The same Constitution which has article 25, also has article 44 in it. Therefore, this is not the forum to say what happens when the Uniform Civil Code is enacted. Is it violative or is it not violative; is it going to deal only with the rights of citizens belonging to different religious denominations or is it going to, in any way, affect the rituals as far as those religious denominations are concerned, are all hypothetical questions.

SHRI S.S. PALANIMANICKAM: I am talking about the rights based on religion, ritual rights.

SHRI ARUN JAITLEY: Those questions do not arise at this stage because the Government is in favour of a larger debate on the subject and reforms being suggested in consultation with various communities concerned.

MR. SPEAKER: The Short Notice Question is over.

## WRITTEN ANSWERS TO QUESTIONS

[English]

#### Loans to Poor

## \*421. SHRI MOHAN RAWALE: SHRI SHIBU SOREN:

Will the Minister of FINANCE be pleased to state:

(a) the specific guidelines/policy formulated by the RBI for providing loans to poor, unemployed youths, labourers, under-privileged, small and marginal farmers, SC/STs and minorities through banks and financial institutions;

(b) whether the Government propose to review and simplify its policy in respect of providing loans to the above mentioned sections of the society including recovery thereof;

- (c) if so, the details thereof; and
- (d) the time by when it is likely to be done?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) A Statement is placed on the Table of the House.

(b) to (d) Review and simplification of these policies/ guidelines is an ongoing process.

#### Statement

Government of India formulates guidelines/policies of various Government sponsored schemes for providing loans to poor, under-privileged, small and marginal farmers, dalits, tribes and minorities. On the basis of these guidelines, instructions are issued by Reserve Bank of India to the banks for successful implementation of these schemes.

Within the priority sector target of 40% of net bank credit prescribed for banks, there is a sub-target of 10% for lending to weaker sections, which include small and marginal farmers, scheduled castes/tribes.

The salient features of the instructions issued by the RBI relating to the following schemes are enclosed in Annexures I--V:

- 1. Swarnajayanti Gram Swarozgar Yojana (SGSY)
- Swamajayanti Shahari Gram Swarozgar Yojana (SJSRY)

- 3. Scheme for Liberation and Rehabilitation of Scavengers (SLRS)
- 4. Differential Rate of Interest (DRI) scheme.
- 5. Prime Minister's Rojgar Yojana (PMRY).

#### Annexure I

## Salient features of the instructions by RBI relating to Swarnjayanti Gram Swarozgar Yojana (SGSY)

Swarnjayanti Gram Swarozgar Yojana (SGSY) has replaced IRDP and its allied Schemes viz. Training of Rural Youth for self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Improved Tool Kits to Rural Artisans (SITRA), Ganga Kalyan Yojana (GKY) and Million Wells Scheme (MWS) with effect from 1st April, 1999. The Scheme aims at establishing a large number of micro enterprises in the rural areas of the country. The objective of the scheme is to bring every assisted (Swarojgaris) family above poverty line in three years by providing them incomegenerating assets through a mix of bank credit and Government subsidy. The monthly income from the activity to be undertaken should not be less than Rs. 2000 net of repayment of the bank at least in the third year. SGSY is a holistic programme covering all aspects of self employment such as organization of poor into self help groups through the process of social mobilization, training and capacity building, credit, technology, infrastructure, marketing and income generating assets. The scheme envisages funding on 75:25 basis by Centre and States and implemented by DRDAs through panchayat samitis. There is no ceiling on the size of the loan amount. Group activities are given preference and 4-5 key activities are given major assistance. The salient features of the SGSY scheme are as under:

Eligibility: Rural poor such as the landless labour, small and marginal farmers, those with marginal land, rural artisans and educated un-employed enlisted in the Below Poverty Line (BPL) list upto an age limit of 60 years.

Reservation: 50% for SC/ST, 40% for women and 3% for handicapped. 50% of SHGs in a block should be for women.

Activities: Identified key/cluster activities with emphasis on group activities. Self Help Group (SHG) membership within a range of 10-20; for minor irrigation minimum of 5 members. In identified difficult areas deserts, hills and areas with scattered and sparse population relaxation with regard to number of members in SHG, or members marginally above poverty line etc. are allowed.

Project cost: No ceiling. SHGs that are in existence for about six months and have demonstrated the potential of a viable group enters the third stage, wherein it receives the Revolving Fund from DRDA and banks as cash credit facility. DRDAs may release subsidy, which is equal to the group corpus with a minimum of Rs. 5000 and a maximum of Rs. 10000 linked with bank credit. The banks would sanction credit, which would be in multiples of the group corpus and could go upto four times of the group corpus as cash credit facility based on the absorption capacity and creditworthiness of the group.

Subsidy: Back end subsidy, General-30% of the project cost-Maximum Rs. 7500/-, SC/ST-50% of the project cost-maximum Rs. 10000/-, Group-50% of the project cost subject or Rs. 1.25 lakh whichever is less & irrigation-30% or 50% as the case may be without monetary ceiling.

Security: Assets created out of bank loan in respect of individual loan upto Rs. 50000 and Group loan upto Rs. 5 lakh. Mortgage of land, if assets are not created as in the case of land based activities or third party guarantee. For individual loans above Rs. 50000 and group loans above Rs. 5 lakh, in addition to primary security, suitable margin money/other collateral security may be obtained at banks' discretion.

Repayment: Minimum 5 years, instalments as per approved unit cost of NABARD/Dist. SGSY committee. Subsidy admissible only after completion of lock in period.

Recovery: Personal contacts, joint recovery camps, legal action etc falling which forfeiture of subsidy for adjustment of dues. NGOs may be used as facilitators for recovery and 0.5% of the loan amount may be charged to the swarojgaris to meet this expenditure. Prompt repayment entitles waiver of this monitoring fee.

Refinance: Banks are eligible for refinance from NABARD for loans disbursed under SGSY.

#### Annexure II

Salient features of the instructions by RBIU relating to Swarna Jayanti Shahari Rozgar Yojana (SJSRY)

The SJSRY Scheme is in operation from 1.12.1997 in all Urban and semi-Urban areas of India. Among other components, the scheme has two sub-schemes where bank credit is involved namely Urban Self Employment Programme (USEP) and Development of Women & Children in Urban Areas (DWCUA). The scheme is funded on a 75:25 basis between the Centre and the State. The salient features of the scheme are as under:

Coverage: The beneficiaries are identified by the Urban local bodies on the basis of house-to-house survey.

Reservation: Under the scheme, women are to be assisted to the extent of not less than 30%, disabled at 3% and SC/STs atleast to the extent of proportion of their strength in the local population.

Income criteria: Under USEP, under employed and unemployed urban youth whose annual family income is below the poverty line. The persons educated upto ninth standard who have been included in ULB list are assisted with bank loans.

Project cost: Projects costing upto Rs. 50,000 are to be financed by banks.

Subsidy: Subsidy is provided by Government at 15% of the project cost subject to a maximum of Rs. 7,500.

Margin money: The borrower has to bring in 5% of project cost as margin money.

Interest rate: Interest will be charged as per directives issued by RBI from time to time.

Group activities: Under DWCUA, women beneficiaries may take up self employment ventures in group. DWCUA group should consist of at least 10 urban poor women. The group is entitled to a subsidy of Rs. 1,25,000 or 50% of the project cost whichever is less. In addition the group may set itself up as a thrift and credit society.

Repayment: The repayment schedule may range between 3 to 7 years after initial moratorium of 6 to 18 months as decided by the banks.

#### Annexure III

Salient features of the instructions by RBI relating to Scheme of Liberation & Rehabilitation of Scavengers' (SLRS)

The Scheme was introduced in 1993 and is implemented by all Public Sector Banks except RRBs.

The objective of the scheme is to liberate and rehabilitate scavengers and their dependents from the existing obnoxious occupation of manually removing night soll and filth and to provide them with alternate dignified occupation.

Coverage: The Scheme covers all scavengers and their dependents (both the scheduled caste scavengers and non-scheduled caste scavengers) in the country.

Loan amount: Under the scheme projects upto Rs. 50,000 can be financed.

Subsidy: Subsidy is available to borrowers at 50% of project cost subject to a maximum of Rs. 10,000.

Margin assistance: The borrowers can also avail margin assistance at 15% of the project cost at 4% rate of interest from State Scheduled Castes Development Corporation.

Interest Rates: All loans upto Rs. 6,500 will be treated as DRI loan at concessional rate of 4%. However, where the amount of loan exceeds Rs. 6500 the entire loan will carry interest as per RBI directive on interest rates.

Security: Security for the loan will be only hypothecation of assets created out of the loan. The State Scheduled Caste Development Corporation will have second charge/pari-passu charge over assets to cover their margin money loan assistance.

*Repayment:* The loans shall be repaid within 3 to 7 years after moratorium of 6 to 18 months as decided by the banks.

#### Annexure IV

Salient features of the instructions by RBI relating to Differential Rate of Interest DRI Scheme.

The Scheme was introduced in 1972 and is being implemented by all Indian Scheduled Commercial Banks. To provide bank finance at a concessional rate of interest of 4% p.a. to the weaker sections of society for engaging in productive and gainful activities so that they can improve their economic conditions. The land holding criterion is not applicable to SC/STs. The important categories of borrowers under the scheme are SC/STs and others engaged on a very modest scale, in agriculture and/or allied activities, persons who themselves collect or do elementary processing of forest produces, people physically engaged on a modest scale in cottage or rural industries, indigent students of merit etc. The banks are required to lend under the scheme, at least 1% of their aggregate advances as at the end of the previous year. 2/3rd of the total DRI advances must be routed through the bank's rural and semi urban branches. The salient features of the scheme are as under:

Area of operation: The scheme is being implemented throughout the country.

Income criteria: The income ceiling for eligibility is annual income of Rs. 72000 per family in urban or semi urban areas and Rs. 6400 per family in rural areas. Size of land holding must not exceed one acre of irrigated land and 2.5 acres of unirrigated land.

Loan amount: The maximum assistance per beneficiary has been fixed at Rs. 6,5000 for productive purposes. In addition to this, physically handicapped persons can avail of assistance to the extent of Rs. 5000 (maximum) per beneficiary for acquiring aids, appliances, equipment, provided they are eligible for assistance under the scheme. Similarly, members of SC/STs satisfying the income criteria of the scheme can also avail of housing loan up to Rs. 5000 per beneficiary over and above the loan of Rs. 6500 available under the scheme.

Margin money: No margin money has been prescribed under the scheme.

Capital subsidy/Interest: No capital subsidy is available.

Rate of Interest: Rate of interest to be charged on loans is 4% p.a. Interest on current due is not to be compounded.

Security: No collateral security/third party guarantee is required. Assets created out of the loan amount would only be hypothecated to the banks.

Repayment: Not exceeding five years including grace period of two years.

Reservation/Preference: The banks are required to ensure that at least 40% of their DRI advances flow to SC/STs.

#### Annexure V

## Salient features of the instructions by RBI relating to Prime Minister's Rozgar Yojana (PMRY)

Government of India have launched a subsidy linked scheme on 2.10.1993 viz. The Prime Minister's Rojgar Yojana (PMRY) for creating self employment opportunities for the educated unemployed youth including graduates, by setting up micro enterprises in business, industry and service sector. The objective of the scheme is to provide self-employment opportunities to educated unemployed youth. The scheme initially was in operation in Urban Areas. From 1.04.1994 the scheme is being implemented throughout the country. The salient features of the scheme are:

Age: The unemployed youth in the age group of 18 to 35 years are eligible under the scheme. In North Eastern States the age group is 18-40. There is 10-year relaxation for SC/ST, Ex servicemen/physically handicapped & women, in the upper age limit to be eligible for assistance under the scheme.

Income limit: The family income of the beneficiaries should not exceed Rs. 40,000 per annum and income of parents of beneficiary also should not exceed Rs. 40,000.

Residence: Permanent resident of the area for atleast 3 yeas. In case of married women the residency criteria applies to her husband or in-laws.

*Educational Qualification:* The minimum educational qualification is VIIIth passed.

Margin money: The beneficiary would be required to bring in 5% as margin money and government would provide a subsidy at 15% of the project cost; The margin money and subsidy amount would be 20% of the project cost. Ceiling on subsidy amount is Rs. 7,500/-. in States/ UTs. In the North Eastern States, Himachal Pradesh and Uttaranchal ceiling on subsidy amount payable is Rs. 15,000.

Subsidy: @ 15%, Maximum subsidy increased from Rs. 7500 to Rs. 15000. Hence the margin to be brought in by the borrower will vary from 5% to 16.25% of the project cost.

Activities covered: All economically viable activities including agricultural and allied activities but excluding direct agricultural operations like raising of crops/purchase of manure etc. are being covered under the scheme.

Project finance: Projects upto Rs. 1 lakh in business Sector and up to Rs. 2 lakhs in other sectors are eligible for finance by banks. In case of partnership firm projects upto Rs. 10 lakhs can be undertaken and the actual loan amount is to the extent of individual admissibility. Reservation: A reservation of 22.5% for SC/STs and 27% for other backward classes (OBCs) have been provided. Preference is to be given to women and other weaker sections. Banks have also been advised to ensure a fair and adequate share to the minorities.

Security: No third party guarantee/collateral is necessary for projects upto Rs. 1 lakh and the advances under the scheme are treated as advances under priority sector. For industry sector, project upto Rs. 2 lakhs (loan ceiling under PMRY) are eligible for exemption of collateral security. For partnership project, industry sector exemption limit of collateral security will be Rs. 5 lakh per borrowal account in tiny sector.

#### Overcharging by Star Hotels

\*426. SHRI PRAVIN RASHTRAPAL: SHRI AVTAR SINGH BHADANA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Star category hotels and other fast food joints are overcharging the customers as against the Consumer Affairs Packaged Commodities Rules, 1997 on various items like cold drinks and drinking water;

(b) if so, the details thereof;

(c) whether according to the above rules, all the items at the hotels are sold at printed Maximum Retail Prices (MRPs);

(d) if so, the details thereof; and

(e) if not, the corrective steps taken/proposed to be taken in this regard?

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD YADAV): (a) to (e) The Standards of Weights and Measures (Packaged Commodities) Rules, 1977 require among other things, a declaration of retail sale price on the package or on a label affixed to the package in the form 'Maximum Retail Price.... (Inclusive of all taxes)' (MRP). The said Rules are a price declaratory mechanism and not a price control mechanism. However, selling of the package at a price higher than MRP is prohibited under the Rules and violation attracts penal provisions.

Cases of over charging in hotels and restaurants were detected by the Enforcement authorities in the States and Union Territories. Statement received from them indicates that 1468 cases have been booked under the provisions of the Packaged Commodities Rules, 1977 for over charging of packaged commodities like cold drinks and drinking water in bottles, in hotels and food joints, including 7 booked against star hotels.

Production and Consumption of Tobacco

\*427. SHRI R.S. PATIL: SHRI UTTAMRAO DHIKALE:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the quantity and value of various varieties of tobacco produced and consumed during each of the last three years, State-wise;

(b) the foreign exchange earned through tobacco exports during the above period alongwith the details of countries to which it was exported;

(c) whether the domestic consumption of tobacco has decline during the above period leading to decline in the persons engaged in the tobacco sector;

(d) if so, the reasons therefor;

(e) the share of tobacco exports in comparison to total exports of agricultural exports at present; and

(f) the steps taken by the Government to increase the tobacco exports?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) Under the Tobacco Board Act 1975 the Tobacco Board regulates production of flue cured Virginia (FCV) tobacco. The state-wise and year-wise production of FCV tobacco during the last three years is given below.

(Figure: In Million kgs)

Year	Andhra Pradesh	Maharashtra	Orissa	Kamataka	Total
2000-01	3.20*	Crop Holiday	0.72	41. <del>98</del>	45.90
2001-02	119.48	0.11	0.46	57. <b>68</b>	177.73
200 <b>2-03**</b>	127. <del>6</del> 6	0.03	0.45	63.26	191.40

\*Crop Holiday.

\*\*Provisional.

Reliable statistics relating to state wise production and consumption of non-FCV tobacco varieties is not available.

(b) Total foreign exchange earned during the last three years is of the order of US\$ 617 million. Tobacco was exported mainly to Russia, U.K., Belgium, Yemen, Germany, Egypt, Singapore, France, Nepal and South Africa.

- (c) No, Sir.
- (d) Does not arise.

(e) Share of tobacco in total agricultural exports (including marine products, plantation etc) in 2002-03 was around three per cent.

(f) Steps to boost exports include inter-alia participation in fairs and exhibitions, trade delegations to important markets, arranging Exim Bank credit line for financing tobacco exports etc.

#### **Marine Exports**

\*428. SHRI S.D.N.R. WADIYAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the contribution of each Coastal State in the total export of marine products during the last three years;

(b) whether the marine products export potential of some States particularly Karnataka and Orissa has not been fully exploited;

(c) if so, the reasons therefor;

(d) the steps taken to increase the export of marine products; and

(e) the target set for marine exports for 2003-04?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) State-wise figures of marine products exports are not maintained. However, the total exports of marine products during the last three years were as follows:

Year	Quantity (Tonnes)	Value (Million US \$)
2000-01	440473	1416.32
2001-02	424470	1253.35
2002-03	439943	1406.58

(b) and (c) Separate State-wise information is not available on the ultimate marine fishery potential However, estimates regarding the potential of brackish water area are available. It is estimated that 1.2 million hectares of brackish water area in India can be used for shrimp culture. Presently only 167,466 hectares have been developed for shrimp culture, which amounts to only 14% of the potential available. In respect of Karnataka and Orissa, the area developed as percentage of the available potential is comparatively higher i.e. 44.25% and 40.76% respectively. However, the potential for further increase is affected by the Supreme Court verdict of 11th December, 1996 prohibiting the setting up of aquaculture industry/farms other than traditional and improved traditional type of farming in the Coastal Regulation Zone (CRZ) area and the increased risk of disease due to wide-spread viral infection.

(d) The Government of India and the State Government have a number of schemes for increasing marine landings. The Marine Products Export Development Authority (MPEDA), under the Ministry of Commerce & Industry, is supplementing these efforts through a few schemes intended at improving the efficiency of fishing as well as the quality of the product. Specifically, the following schemes are implemented by MPEDA in this regard;

- (i) Subsidy for installation of fish finders, GPS., fish hold etc., in mechanised fishing vessels.
- (ii) Training of fishermen on the use of fish finders, GPS, etc.
- (iii) Installation of Turtle Excluder Devices (TEDs) on board fishing vessels.
- (iv) Supply of insulated fish boxes to fishermen etc.

For increasing brackish water and fresh water shrimp production, MPEDA is implementing a few schemes as follows:

- (i) Subsidy for new farm development.
- Subsidy for setting up of new shrimp and scampi hatcheries.
- (iii) Subsidy for setting up of effluent treatment system in farms.
- (iv) Subsidy for setting up PCR labs (for early detection of viral diseases) in hatcheries.
- (v) Subsidy for procurement of water testing kits for shrimp farms.

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- (vi) Subsidy for setting up chilled room near farm areas.
- (vii) Training and inter-state study tour of farmers.

For promotion of aquaculture, the following thrust areas have been identified by the MPEDA:

- (i) Bringing additional area under culture;
- (ii) Diversification to new species; and
- (iii) Making aquaculture sustainable throug:
  - (a) Disease prevention and control through good farm and health management.
  - (b) Environmental management and eco-friendly farming practices.

In addition, in order to increase the export of marine products, MPEDA has been taking several steps, including schemes for extending financial assistance to the seafood processing industry; steps to upgrade processing facilities to meet international standards of hygiene and quality; expansion of aquaculture; imparting training to aquaculture farmers to adopt sound management practices to prevent outbreak of diseases; assistance to produce value-added products for export; marketing support, etc.

(e) A target of US\$ 1376 million has been fixed for export of marine products during 2003-04.

#### Agenda for Forthcoming WTO Meet

\*429. DR. V. SAROJA: SHRI JYOTIRADITYA M. SCINDIA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the agenda for the forthcoming Ministerial meet of WTO to be held at Cancun, Mexico in September, 2003;

(b) the issues which require detailed deliberations;

(c) India's stand on these issues;

(d) the manner in which India has prepared itself to help in arriving at a consensus on these issues;

(e) The countries which have decided to support India's views on the issues in the WTO meet to protect the interest of developing countries; and

(f) the details of meetings held by developing countries including India to arrive at a consensus on the issues?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) and (b) The agenda for the Fifth Session of the Ministerial Conference of the WTO. scheduled to be held in Cancun (Mexico) from 10-14 September 2003, has not yet been circulated. However, in terms of the decision of the Ministers at Doha, as contained in the Doha Ministerial Declaration, the Fifth Session of the Ministerial Conference will take stock of progress in the negotiations under the work programme adopted at Doha; provide any necessary political guidance; and take decisions as necessary. Further, explicit consensus would be required on modalities at Cancun for launch of negotiations on the four so-called Singapore issues, namely, Trade and Investment; Trade and Competition Policy; Transparency in Government Procurement; and Trade Facilitation.

(c) and (d) India has been actively participating in the negotiations on various issues included in the Doha Work Programme. India has consistently taken the stand during these negotiations that the development dimension of the Work Programme should be maintained and not diluted at any cost.

In so far as negotiations under the WTO Agreement on Agriculture is concerned, India's position has been that further commitments on market access by developing countries are contingent upon substantial reduction in all trade-distorting domestic support and elimination of all forms of export subsidies. Moreover, any market access commitments by developing countries should take fully into account their economic and social conditions, development needs, food and livelihood security and rural development requirements. India has pointed out that the mandate for negotiations provides that special and differential treatment for developing countries shall be an integral part of all elements of the negotiations in agriculture.

In respect of non-agricultural products, India has strongly advocated increased market access for products of export interest to India such as textiles, leather goods. India has also stressed the needs for providing for 'less than full reciprocity' in the matter of reduction commitments. Expressing strong interest in the services' negotiations, India has asked for greater liberalization in the movement of natural persons.

On the so-called Singapore issues, views of WTO Members are still divergent on many of the key aspects. Greater clarity would be required before any decision on modalities could be considered. The clarificatory process mandated at Doha should be continued so as to reach a broad understanding of all aspects of the issue involved.

India has been coordinating at bilateral, plurilateral and multilateral levels, both with developed and developing country partners aimed at resolution of all the development-related issues, such as TEIPS and Public Health; Special and Differential Treatment; and Implementation-related issues, on a priority basis so as to have a successful outcome at the Cancun Ministerial Conference.

(e) and (f) The Doha Ministerial Declaration provides a development focus for the negotiations launched at Doha. Hence, all WTO Members recognise the need for special attention to developing countries by providing special and differential treatment and technical assistancu/ capacity building programmes in favour of developing countries. India would press for the retention of this focus throughout the negotiations and at the completions to be arrived at. Support for India's views in WTO from developing countries vary from issue to issue.

A group of like minded countries, where India is also, a part, meets informally in Geneva regularly. Meeting held among groups of developing countries include a moeting of the Ministers of Trade from the Eastern and Southern Africa held in Nairobi on 28th May 2005; the Second LDC Trade Ministers' meeting in Uhaka held from 31 May-2 June 2003; the Trade Ministers' meeting of the African Union in Mauritius from 19-20 June 2003and the sixth meeting of ACP Trade Ministers held in Brussels from 31 July-1 August 2003. India will be hosting a meeting of Trade Ministers of the Like Minded Group of developing countries at Cancun prior to the Ministerial Conference. Other developing countries in general share the views of India on development-related issues such as TRIPS and Public Health; S&D treatment tor developing countries; and resolution of implementationrelated issues and concerns with existing WTO Agreements; and to a greater extent on the Singapore issues

[Translation]

# Improvement in Import-Export System

# 430. SHRI NAWAL KISHORE RAI: DR. SUSHIL KUMAR INDORA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government are considering comprehensive reform measures to bring about improvement in the present procedure of import and exports and to make it free of corruption;

(b) if so, the details thereof;

(c) whether any Committee has been set up for this purpose; and

(d) it so, the details thereof?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) to (d) Export and Import Policy for the period 2002-07 was put in place with effect from 1st April, 2002. The basic objectives of the Policy are to facilitate sustained growth in exports from the country to attain a share of at least 1% of global merchandise trade as also to stimulate sustained economic growth by providing access to essential raw material, intermediates, components, consumables and capital goods required for augmenting production and providing services. The strategy to achieve these objectives includes reduction of transaction cost as well as by bringing about a high degree of transparency in the implementation of the Policy. Further improvements in the Policy and Procedures have open introduced in the Exim Policy for 2003-2004 announced on 31st March, 2003

A high level Committee comprising eminent economists, business leaders representing the Chambers of Commerce, Export Promotion Councils and experienced professionals was constituted as part of the exercise for the formulation of the Exim Policy 2002-2007 and the recommendations of the Committee were taken into consideration in finalizing the Policy.

# **Restrictions on Import of Raw Materials**

\*431. SHR! RAMJI LAL SUMAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there are certain restrictions on the import of raw materials used in the marble industry in the country whereas the finished goods have been exempted from the import restrictions;

(b) if so, the reasons therefor;

(c) whether the licences have been issued to only
 some institutions for importing raw material on the basis of their past performance;

(d) if not, the facts in this regard;

(e) whether the Government have received requests for removing restrictions on all the imports and exports concerning the marble industry; and

(f) if so, the details thereof and the reaction of Union . Government thereto?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) to (f) The restrictions on the import of finished products such as Marble titles were removed on 1-4-2001 as such restrictions could no longer be justified on ground of "Balance of Payment". However, the restrictions on import of Rough Marble Blocks and slabs were continued and their imports are allowed subject to the guidelines contained in Policy Circular of Directorate General of Foreign Trade dated 14-03-2002. Such restrictions on imports and exports under the Exim Policy can be adopted and enforced on the principle of restrictions listed in Para 2.6 of Exim Policy.

A number of representations have been received from Industries Associations as well as from individual parties for the removal of the restrictions on import of Rough Marble Blocks. After duly considering the representations and in consultation with the concerned Ministries, it has been decided to maintain *status quo* in this regard.

[English]

#### **Resurgent India Bonds**

\*432. SHRI KHARABELA SWAIN: Will the Minister of FINANCE be pleased to state:

(a) the redemption amount of the deposits made with Resurgent India Bonds;

(b) whether the depositors in such bonds are going to withdraw the amount;

(c) if so, the reasons therefor and its effect on the forex reserve position of the country; and

(d) the steps the Government propose to take to face such eventuality?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) It is estimated that foreign exchange equivalent upto US \$ 5.5 billion will be required to repay the principal and interest on Resurgent India bonds. (b) Bonds are fully repatriable and the depositors have the option to withdraw or re-invest the amount in other schemes.

(c) As the Reserve Bank of India has built up sufficient forward foreign currency assets, the impact of a redemption of these Bonds, on our foreign exchange reserves will not be significant.

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

# Trade Gap

# \*433. SHRI CHANDRA BHUSHAN SINGH: SHRI A. NARENDRA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the overall position of India's export-import during each of the last three years upto June, 2003;

(b) the items/sectors whose export and import have increased/decreased during the above period;

(c) whether the sudden rise in imports during first three months of current fiscal year has increased the trade gap of the country which had remained within sustainable limits in the last few years;

(d) If so, the details thereof and the reasons for sudden rise of imports; and

(e) the steps being taken by the Government to boost the export and to reduce the import and to keep the trade gap within the sustainable limits in future?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) The overall position of India's exports-imports in respect of merchandise goods during each of the last three years are given below:

(US \$ Million) ·

	2000-01	2001-02	2002-03 (P)	2003-04 (P) (April-June)
Export	44560	43827	52234	13147
Import	50536	51413	61286	17329

P: Provisional Data.

(b) The exports of almost all the major sectors except plantations have increased during the above period. The major items of imports which have shown a higher growth rate are petroleum, oil and lubricant, machinery, precious and semi-precious stones etc. The major items of imports which have shown a decline are fertilizers and project goods.

(c) and (d) The trade gap during April-June, 2003-04 is placed at US\$ (-) 4182 million as compared to US\$ (-) 1801 million during April-June 2002-03 and US\$ (-) 2430 million in April-June, 2001-02. The rise in the trade gap during the first quarter of current financial year is due to the growth of both oil and non-oil imports. While some of these are essential imports others are required for export production and for domestic industrial production.

(e) Based on the strategies contained in the Medium Term Export Strategy 2002-07, announced in January, 2002, a number of programmes/schemes have been launched through the Union Budget, 2003-04 and Exim Policy, 2003-04. In the Exim Policy, 2003-04, besides, the focus on Service exports, policies have been devised to strengthen Special Economic Zones (SEZs), 100% Export Oriented Units (EOU's), etc. A new programme called "Focus CIS" has been introduced. Duty Neutralization Schemes for import of inputs used for export production have been strengthened. Export Promotion being a constant endeavor of the Government, its performance is continuously monitored on a regular basis and steps are taken to promote the exports and reduce the trade gap. As a result exports in 2002-03 reached an all time high of US \$ 52.2 billion registering a growth rate of 19.20% in dollar terms. In April-June, 2003-04 export growth rate was 11.06% in dollar terms.

# [Translation]

#### Vanished Companies

\*434. SHRI ASHOK KUMAR SINGH CHANDEL: Will \* the Minister of FINANCE be pleased to state:

(a) whether 185 private companies which had floated public issues in the share market have vanished with Rs. 1150 crore of common investors;

(b) if so, the names of all those companies alongwith the details of the amount of money owed by them;

(c) the action taken against those vanishing companies under the various provisions of the Companies Act, 1956; (d) whether Securities and Exchange Board of India (SEBI) had made proper assessment in regard to the functioning of the above companies at the time of floating of shares by them;

(e) if so, whether the SEBI had allowed those companies to issue their share in the market by neglecting the shortcoming noticed by it in their claims after its assessment;

(f) if so, whether the government have taken/propose to take any action against the officers of SEBI; and

(g) if so, the details thereof?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes Sir.

(b) The names of the companies and the issue size are given in the enclosed statement.

(c) Prosecutions under Sections 62/63, 68 and 628 of the Companies Act have been launched against 149 companies. Prosecutions for non-filling of statutory returns have been launched against 142 companies. First Information Reports have been filed in 50 cases for offences punishable under the Indian Penal Code.

(d) and (e) The issue of capital and related matters are governed by the provisions of the Companies Act 1956. The companies which floated public issues after 1992 were required, in addition, to comply with the disclosure requirements laid down by SEBI under the then SEBI (Disclosure and Investor Protection) Guidelines. In accordance with the statutory requirement applicable at that time, a copy of the draft prospectus was filed with SEBI for vetting to ensure compliance with the 1992 guidelines.

(f) and (g) Do not arise in view of answer to parts (d) and (e).

#### Statement

#### List of Vanishing Companies

		(Rs. crore)	
SI.M	No. Name of Company	Issue Size	
1	2	3	
1.	Aashi Industries Ltd. (Formerly Aashi Pharmachem Limited	5.52	
2.	Acme Spinners Ltd.	2.58	

1	2	3
3.	Aditya Alkaloids Ltd.	3.55
4.	Advance Bio Coal (India) Limited	4.87
5.	Alps Motor Finance Ltd.	2.44
6.	Ami Ganga Infrastructure Limited	3
7.	Amigo Exports Ltd.	3.3
<b>8</b> .	Ankush Finstock Ltd.	3
9.	Aqua Dev India Ltd.	8.3
10.	Arrow Securities Limited	4.75
11.	Asian Industries & Securities S A Ltd	4.6
12.	Auriferrous Aqua Farms Ltd.	7.05
13.	AVI Industries Limited	8.34
14.	AVR Securities	2.47
15.	Ambuja Zinc Ltd.	2.14
16.	Asian Vegpro Industries Ltd.	7.09
17.	Auroma Coke Ltd.	4.29
18.	Baina Spinning Mills & Exports Ltd.	18.42
19.	Bahuma Polytex Limited	3.7
20.	Bhavna Steel Cast Limited	2.1
21.	Big Star Films Ltd. (Formerly Moonholdings & Credits Ltd.)	2.69
2 <b>2</b> .	Blossom Industries Ltd (Formerly Blossom Breweries Ltd.)	14.6
2 <b>3</b> .	Brakes Auto India Ltd.	3.73
24.	Bacchhat Investment and Finance Ltd.	2.2
25.	Bodh Gaya Ceramics Ltd.	0.49
2 <b>6</b> .	Caldyn Aircon Ltd.	4.45
27.	Canara Credits Ltd.	2.49
2 <b>8</b> .	Carewell Hygiene Ltd.	2.49
29.	Cauvery Software Engineering Systems Ltd.	6.5
<b>30</b> .	Charms Industries (Formerty Charms Ceramics Ltd.	3.75
31.	Chirau Finance Ltd.	3.24

1	2	3
32.	Cilson Finance & Investment Ltd.	2.51
33.	Citizen Yams Limited	2.2
34.	Crestworld Marines Ltd.	4.38
35.	Cromakem Limited	3
36.	Cilson Organics Ltd.	8
37.	Danim Leathers Ltd.	4.75
<b>38</b> .	Deccan Petroleum Ltd.	4.57
<b>39</b> .	Dee Kartavya Finance Ltd.	4.05
<b>10</b> .	Denmur Fax Rolis Ltd.	10.21
41.	Dhruv Makhan India Ltd.	7.35
42.	Dhvanil Chemicals Ltd.	5. <b>84</b>
13.	Dover Securities Ltd. (Formerly Dalwa Securities Limited)	2
44.	Efcon Securites Ltd.	5.45
<b>1</b> 5.	Elektro Flame Ltd.	3.5
<b>16</b> .	Esskay Telecom Ltd.	3
17.	Fintech Communications Ltd.	4.1
18.	Flora Wallcoverings Ltd.	5.82
<b>19</b> .	Frontline Financial Services Ltd.	4.43
50.	Genuine Commodities Development Corporation	2.68
51.	Giri <del>s</del> h Hotels Resorts and Health Farms Ltd.	2.59
52.	Global Blooms India Ltd.	2.1
53.	Global Exhibitions	4.45
54.	Giobal Property Ltd.	4.25
55.	Goga Foods Ltd.	4.21
<b>6</b> .	Grivs Hotels Ltd. (Name Changed to Kedia Infotech Ltd.)	4.98
57.	Growth Agro Industries Ltd.	5.4
5 <b>8</b> .	Gazi Securities Ltd.	4.8
5 <b>9</b> .	Global Finance Corporation Ltd. (Formerly Sidh Global Equity Ltd.)	4.5

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1	2	3
60.	Grapco Mining Co. Ltd.	4.77
61.	Gujarat Bonanza Auto And Steel Rolling Ltd.	5.4
6 <b>2</b> .	Hallmark Drug & Chemicals Ltd.	7
63.	Hari Parvat Merry Land & Resorts Ltd.	2.85
64.	Hindustan Tools & Forgings Ltd.***	5. <b>96</b>
65.	Hitech Winding Systems Limited	3.84
<b>66</b> .	Hitesh Textile Mills	7.48
<b>67</b> .	Hoffland Investment Ltd. (Formerly Vadra Investments Ltd.)	2.90
6 <b>8</b> .	Harbour Networks Systems Ltd.	4.69
<b>69</b> .	Hi-Tech Drugs Ltd.	3.23
<b>70</b> .	ICP Securities	2.34
71.	Integrated Amusement Limited	8.38
<b>72</b> .	Ichakalanji Soya Ltd.	2
73.	Interactive Financial Services Ltd.	1.85
74.	Ishaan Infrastructures & Shelters Limited	6.1
75.	Kalyani Finance Ltd.	3.2
<b>76</b> .	Kamakshi Housing Finance Ltd.	5.71
77.	Kayesvee Education Ltd.	4.15
7 <b>8</b> .	Kesar Greenfield Limited	5.69
<b>79</b> .	Kiev Finance Ltd. (Formerty Keiv Investments & Prop. Ltd.)	12
<b>80</b> .	Kome On Communications Limited	4.51
81.	Lakshya Securities Ltd.	3.24
82.	Lympha Laboratories Ltd.	3.35
83.	Lyons Industrial Estate Enterprises Ltd. (Formerly Lyons Range Finance Ltd.)	6.37
<b>84</b> .	Maa Capital Market Services Ltd.	1.44
85.	Maa Leafin and C <b>apital Ltd.</b>	4.35
8 <b>6</b> .	Madhyavart Exxoil Limited	2.3
<b>87</b> .	Maha Chemicals Ltd.	3. <b>8</b> 3
<b>88</b> .	Marine Cargo Company Ltd.	3.41

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1 2	3
89. Midwest Iron & Steel Co Ltd.	6.3
90. Mobile Telecommunications Limited	11.53
91. Mother Care India Ltd.	3.54
92. Manav Pharma Ltd.	5.5
93. Mrug Pharmaceuticals Ltd.	3.5
94. Nagarjuna Industries Ltd. (Nagarjuna Jiyo Marines Ltd.)	2.73
95. Navakkarai Spinners Ltd.	3.16
96. Nilchem Capital Limited	7.1
97. Nova Electro Magnetic Ltd.	14.27
98. Nuline Glassware India Limited	6.78
99. Naisargik Agritech (India) Ltd.	4.66
100. Naturo Pest Ltd.	4.84
101. Nishu Fincap Ltd	4.25
102. Ocean Knits Ltd.	2.61
103. Oriental Remedies and Herbals Limited	1.88
104. Orissa Luminaries Ltd.	4.95
105. P K Vaduvammal Finance Ltd. (Novel Finance Ltd.)	1.5
106. Panggo Exports Ltd.	2.47
107. Pappilon Exports Ltd.	11
108. Pariksha Finvest Lease Ltd.	2.48
109. Patliputra Credit & securities Ltd.	7.49
110. Pfimex International Ltd.	<b>2.48</b>
111. Premier Aqua Farms Ltd.	5.3
112. Prism Foods Ltd.	3.75
113. Parth Indus Ltd.	3.05
114. Pashupati Cables Limited	11.95
115. Perfect Wavers Limited	4.68
116. Prime Capital Markets Ltd.	6
117. Protech Circuit Breakers Ltd.	2
118. Protech Switchgears Limited	2

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 1 2	3
119. Quality Pharmaceuticals Ltd.	1.93
120. Rajgarh Investments Ltd.	3.05
121. Rank Industries Ltd.	5.2
122. Ramymed Labs Ltd.	3.52
123. Ready Foods Ltd.	19.6
124. Rhino Tyres Ltd.	9.59
125. Rich Capital & Financial Services Ltd	. 5.74
126. Rizvi Exports Ltd.	3.65
127. Royce Marine Products Ltd.	7.61
128. Rahil Investment & Finance Limited	7.91
129. Rajadhiraj Industries Ltd.	2.5
130. Realtime Finlease Ltd.	3.75
131. Rusoday & Company Limited	0.94
132. S S K Fiscal Services Ltd.	2
133. Sai Gruha Finances and Engineering	Ltd. 4.05
134. Saimoh Auto Links Ltd.	2.6
135. Sangeo Services Ltd.	4.66
136. Seema Industries Ltd.	2.56
137. Selfridge Automobile Leasing and Inds. Ltd.	2.82
138. Shakthi Flowers & Tissues Ltd.	3.3
139. Shefali Papers Ltd.	2.57
140. Shyam Prints & Publishers Ltd.	2.25
141. Siddhartha Pharmachem Ltd.	12
142. Simplex Holding Ltd.	2.27
143. Southern Herbals Ltd.	5.11
144. Spil Finance Limited	5.7
145. SSP Polymers Industries Ltd.	- 3.24
146. Star Electronics Ltd.	2.47
147. Star Exim Ltd.	2.76
148. Sterling Kalks and Bricks Ltd.	4.44
149. Sukhchain Cements Ltd.	3.65

1	2	3
150.	Sunrise Oleo Chemicals Ltd.	6.26
151.	Suraj Stone Corporation Ltd.	6.75
152.	Swamima Oil Inds. Ltd.	2.8
153:	Saket Extrusions Ltd.	2.13
154.	Shivam Apperals Export Limited	4.45
155.	Shree Neelachal Laboratories Limited	3.15
1 <b>56</b> .	Shree Surgovind Tradelink Ltd.	3.75
157.	Shree Vaishnavi Dyeing & Printing Limited	3.24
158.	Shree Yaax Pharma & Cosmetics Ltd.	6.06
159.	Shreeji Dyechem Ltd.	1.94
160.	Shri Mahalaxmi Agricultural Developments Ltd.	5.09
161.	Shubham Granites Ltd.	. 12.29
62.	South Asian Mushrooms Ltd.	6.1
<b>63</b> .	Sperkle Foods Ltd.	5
164.	Super Domestic Machines Ltd.	5.55
165.	Sushil Packagings (India) Ltd.	4.52
166.	Swastik Nitro Aromatics Ltd.	2.1
167.	Tactful Investments Ltd.	3.29
1 <b>68</b> .	Topline Shoes Limited	7.8
169.	Tirth Plastics Ltd.	5.03
170.	Tuscon Exports Ltd.	19.85
171.	Unicom Pharmaceuticals (India) Ltd.	8.38
172.	Universal Vita Alimentare Ltd.	1.8
173.	Vatsa Infotech Ltd. (Formerly Dharison Enterprises Ltd./People Entertainment Networks Ltd., Dreamland Entertainment Networks Ltd.,	2.65
174.	Vatsa World Ltd. (Aka Ongoing & advertising Packaging Ltd./Little Kingdom World Ltd.	5.09
175.	Vermani Steel Strips Ltd.	4.25
<b>76</b> .	Vidiani Agrotech Ltd.	39. <del>9</del> 5
177.	Vini Metaspin Steels Ltd.	11.32
1 <b>78</b> .	Vision Technology India Ltd.	4.09

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1 2	3
179. Vipul Securities Ltd.	3
180. Welcome Coir Inds. Ltd.	6.66
181. Winfarm Agro Industries Ltd.	2.99
182. Walker India Limited	3.75
183 Western India Industries Ltd.	232.6
184. Zed Investment Ltd.	2.8
185. Zodiac Cements Ltd.	7.43
	1156.3

[English]

#### Functioning of SEZs

\*435. SHRI K.P. SINGH DEO: SHRI PARSURAM MAJHI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of proposals for setting up Special Economic Zones in respect of which approval has been given by the Union Government on the basis of proposals received from different State Governments/promoters, State-wise and location-wise;

(b) the date on which approval has been given to each proposal, State-wise;

(c) the reasons for non-functioning of Special Economic Zones particularly at Paradeep and Gopalpur in Orissa;

(d) the date by which these Special Economic Zones are likely to become functional; and

(e) the details of steps being taken to expedite the functioning of these Special Economic Zones at the earliest?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) and (b) Details of approval given for setting of Special Economic Zones on the basis of proposals received from different State Governments/ promoters, State-wise and location-wise are indicated below:

6. <b>No</b> .	Location	Name of the promoter	Date of Approval
	2	3	4
	Positra	Gujarat Positra Port	3.7.2000
	(Gujarat)	Infrastructure Ltd.	(In principle)
			15.2.2002-
			(Formal Approval)
	Indo <b>re</b> .	Madhya Pradesh State	2.1.2002
	(Madhya <sup>:</sup> Pradesh)	Industrial Development	(In principle)
		Corporation Ltd.	27.11.2002
			(Formal Approval)
	Navi-Mumbai	City and Industrial	5.5.2000
	(Maharashtra)	Development Corporation of	(in Principle)
	11 <sup>3</sup>	Maharashtra Ltd. (CIDCO)	15.2.2002
			(Formal Approval)
<b>1</b> .	Nangunery	Govt. of Tamil Nadu	28.9.2000
	(Tamil Nadu)		(In principle)
<b>5</b> .	Visakhapatnam	Govt. of Andhra Pradesh	26.9.2000
	(Andhra Pradesh)		(In principle)

	2	3	4
<b>6</b> .	Gopalpur ( <b>Orissa</b> )	Govt. of Oriesa	19.3.2001
			(In principle)
	Hassan (Kamataka)	Govt. of Karnataka	18.6.2001
			(In principle)
			8.8.2003
			(Formal approval)
	Kulpi (West Bengal)	Govt. of West Bengal	23.5.2000
		-	(In principle)
	Salt Lake	Government of West Bengal	7.11.2001
	(Kolkata)		(In principle)
	. ,		13.8.2003
			(Formal approval)
	Bhadohi	Govt. of Uttar Pradesh	19.9.2000
	(Uttar Pradesh)		(In principle)
	Kanpur	Govt. of Uttar Pradesh	2.1.2002
	(Uttar Pradesh)		(In principle)
	Greater Noida	Govt. of Uttar Pradesh	19.6.2001
	(Uttar Pradesh)		(in principle)
	Moradabad (Uttar Pradesh)	U.P State Industrial	27.11.2002
		Development Corporation Ltd.	(In principle)
			27.6.2003
			(Formal Approval)
	Paradeep (Orissa)	Govt. of Orissa	2000
			(In principle)
	Vallarpadam/	Cochin Port Trust	27.11.2002
	Puthuvypeen (Keraia)		(In principle)
•	Kakinada	Kakinada Seaports Ltd.	27.11.2002
	(Andhra Pradesh)		(in principle)
	Khopta	Gujarat Positra Port	27.11.2002
	(Maha Mumbai-	Infrastructure Ltd.	(In principle)
	Maharashtra)		8.8.2003
			(Formal Approval)
	Sitapur ( <b>Rajasthan</b> )	Rajasthan State Industrial	17.3.2003
		Development Corporation	(In-principle)
			21.5.2003
			(Formal approval)
	Jodhpur (Rajasthan)	Rajasthan State Industrial	22.5.2003
		Development Corporation	(In-principle)
			22.7.2003
			(Formal approval)

1 .	2	3	. 4
20.	Dahej (Gujarat)	Gujarat Infrastructure Development Corporation	8.8.2003 (In-principle)
21.	Baikampady (Karnataka)	Kanara Chamber of Commerce & industry	8.8.2003 (In-Principle)

(c) to (e) The greenfield SEZs are being set up largely in the private sector in association with the State Governments and are in the nature of large infrastructure projects with long gestation period. Of the 21 SEZs approved for establishment, SEZs at Indore (Madhya Pradesh), Salt Lake, Kolkata (West Bengal) and Jaipur (Rajasthan) are now ready for operation. As regards Gopalpur, Government of Orissa is the main promoter and facilitator of the SEZ through its nodal agency, Orissa Industrial Infrastructure Development Corporation (IDCO). M/s Tata Iron & Steel Company Limited (TISCO) have shown interest in the SEZ venture as a joint venture partner. Selection of strategic developer/marketing of SEZ is expected to start by the end of October, 2003 after the SPV is formed. As regards Paradeep, the State Government is considering the possibility of re-locating the SEZ at Duburi, which is about 125 km from Pradeep Port for which adequate acquired land is available.

Since the SEZs have been approved for establishment in the private/joint sector/by the State Governments, it is not possible to indicate a timeframe by which the approved Special Economic Zones are likely to become functional. However, periodic meetings are held by the Department of commerce with the State Governments/promoters of SEZs to expedite the projects. Some of the recent steps taken to promote SEZs include duty free import/domestic procurement of goods for development, operation and maintenance of SEZs and units therein, external commercial borrowing without any maturity restriction through recognized banking channels, facility to set up Off-shore Banking Units in SEZs, exemption from service tax to SEZ developer and units, exemption from Central Sales Tax on sales made from Domestic Tariff Area to income-tax holiday for 5 years, 50% tax exemption for 2 years and 50% re-investments out of profits earned for three years to SEZ units and exemption from minimum area requirement of 100 hectares for port/airport based SEZs.

## **Customs Duty on Edible Oil**

\*436. SHRI PAWAN KUMAR BANSAL: Will the Minister of FINANCE be pleased to state: (a) whether the Central organisation for Oil Industry and Trade and several other Associations in edible oil industry have requested the Government for *status quo* in custom duty on import of palm refined oil;

(b) if so, whether the customs duty structure on edible oils was examined by the Government and it was decided not to make any change in this regard;

(c) if so, the reasons for announcing reduction in such duty on RBD Palm oil and RBD Palmolein; and

(d) the effect thereof on the local industry and farmers growing edible oil seeds?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) and (c) The customs duty structure on edible oils was examined as part of this year's budget exercise and again at the consideration stage of the Finance Bill, 2003. In order to reduce the landed cost of refined palm oils and to stabilize the edible oil prices in the domestic market, the customs duty on RBD palm oil/palmolein was reduced from 92.4% (85% BCD+4% SAD) to 70% (70% basic+Nil SAD), with effect from 30th April 2003.

(d) Consequent to the reduction in customs duty, the prices of RBD palamolein in the domestic market have stabilized. Imports of refined palm oils have also not increased substantially. The trends till now do not indicate any adverse effect on the local industry and farmers growing oil seeds.

# Setting up of Special Purpose Vehicle

\*437. SHRIMATI PRABHA RAU: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have decided to set up a Special Purpose Vehicle (SPV) for raising the debt directly room the other countries instead of raising it through the State Bank of India;

(b) if so, the details thereof;

(c) the amount proposed to be raised to the sovereign bonds and the purpose for borrowing the money from abroad;

(d) whether the Government propose to prepay the residual pool currency loans from World Bank out of the money ' be raised from abroad; and

(e) the total amount of loan required to repay World Bank and other foreign financial institutions?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHR! JASWANT SINGH): (a) to (c) No, Sir.

(d) Taking advantage of the comfortable foreign exchange reserves and low domestic interest rates, the Government prematurely repaid high cost loan owed to the World Bank and Asian Development Bank totalling around US \$ 3 billion. The Government of India intends to continue with this policy.

(e) The details of loans outstanding on Government Account to the World Bank, Asian Development Bank, other Financial Institutions and bilateral assistance as on July 31st, 2003 are given in the following Table:

	Financial Institution	Debt Outstanding (in US \$ billion as on 31/07/03)
1.	World Bank	25.49
2.	ADB	1.71
3.	IFAD	0.26
4.	EEC	0.04
4.	OPEC	0.02
<b>5</b> .	Bilateral Assistance	14.05
	Fotal	41.57

#### **Closure of Textile Mills**

\*438. SHBi RATILAL KALIDAS VARMA: Will the Minister of TEXTILES be pleased to state:

(a) the number of textile mills closed during 2001-02 and 2002-03, State-wise;

(b) the reasons for closure of these mills;

(c) the number of labourers rendered jobless due to closure of these mills, mill-wise;

(d) whether the Union Government have any proposal to revive these closed mills;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI SYED SHAHNAWAZ HUSSAIN): (a) The state-wise number of cotton/man-made fiber textile (Non-SSI) mills closed in the country during 2001-02 and 2002-03 is given below:

SI.No.	State	2001-02	2002-03
1.	Andhra Pradesh	3	6
2.	Assam	1	1
3.	Gujarat	2	5
4.	Haryana	5	3
5.	Jammu & Kashmir	1	0
<b>6</b> .	Kamataka	2	1
7.	Kerala	1	· 2
<b>8</b> .	Madhya Pradesh	1	0
<b>9</b> .	Mabarashtra	1	0
10.	Orissa	3	1
11.	Punjab	3	6
12.	Rajasthan	4	1
13.	Tamil Nadu	11	10
14.	Uttar Pradesh	1	0
15.	West Bengal	2	3
16.	Uttaranchal	1	0
17.	Pondicherry	0	1
18.	Manipur	0	1
	Total	42	41

(b) and (c) The reason for closure and number of workers affected due to closure of above textile mills is given below:

8

S.No.	Reasons	2001-02		2002-03	
		No. of Mills	Workers affected	No. of Mil <del>ls</del>	Workers affected
1.	Financial Difficulties	21	10698	19	9649
2.	Labour Strike	3	1466	3	909
3.	Lockout	2	203	5	3177
4.	Others	16	7234	14	4015
	Total	42	19601	41	17750

(d) to (f) The Government seeks to foster a policy regime, which facilitates growth and development of industry. The Government has taken a number of steps for revival of sick industrial units which, inter-alia, include, guidelines of the Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provisions) Act, etc. The Reserve Bank of India has been issuing from time to time elaborate guidelines covering all areas of industrial rehabilitation viz. detection of industrial sickness at incipient stage, identification of sick/weak units, carrying out viability study of the units then extending relief and concessions to only viable units, co-ordination among banks and financial institutions and banks themselves, norms for promoter's contribution, extended period for repayment/rescheduling of loans, conversions and waiver of penal rate/compound interest, etc.;

Income tax benefits are granted to healthy units when they take over sick units under Section 72 of the Income Tax Act, 1961. The tax benefit is in the form of carry over of the accumulated losses and unabsorbed depreciation of the sick companies after amalgamation. BIFR provides a forum where the agencies concerned are brought together on a platform for analyzing, diagnosing and evolving a reasonable decision for revival or otherwise of the sick industrial unit.

#### **Committee on State Finances**

\*439. SHRI NARESH PUGLIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has set up a high-level Committee to review the growing financial burden on various States on account of pension funding;

(b) if so, the details thereof;

(c) whether the report of the Committee has since been received;

(d) if so, the salient features thereof and the reaction of the Government thereto; and

(e) if not, when the Committee is likely to submit its report?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (e) The Reserve Bank of India has set up a Group to study the pension liabilities of State Governments. The Group, under the Chairmanship of Shri B.K. Bhattacharya, former Chief Secretary to Government of Karnataka, consists of Finance Secretaries of eight State Governments, representatives from the Department of Pension & Pensioners' Welfare, Government of India, Life Insurance Corporation of India and a few experts, as members.

The Terms of Reference require the Group to study, inter alia, the existing pension scheme prevailing in the States to review the trends in the pension payments of the State Governments and their fiscal implication and to suggest appropriate mechanism regarding funding arrangements to be put in place for enabling the States to meet their growing future pension liabilities. The Group is expected to submit its report by the end of October, 2003.

## Export of Textiles

\*440. SHRI K.E. KRISHNAMURTHY: SHRI IQBAL AHMED SARADGI:

Will the Minister of TEXTILES be pleased to state:

(a) whether the export of textiles has drastically fallen;

(b) whether any review with regard to the textile export has been recently made by Government to assess the situation;

(c) if so, the outcome thereof; and

(d) the measures being taken by the Government to increase the exports?

THE MINISTER OF TEXTILES (SHRI SYED SHAHNAWAZ HUSSAIN): (a) As per available Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, textile exports during the year 2002-2003 amounted to US\$ 11842.2 million as compared to exports of US\$ 10764.7 million during the previous year 2001-2002, recording a growth of 10.0%.

(b) and (c) Government is monitoring the textile exports situation on a continuous basis. In this regard, the Union Minister for Textiles held a meeting with the representatives of Textile Export Promotion Councils, Jute Manufacturers Development Council (JDC) and Coir Board on 6th March 2003 to review the export performance in different textile sub-sectors *vis-a-vis* targets. In the meeting, the representatives of Textile Export Promotion Councils agreed to work towards achieving a target of US\$ 16,310 million for textiles and clothing products for the year 2003-04.

(d) Government have been taking a number of measures to increase textile exports. Some of the important initiatives are:

- (i) The Government has de-reserved the woven segment of readymade garment from the Small Scale Industries (SSI) sector. It has also raised the SSI investment limit for knitted segment to Rs. 5 crores.
- (ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.
- (iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures. This further encourages modernisation.
- (iv) With a view to encourage backward integration, the custom duty on shuttleless looms has been brought from 15% to 5%.

- (v) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/ programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.
- (vi) Facilities by way of eco-testing laboratories have been created to enable exporters to get the textile products pre-tested for conforming to the requirements of importing countries.
- (vii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.
- (viii) For upgrading infrastructure facilities at important textile centers, a scheme 'Textile Centre Infrastructure Development Scheme' (TCIDS) has been launched.

Excise Duty due from ITC and Hindustan Lever

3855. SHRI PRIYA RANJAN DASMUNSI: Will the Minister of FINANCE be pleased to state:

(a) the total excise duty due from ITC and Hindustan Lever since 1987, till date;

(b) the amount of the above companies have been questioned by the companies by seeking judicial relief in the Court of Law; and

(c) the progress of the litigations till-date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The information is being collected and will be laid on the Table of the House.

## Jobs on Compassionate Grounds

3856. SHRI RADHA MOHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) the detail of employees of Punjab National Bank who had expired while in service during the last three years till date;

(b) the details of dependents who have been provided with the suitable jobs on compassionate grounds;

(c) the details of dependants who have not yet been provided with jobs on compassionate grounds; and

(d) by when they are likely to be provided jobs on compassionate grounds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Punjab National Bank has reported that 834 of its employees expired while in service during the period 1999 to 2003 (till 13.8.2003). Out of the above, dependents of 377 employees have been given appointments on compassionate grounds. 425 cases have been found ineligible for appointment on compassionate grounds.

Decision on remaining 32 applications could not be taken for want of requisite information relating to assets, liabilities, income of the families etc. from the applicants.

# Import of Liquor

# 3857. SHRI RAM MOHAN GADDE: DR. M.V.V.S. MURTHI:

Will the Minister of FINANCE be pleased to state:

(a) whether the three star and other hotels can import foreign liquor duty free against 5 percent of their foreign exchange earnings as per the recent orders of the Government;

(b) if so, whether this facility in not available to one or two star hotels and other restaurants;

(c) if so, the reasons therefor; and

(d) the corrective steps taken by Government to provide this facility to one and two star hotels and restaurants?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Yes, Sir. The Government has formulated a scheme wherein service providers nave been allowed duty free credit entitlement for import of spares, office equipments and furniture, professional equipments and consumables. In the case of hotels (three star and above) related to tourism sector and registered with the Deptt. of Tourism, such duty free entitlement is 5% of the average foreign exchange earned by them provided foreign exchange earning of the service providers is over 10 lakhs for preceding three licensing years.

# [Translation]

## Simplifying Tax System

3858. SHRI PADAM SEN CHOUDHRY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have recently taken a number of decision to simplify and streamline to tax system with the objective to protect the tax-payees from harassment;

(b) if so, the details thereof;

(c) whether there is a proposal to appoint lokpal in order to improve the image of the revenue department and for expeditious disposal of complaints; and

(d) if so, the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Rationalisation and simplification of Tax Laws is an ongoing process. The attempt of the Government is always to make such changes in tax laws, which are consumer friendly and protect taxpayers from avoidable harassment. These include substantial reduction in interface of assessees with the officers by introduction of self-assessment by the assessees, extension of maximum retail price based assessment; establishment of Settlement Commission for resolution of disputes; introduction of Electronic data Interchange system in major Customs Stations; speedy disbursement of duty drawback on exports; introduction of simplified Income Tax returns forms, scheme of bulk filing of returns by employers on behalf of employees; enabling electronic filing of returns through intermediaries; providing free software for easy preparation of returns through 'Sampark' Scheme; better tax payer service provided by issue of refunds in time bound manner; abolition of requirement of clearance certificates; etc.

(c) So far as Direct Taxes are concerned, proposal to appoint Income-tax Ombudsman for more effective redressal of grievances of tax payers, is under consideration of the Government. However, no such proposal is under consideration of Government with regard to Indirect Taxes.

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(d) As the proposal is still under consideration, it may not be possible to indicate a precise timeframe with respect to Direct Taxes.

# [English]

## Foreign Investment

3859. SHRI N. JANARDHANA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government's attention have been drawn to the news-item captioned "India not fit for foreign investment" appearing in the 'Indian Express' dated 31.7.2003;

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

(c) the steps the Government have taken to eradicate the maladies pointed out in the report?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir. The news-item appeared in 'Indian Express' dated July 31, 2003 reported the findings of World Bank study prepared in association with Confederation of Indian Industry. The study observed that despite India being a cost effective location for several industries, transportation bottlenecks and infrastructure costs often wipe out India's advantage for foreign direct investment compared to many other emerging market economies.

(c) Government has taken several steps to promote domestic and foreign investment which amongst others include liberalization of policy in trade, industry, foreign direct investment infrastructure and financial sector, rationalization and reduction of both direct and indirect taxes, reduction of interest rates, tax holidays for investment in infrastructure and backward areas, combined with sound-macro economic policies so as to stimulate economic growth with stability in prices and exchange rates.

The budget 2003-04 proposed public private partnership for infrastructure development. The measures are expected to remove the infrastructure bottlenecks. As a result of these measures, the foreign direct inflows have by and large registered a consistent growth since 1991. FDI inflows have increased from US\$ 2.34 billion in 2000-01 to US \$ 3.9 billion in 2001-02.

## Missing of Files of Uphar Fire Tragedy

3860. SHRIMATI JAYABEN B. THAKKAR: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether several important documents relating to Uphar Cinema fire tragedy a high profile case, have been found missing from the court;

(b) if so, whether any inquiry has been made by the Government in this regard;

(c) if so, the details of the inquiry alongwith the punishment accorded to the accused; and

(d) the precautionary measures have been proposed by the Government to avoid such happenings in the future?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) to (d) Yes, Madam. During the course of trial, it was observed that some of the documents were partly torn and some not available at all in the court records. The trial court ordered for leading of secondary evidence in the form of photocopies of these records. As far as the prosecution evidence is concerned, there is no loss since secondary evidence has been allowed and being led.

No proposal is under the consideration of the Central Government to make an inquiry in this regard.

# Opening of Branches in Rural Areas by Private Banks

3861. SHRIMATI RAMA PILOT. Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has decided to adopt tough stand on banks reluctance to open branches in the rural and semi-rural areas as committed by them in their licensing agreements;

(b) if so, whether the Government have urged RBI to send a message to the banks to fall in line with the licensing conditions under which each of them are required to have atleast 25 per cent of their branches in the rural and semi-urban areas;

(c) if so, the details thereof;

(d) the total number of new private banks opened in the country during the last three years; and

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(e) how many of them have followed this directive?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (e) The new private sector banks are required to open 25% of their branches in Rural/Semi-urban centres as a part of licence condition. Public Sector Banks and Old Private Sector Banks, already have adequate number of branches in Rural/Semiurban centres.

Kotak Mahindra bank is the only new private sector bank that has been set up during the last three years. The bank has been advised to open 25% of branches in Rural/Semi-urban centers within 3 years i.e before March 2006 as a condition stipulated in its licence. At present it has no branch in Rural/Semi-urban centres. All other new private sector banks opened earlier also have 25% branches in Semi-urban/Rural areas.

[Translation]

# Functioning of Central Board of Excise and Customs

3862. DR. SUSHIL KUMAR INDORA: SHRI RAMJI LAL SUMAN:

Will the Minister of FINANCE be pleased to state:

(a) whether there is a need to bring about comprehensive reforms in the structure and functioning of Central Board of Excise and Customs;

(b) if so, whether any outline has been prepared in this regard;

(c) if so, the details thereof; and

(d) the time by which it is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) The Government has carried out the restructuring of the field formations under the Central Board of Excise and Customs bringing about comprehensive changes in their structure and functioning. The implementation of the restructuring plan is in progress.

[English]

## **Funds Collected from Abroad**

3863. SHRI PRIYA RANJAN DASMUNSI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that several Indian organizations collect funds from abroad for their activities in India;

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

(c) whether the Government have conducted any comprehensive enquiry of such fund collection, its utilisation and tax obligations; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Details/data of such funds are not collected or maintained by the Income Tax Department, either centrally or by the field officials.

(c) No such enquiry has been conducted by the Department.

(d) Not Applicable.

[Translation]

#### Scholarship to Students ·

3864. SHRI SUNDER LAL TIWARI: SHRI SATYAVRAT CHATURVEDI:

Will the Minister of FINANCE be pleased to state:

 (a) whether the Government have received any proposal to increase the amount of scholarship for talented students from the Ministry of Human Resource Development;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) A proposal for enhancement of scholarship under National Merit Scholarship Scheme during the 10th Five Year Plan is under consideration between Finance Ministry and Ministry of Human Resource Development. A final decision will be taken after some pending issues are resolved.

[English]

## **Employment on Compassionate Grounds**

3865. SHRI BHERULAL MEENA: Will the Minister of FINANCE be pleased to state:

(a) the details of employees of New India Assurance Company Ltd. and Oriental Insurance Company Ltd. who had died during 2002 and 2003;

(b) the details of the deceased whose dependents have not been provided with employment on compassionate grounds together with the reasons in each case; and

(c) the time by which they are likely to get employment in the respective company? THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Oriental Insurance Company Ltd. and New India Assurance Company Ltd. have discontinued appointment on compassionate grounds as per the decision of their Boards and have introduced scheme of cash compensation in lieu thereof with effect from 1st June, 2002 and 1st October, 2002 respectively. The details regarding death of employees during the year 2002 and 2003 as well as position regarding appointment on compassionate grounds are given in the enclosed statement.

#### Statement

## Oriental Insurance Company Ltd.

Death of Employees:		
1.1.2002 to 31.12.2002	-	66
1.1.2003 to 30.6.2003	-	22
Death Of employees from 1.1.2002 to 31.5.2002	•	30
Number of dependants applied for compassionate appointments	-	16
Number of employees given Compassionate appointment	•	11
Number of cases rejected on different Administrative grounds	-	5
Number of cases Pending		Nil
New India Assurance Company Ltd.		
Death of Employees:		
1.1.2002 to 31.12.2002	-	77
1.1.2003 to 31.7.2003	-	31
Number of dependants applied for compassionate appointments upto 1.10.2002	•	40
Number of employees given Compassionate appointment	-	30
Number of cases rejected (Spouse working)	-	2
Number of cases without adequate documentation	-	7
Number of cases where application has been withdrawn	-	1

#### [Translation]

#### Irregularities in Banks

3866. SHRI MANIBHAI RAMJIBHAI CHAUDHARI: SHRI ABDUL RASHID SHAHEEN; SHRI SHIVAJI MANE;

Will the Minister of FINANCE be pleased to state:

(a) the number of cases of frauds referred to the Central Bureau of Investigation by the banks during the last two years;

(b) the details of such cases and the banks to which these cases were related to;

(c) the number of bank officers dismissed from service in this regard alongwith the bank-wise details thereof; and

\* .

(d) the steps taken by the Government to check bank trauds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAD VITHOBA ADSUL): (a) and (b) Statement-1 snowing number of cases of trauds of rupees one crore and above and amount involved therein as reported by public sector banks to Reserve Bank of India and which were referred to Central Bureau of Investigation by banks during the years 2001 and 2002 is enclosed.

(c) Statement-II showing details of officials of public sector banks dismissed/discnarged/removed from service during the years 2001 and 2002 for their involvement in fraud cases is enclosed.

(d) RBI and Government have taken several measures to prevent frauds in banking industry. Banks have been advised from time to time about the common fraud prone areas, modus operandi employed by fraudsters and the measures required to be taken to prevent their recurrence. A comprehensive review of frauds

and malpractices in banks was undertaken by a committee headed by Shri A. Ghosh, the then Dy. Governor, RBI and the recommendations made by the Committee have been advised to the banks for implementation. Banks have been directed to institute a system of concurrent audit covering 50% of their business and ensuring that the work of the inspection and audit machinery is monitored at the top level by the Audit Committee of the Board of Directors. Based on the modus operandi observed in frauds reported by banks, RBI has issued instructions in regard to exercising caution while opening deposit accounts, implementation of the concept of 'Know Your Customer', proper custody and maintenance of security forms, keeping a close watch over the operations of newly opened accounts, exercising caution while opening LCs and issue of guarantees, intensive screening of candidates at the time of recruitment, initiating disciplinary action promptly, and awarding exemplary and deterrent punishment to the delinquent employees, etc. RBI has also advised all scheduled commercial banks to implement the recommendations relating to in-house preventive measures of Mitra Committee which was set up to deal with Legal Aspects of Bank Frauds.

#### Statement I

(Rs. in crore)

Name of the Bank	2001		2002	
	No. of cases	Amount	No. of cases	Amount
1	2	3	4	5
State Bank of India	04	62.79	04	6.56
State Bank of Bikaner & Jaipur	02	3.29	—	
State Bank of Hyderabad	02	2.85		
State Bank of Indore	-	-	01	4.05
State Bank of Saurashtra	02	13.44	_	
State Bank of Travancore	01	1.00	-	
Allahabad Bank	01	1.51	01	1.15
Andhra Bank	03	5.12	03	9.15
Bank of India	06	150.36	01	3.56
Bank of Maharashtra	02	16.57	C2	5.53
Canara Bank	02	6.30	10	45 82

1	2	3	4	5
Central Bank of India	02	4.28	02	4.76
Corporation Bank	02	12.79	01	6.07
Dena Bank	03	34.87	_	_
Indian Bank	-		02	12.31
Indian Overseas Bank	01	2.15	02	2.95
Oriental Bank of Commerce	04	34.70	03	43.54
Punjab National Bank	01	7.00	05	16.53
Punjab & Sind Bank	_	_	03	53.18
Syndicate Bank	-		01	1.14
Union Bank of India	02	12.49	08	34.74
UCO Bank	03	6.04		
Vijaya Bank	01	1.29		

(Data provisional)

# Statement II

Name of the Sank N	umber of employees <b>diamissed</b> /	discharged/remo
	2001	2002
1	2	3
State Bank of India	55	72
State Bank of Bikaner &	Jaipur 02	13
State Bank of Hyderabad	01	03
State Bank of Indore	04	03
State Bank of Mysore	07	07
State Bank of Patiala	08	06
State Bank of Saurashtra	03	01
State Bank of Travancore	06	03
Allahabad Bank	03	09
Andhra Bank	30	28
Bank of Baroda	12	13
Bank of India	46	31
Bank of Maharashtra	10	.98

1	2	3
Canara Bank	27	31
Central Bank of India	25	19
Corporation Bank	06	16
Dena Bank	09	07
Indian Benk	17	35
Indian Overseas Bank	01	11
Oriental Bank of Commerce	05	07
Punjab National Bank	24	36
Punjab & Sind Bank	09	06
Syndicate Bank	29	21
Union Bank of India	09	07
United Bank of India	18	15
UCO Bank	09	05
Vijaya Benk	05	11

(Data provisional)

# [English]

#### Funds Collected by Morepen Laboratories Limited

# 3867. SHRI PABAN SINGH GHATOWAR: SHRI GAJENDRA SINGH RAJUKHEDI:

Will the Minister of FINANCE be pleased to state:

(a) whether the regulatory authorities have taken note of default in repaying deposits to its investors on due dates by Morepen Laboratories Limited, a medicine manufacturing firm;

(b) if so, the number of investors who have not been repaid their deposits on due dates during 2003 till date alongwith the amount involved;

(c) the steps taken by the Government to ensure that the money of the investors are refunded timely; and

(d) the action taken against the Chairman and Managing Director and the nominees of the Government of India namely from LIC and IDBI ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) The information is being collected and will be laid on the table of the House.

## **Misuse of Public Money**

3868. SHRI G. PUTTA SWAMY GOWDA: SHRI SHIBU SOREN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have conducted any inquiry into the affairs of Vatsa Corporation, Mumbal and its subsidiaries for fraudulently disappearing with public money;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether two of Vatsa Corporation's subsidiaries namely Vatsa Music and Vatsa Education were listed in Bombay Stock Exchange; and

(e) if so, the action initiated by the Government when the company's net worth was shown to have risen amazingly from Rs. 21 crore to more than Rs. 7000 crore within a short span of one year? THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (e) The information is being collected and will be laid on the table of the House.

## **Tax Collection by Tax Payers**

3869. SHRI MOHAN RAWALE: Will the Minister of FINANCE be pleased to state:

(a) the targets set for collection of direct and indirect taxes during April-June, 2003;

(b) whether these targets have been achieved;

(c) if so, whether the fiscal deficit has gone up due to lower tax collections;

(d) if so, the details thereof; and

(e) the steps taken to correct the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Targets set for collection of Direct Taxes and achievements during April-June 2003 are as follows:

(In crores)

	Targets	Achievements	
Income Tax	Rs. 7342	Rs. 5912.87	
Corporation Tax	Rs. 7725	Rs. 3159.39	

However, no month-wise targets are set for collection of Indirect Taxes. The Budget estimates are the only targets fixed for the whole of the financial year.

(c) and (d) Fiscal deficit has increased due to increase in plan and non-plan expenditure outpacing the increase in revenue receipts and non-debt capital receipts.

(e) The Government has been following a strategy of fiscal rectitude, which aims at higher tax revenue, improved non tax receipts and moderation in the growth of non-plan expenditure, so as to reduce the deficit.

#### **FDI** inflow

3870. SHRI Y.V. RAO: Will the Minister of FINANCE pleased to state:

(a) whether FDI inflow has doubled during the last year due to a new method of calculation; and

(b) if so, the details thereof with the method adopted for purpose?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Data on the Foreign Direct Investment into India are being revised according to the best international practices which include equity capital, reinvested earnings and other capital. The revised data (provisional) compiled for fiscal 2000-01 and 2001-02 have gone upto US\$ 4029 million and US\$ 6131 million respectively from the currently published corresponding data of US \$ 2342 million and US\$ 3905 million.

#### **Export of LPG Cylinders**

3871. SHRI SAIDUZZAMA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

Quantity (Unit): in KG

(a) whether India has recently exported a large quantity of empty LPG Gas Cylinders to Iraq;

(b) if so, the details thereof;

(c) whether the Government are considering to export empty gas cylinders as well as filled LPG/CNG cylinders; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) The quantity and value of LPG Cylinders (covered under ITC (HS) Code No. 73110001) exported to Iraq during the periods April-February, 2001-02 and April-February, 2002-03 are as under:

Value: in Rs. Crores

1

2001-2002		2002-2003 (Apri	02-February'03)
Quantity	Value	Quantity	Value
206483	2.38	263175	1.36

(Source: DGCI&S, Kolkata)

#### **Fiscal Deficit of States**

3872. SHRI HOLKHOMANG HAOKIP: Will the Minister of FINANCE be pleased to state:

(a) the fiscal deficit of all the States for the year 2001-2002;

(b) whether the States are allowed to borrow from foreign agencies and from outside the country;

(c) if so, the details thereof; and

(d) the fiscal position/situation of the State of Manipur with reference to deficit debt and RBI borrowing?

(c) and (d) LPG/CNG Cylinders filled or empty, covered under ITC (HS) Code No. 73110001, are freely exportable under the current Export Import Policy and as such no application for license for exporting LPG/CNG filled or empty to any country is pending.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Gross Fiscal Deficit of all the States, including the National Capital Territory of Delhi, stood at 4.20% of GDP, during the year 2001-02 (RE/ Acts.).

(b) and (c) Under the Constitution of India, States are not allowed to borrow from outside the country, directly. However, Government of India borrows from external agencies like the World Bank, ADB, etc. on behalf of States, and such amounts are passed on to States in the form of Central Assistance.

(d) The financial position of the State of Manipur for the year 2001-02 (Actuals), is given below:

Financial Indicator	As% of State's GSDP (%)
Revenue Deficit	-4.87
Gross Fiscal Deficit	-10.27
Outstanding Debt at the end of the year (including Ways & Means Advances from RBI)	66.54 <b>*</b>

Pertain to RE figures.

Besides, Manipur is one among the 22 States whose Medium Term Fiscal Reforms Programme (MTFRP) has been finalised. Government of Manipur has signed a Memorandum of Understanding with Government of India (Ministry of Finance) under the 'State's Fiscal Reforms Facility (2000-01 to 2004-05)', for fiscal consolidation. Incentive grants, amounting to Rs. 109.70 crores, has been released to the Government of Manipur, so far, under this facility.

## Kannur Textile Centre

3873. SHRI T. GOVINDAN: PROF. A.K. PREMAJAM:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government of Kerala has submitted a project for the Infrastructure Development of Kannur Textile Centre;

(b) if so, the project details and the estimated cost of the project; and

(c) the time by which the project is likely to get approval of the Union Government?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) Yes, Sir. A project proposal was received from the State Government of Kerala for infrastructure development of handlooms at Kannur with a project cost of Rs. 26.67 crores (including cost of land) under 'Textile Centre Infrastructure Development Scheme' (TCIDS).

(b) The total cost with break-up of all components of the project are as follows:

5. <b>No</b> .	Activity	Estimated Cost (Rs. In lakhs)
	2	3
1.	Land and Site Development	160.00
2.	Drinking Water Supply	150.00
3.	Internal Roads	200.00
4.	Electrical Sub Station and fittings	28.00
5.	Drainage & Sanitation arrangements	100.00
<b>6</b> .	Common facility services including water treatment plant and effluent treatment plant (excluding land)	370.00
7.	Infrastructure for Dye house (excluding land)	516.40
8.	Common facilities for Post Loom process (excluding land)	513. <del>64</del>
<b>9</b> .	Training Centre	261.75
10.	Equipments for Testing, colour matching, laboratory	- 12.00
11.	Effluent Treatment Plant for product development centre	3.00
12.	Expenses at the Printing, Design, Garment Development and Raw Material Departments	87.21

1	2	3
13.	Welfare measures including, Creche, health package (with hospital construction), protective measures, etc.	250.00
14.	Delivery vehicles	15.00
	Total Project Cost	2667.00

(c) Textile Commissioner has asked for some clarifications/informations from the State Government on their project proposal, which are awaited.

#### [Translation]

## Norms for New Finance Company

3874. SHRI SUNDER LAL TIWARI: Will the Minister of FINANCE be pleased to state:

(a) the rules for floating/running a finance company;

(b) the action the Government take against the finance company run against the rule;

(c) the action taken against such companies by the Government during the last three years alongwith the number of such companies;

(d) whether the government propose to make it mandatory to obtain the permission of the Reserve Bank of India before opening a Finance company; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a), (d) and (e) Reserve Bank of India (RBI) have reported that no Non-Banking Financial Company (NBFC) can commence the business of Non-Banking Financial Institution (NBFI) without obtaining a Certificate of Registration under Reserve Bank of India Act, 1934. Besides, the minimum Net Owned Fund (NOF) of Rs. 25 lakh is required to be achieved for commencing the business of NBFC by the companies which were existing as on January 9, 1997, the applicant companies have to fulfil the eligibility criteria specified in the RBI Act for grant of Certificate of Registration by RBI. NBFCs which did not have the minimum NOF were given six years time to attain NOF of Rs. 25 lakh by January 9, 2003. The minimum Net Owned Fund for a new company is Rs. 2 crore from April 21, 1999.

(b) RBI have further reported that in terms of RBI Act, 1934, if any person conducts business of a Non-Banking Financial Company without obtaining a certificate of registration, he is punishable with an imprisonment for a term which shall not be less than one year but which may extend to five years and with fine which shall be not less than one lakh rupees but which may extend to five lakh rupees.

(c) The Reserve Bank has already initiated adverse action against errant NBFCs for various defaults and contraventions of the provisions of RBI Act. Reserve Bank has issued orders prohibiting NBFCs whose applications for certificate of registration have been rejected from accepting further deposits and from alienation of assets except for repayment of the deposits.

RBI has not granted extension of time to any company not having the requisite Net Owned Fund to function beyond 9.1.2003 and thus by operation of law, all such companies are precluded from functioning as NBFCs beyond that date. Since the ban was by operation of law, no separate list of such companies is maintained by RBI has rejected applications for Certificate of registration made by 23,357 companies mainly on the ground of non-fulfillment of Net Owned Fund norm.

# [English]

#### Account Payee Cheques for Maturity Amounts

3875. SHRI KODIKUNNIL SURESH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the present practice of issuing account payee cheques for maturity amounts above Rs. 20,000 under National Savings Scheme causes much inconvenience to the people in villages, who do not maintain accounts in banks to encash the cheque; and

(b) if so, the corrective steps proposed to mitigate the genuine grievance of the villagers?

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AUGUST 22, 2003

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Certain references have been received pointing out procedural delays and consequent inconvenience involved in obtaining maturity amounts above Rs. 20,000 under National Savings Scheme by account payee cheques.

(b) The requirement of repayment of all deposits exceeding Rs. 20,000 by account payee cheques is specified in section 269-T of the Income-tax Act, 1961, with a view to check tax evasion. It has not been found feasible to relax the said requirement.

## Licence to MNCs for Manufacture of Cigarettes

3876. SHRI SADASHIVRAO DADOBA MANDLIK: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have given approval/ licence to some multinational companies including M/s J.T. International Ltd. for the manufacture of cigarettes either as a joint venture company or as a subsidiary company; and

(b) if so, the details of the joint/subsidiary company, their capacity and shareholding of Indian/foreign partners?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The information is being collected and will be laid on the table of the House.

# Representations on Panels/Committees of Chemexcil

3877. SHRI RAGHURAJ SINGH SHAKYA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether representation of various panels/committee of chemexcil from North Zone are negligible and this had led to negative growth of drug industry in this region;

(b) whether the Chairman of the Northern Region in Chemexcil has been appointed from the Western Region; and

(c) if so, the justification as to how the Government has ensured the interests of Northern Region will be protected and regular meetings of exporters in the region will take place to solve their problems?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING. MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) In the Committee of Administration of Chemexcil which was constituted with nineteen members on 29th November, 2002, there is no member from Northern Region. In the absence of availability of data on regional basis, it cannot be said that there is a negative growth of drug industry in this region. However, India's exports of drugs and pharmaceuticals amounted to Rs. 11925 crores in 2002-2003 registering a growth rate of 19.9% over the previous year.

(b) Shri Anand Ladsariya, Director of M/s. Everest Flavours Ltd., Mumbai, who is also Chairman of Cosmetics & Toiletries Panel of Chemexcil, has been appointed as Chairman of Northern Region in the Council. He is a major exporter of Menthol, which is manufactured & exported from Rampur, Uttar Pradesh: Election to the post is held on an All India basis in the council.

(c) Chemexcil has its Regional Office in Delhi, which is headed by a Regional Director, who is attending to the day-to-day requirements of member-exporters of the Northern Region. Also, various Open Houses/Educational Seminars are regularly conducted by Chemexcil's Regional Office at New Delhi. The interest of the Northern Region are, therefore, well taken care of.

## **Committee on Meat Exports**

3878. DR. RAGHUVANSH PRASAD SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Planning Commission has recommended to conduct a study on the economics of meat export to critically examine the benefits of meat exports in National interest and answer the frequent criticism demanding ban on meat exports;

(b) if so, whether any Committee has been set up as demanded by Animal Rights International;

(c) if not, the reasons therefor; and

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(d) the time by which such a Committee is likely to be set up?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) No, Sir.

(b) to (d) Do not arise.

#### Storage Licences for Kerosene

3879. DR. CHARAN DAS MAHANT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the storage licence issued for storing the kerosene "B" class petroleum by the oil companies/firms can be allowed to storing the high speed diesel i.e, "B" class petroleum (the same category of petroleum) after charging the required licence fees;

(b) whether this said permission had ever been granted to any oil companies/firm in past;

(c) whether the storage licence for storing "A" & "B" class petroleum can be transferred in other names of other parties/firms/companies; and

(d) if so, the procedure and the name of competent authority for the above?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): (a) Yes. Sir.

(b) Yes, Sir.

(c) and (d) As per rule 156 of the Petroleum Rules, 2002 storage licence for storing "A" & "B" Class Petroleum can be transferred to another person by applying to the licensing authority with the following documents:

- A letter signed by the holder of the licence indicating the full name and address of the person to whom he wishes to transfer the licence and given complete possession of the licensed premises;
- The licence sought to be transferred together with the approved plan or plans attached to it;
- An application in form-IX duly filled in and signed by the person to whom the licence is sought to be transferred;

 A fee of Rupees five hundred paid by crossed Bank draft drawn on any nationalized bank in favour of the Chief Controller of Explosives, Nagpur, payable at Nagpur.

The licensing authority on receipt of the documents and fee, as mentioned above, shall, if he approves the transfer, enter upon the licence, under his signature, an endorsement to the effect that the licence has been transferred to the person named.

#### **Revitalisation of Co-operative Credit Structure**

3880. SHRI RAMJEE MANJHI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government had announced in the Union Budget 2002-2003 for revitalization of co-operative credit structure in the country;

(b) if so, the details thereof;

(c) whether the scheme has not yet been formulated and finalized by the Government; and

(d) if so, the reasons therefor and the steps taken to finalize the scheme urgently?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) As announced in the Budget for the year 2002-03, a draft scheme for revitalization of Cooperative Credit Structure has already been prepared. The modalities of financing the revitalization programme is being finalized in consultation with Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) with a view to commence the programme very soon.

# Life Saving Drugs

3881. SHRI T.T.V. DHINAKARAN: Will the Minister of FINANCE be pleased to state:

(a) the number of life saving drugs exempted from customs and excise duty;

(b) the basis on which a drug is assessed as "life saving";

(c) whether any monitoring is done to see that the benefit of tax-exemption reaches the people; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Vide serial No. 83 of notification

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No. 21/2002-Customs dated 1.3.2002, 126 life saving drugs/medicines including their salts and esters and diagnostic test kits, are unconditionally exempt from customs duty. Further, bulk drugs, which are used in the manufacture of these life saving drugs or medicines, are also exempt from customs duty, subject to the specified conditions.

Drugs or medicines, for personal use, and certified to be life saving drugs or medicines by specified authority, are also exempt from customs duty subject to certain conditions.

Vide serial No. 252 of Notification No. 6/2002-Central Excise dated 1.3.2002, these 126 drugs or medicines, and bulk drugs used in their manufacture are also exempt from central excise duty.

(b) Life saving drugs/medicines have not been defined either in the Customs Law or Central Excise Law. Generally it is on the recommendation of Ministry of Health and Family Welfare, that a particular drug/medicine is considered as 'Life Saving' for the purposes of duty exemption.

(c) and (d) The prices charged to the consumers are determined by market forces of demand and supply, and depend on various factors like cost of inputs, R&D costs, product quality, sales promotion cost, trade commission, freight charges and taxes etc. There is no specific provision in the customs and excise laws for ensuring that reduction in duty is passed on to the consumer.

# **Export Promotion Office in Singapore**

3882. SHRIMATI JAYABEN B. THAKKAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government are planning to open a special office in Singapore to facilitate export promotion from the North East Region; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) No, Sir, (b) The question does not arise.

# VRS in SBI

3883. SHRI MAHBOOB ZAHEDI: Will the Minister of FINANCE be pleased to state:

(a) whether after introducing the Voluntary Retirement Scheme in 2001, State Bank of India for the Second time plans to trim down its staff further through "Exit Option" scheme; and

(b) if so, the main features of the scheme and the time by which it is likely to be launched?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) State Bank of India has reported that they propose to launch "Exit Option Scheme" in due course after the same is finalised in consultation with Staff and Officers' Federation.

The salient features of the proposed "Exit Option Scheme" are as under:

- (i) Age: above 50, but below 58 years of age on the date of application.
- (ii) Not promoted within 4 chances of promotion and also superceded by his juniors.
- (iii) In the case of Sub staff: Either not promoted in 4 attempts or ineligible for promotion and superceded by juniors.
- (iv) Watch and ward staff; employees on contract: employees who have executed bonds and have not completed the term of bond; and employees against whom disciplinary proceedings are pending/contemplated would not be eligible under the proposed Scheme.
- (v) Ex gratia: Salary last drawn for 50% of service remaining up to the age of 60 years (completed months) subject to a maximum of 36 months. All loans including housing loan to be liquidated. Management would have the right to reject the applications.

# Disbursement of Loan by IDBI and Exim Bank

3884. SHRI VARKALA RADHAKRISHNAN: Will the Minister of FINANCE be pleased to state: (a) the total loan amount disbursed by Exim Bank and IDBI during each of the last three years, State-wise;

(b) the financial performance of Exim Bank and IDBI during the last three years; and

(c) the details of the Non-performing Asset of these institutions till date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The total amount of loan disbursed by Industrial Development Bank of India (IDBI) and export Import Bank of India (EXIM Bank) during the Financial years 2000-2001, 2001-2002 and 2002-2003 (State-wise) are as enclosed statements I & II respectively.

(b) The financial performances of IDBI and EXIM Bank during the last three years are as under:

(Rs. in crores)

	2000-01		20	2001-02		2002-03	
	IDBI	EXIM Bank	IDBI	EXIM Bank	IDBI	EXIM Bank	
Sanctions	23178	2174.3	13505	4240.7	2889	7828.3	
Disbursements	17474	1896.4	11151	3452.9	3924	<b>53</b> 20.3	
Protit after Tax	691	154.1	424	171.2	401	206.6	
Net NPAs	8370.6	407	6500.2	448	7329.9	184	

(c) Details of Gross/Net NPAs of IDBI and EXIM Bank for the last three years are as follows:

(Rs. in crores)

	2	2000-01		2001-02		2002-03	
	IDBI	EXIM Bank	IDBI	EXIM Bank	IDBI	EXIM Bank	
Gross NPAs	13230	1071	14449	986	16007	784	
Net NPAs	8370.6	407	6500.2	448	7329.9	184	
Net NPAs (%) to N	let Assets 14.8	8.17	11.7	7.13	14.2	2.25	

## Statement I

### State-wise assistance disbursed by IDBI during the last three years

(Rs. crore)

Sr.No.	State		Financial Years	
		2000-01	2001-02	2002-03
1	2	3	4	5
1.	Andhra Pradesh	1475.6	701.0	184.4
2.	Arunachal Pradesh	0.0	0.0	0.0
3.	Assam	32.7	33.7	0.0
4.	Bihar	28.2	6.2	12.6

	2	3	4	5
5.	Chhattisgarh	25.5	10.5	10.5
6.	Delhi	2688.0	1162.1	953.8
7.	Goa	64.5	21.2	0.4
<b>8</b> .	Gujarat	817.3	902.1	111.9
9.	Haryana	612.3	240.2	98.5
0.	Himachal Pradesh	73.8	86.9	0.4
1.	Jammu & Kashmir	58.6	0.0	0.0
2.	Jharkhand	34.0	6.2	6.5
3.	Karnataka	1549.2	552.2	139.9
4.	Kerala	172.6	104.9	42.3
5.	Madhya Pradesh	357.3	312.5	74.7
6.	Maharashtra	4216.2	<b>427</b> 7.1	1433.5
17.	Manipur	0.0	0.0	0.0
18.	Meghalaya	0.0	9.7	. 2.1
19.	Mizoram	0.6	0.0	0.0
20.	Nagaland	0	0.0	0.0
21.	Orissa	204.6	49.1	6.7
2 <b>2</b> .	Punjab	800.8	608.3	62.1
23.	Rajasthan	635.9	295.4	80.5
2 <b>4</b> .	Sikkim	0.0	0.0	0.0
25.	Tamil Nadu	1203.6	556.5	341.8
<b>26</b> .	Tripura	0.0	0.0	0.0
<b>27</b> .	Uttar Pradesh	613.9	211.3	77.5
<b>28</b> .	Uttaranchal	49.1	32.3	0.0
29.	West Bengal	859.8	371.2	89.2
30.	Union Territories:	128.3	55.7	24.3
	(i) Andaman & Nicobar Islands	0.0	0.0	0.0
	(ii) Chandigarh	58.8	5.2	1.9
	(iii) Dadra & Nagar Haveli	30.9	30.8	22.4
	(iv) Daman & Diu	30.2	9.0	0.0
	(v) Lakshadweep	0.0	0.0	0.0
	(vi) Pondicherry	8.4	10.8	0.0
	Total	16702.3	10606.1	3753.3

#### Statement II

## Export Import Bank of India

## State-wise amounts disbursed during the last three years

(Rs.	Crores)
1	

			(1.5. 0.0
State	2000-01	2001-02	2002-03
Andhra Pradesh	124	97	338
Chandigarh	-	4	
Gujarat	227	343	328
Jammu & Kashmir	-	_	1
Goa	-	4	-
Karnataka	67	49	102
Kerala	4	32	18
Maharashtra	834	1,577	2,444
Manipur	-		1
Madhya Pradesh	31	62	31
New Delhi	216	666	860
Punjab	_		106
Rajasthan	21	17	10
Tamil Nadu	197	240	318
Uttar Pradesh	7	47	124
West Bengal	155	299	499
Total .	1,884	3,438	5,179

Note: The above table excludes disbursements made to overseas entities under the Lines of Credit, Buyers' Credit and Direct Equity Lending Programmes of the Bank.

#### Laws for Appointment of Office Bearers in EPC

3885. SHRI BHASKARRAO PATIL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of various bye-laws that have been approved by the Government for Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council for appointment of office bearers;

(b) whether some office bearers of this Council are facing trials for illegal imports and exports worth crores

of rupees in violations under DRI Act and articles of byelaws of the Council;

(c) if so, the details thereof; and

(d) the steps taken to remove such office bearers of doubtful integrity?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF

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COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) Model Articles/bye-laws circulated by the Department of Commerce, have been adopted by basic Chemicals Pharmaceuticals and cosmetics Export Promotion Council (CHEMEXCIL). The Articles/bye-laws on appointment of office bearers are as under:

Para 4.2: "A candidate for election to any position in the council must satisfy the following conditions, namely:

- (a) He, or the entity represented by him, must have, to his or its credit, during the one financial year immediately preceding, exports of the products of not less than the amount of Rs. 25 Lakhs for Small Scale Industries and Rs. 1 Crore for others.
- (b) Whether a person is standing for election as Chairman or Vice-Chairman or Regional Chairman etc, he, or entity represented by him, must have, to his or its credit, during the one financial year immediately preceding, exports of the product, of not less than Rupees 2 crores.

Para 27.1: "The Chairman shall hold office for a period of two years and:

- (a) Shall retire accordingly; and
- (b) Shall not be eligible for re-election (at the immediately) at the next election.

Para 27.2:

- (a) "There shall be one Vice-Chairman who shall be elected by the Committee for a term of two years.
- (b) On completion of his term of two years, Vicechairman shall be endorsed by the Committee to succeed the Chairman unless he is unwilling to accept Chairmanship or he has incurred any of the disqualifications enumerated in Article 8.1 regard to membership of the Council.
- (b) No, Sir.
- (c) and (d) Does not arise.

## Credit for Industry

3886. SHRI RAMESH CHENNITHALA: Will the Minister of FINANCE be pleased to state:

(a) whether Associated Chambers of Commerce and Industry of India has mooted a proposal to Reserve Bank of India for a restructured credit delivery system for removing structural bottlenecks faced by the industry; and

- (b) if so, the details of the proposal;
- (c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The information is being collected and will be laid on the Table of the House to the extent available.

[Translation]

## Foodgrains to BPL Families

3887. SHRI LAXMAN GILUWA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the number of persons living below the poverty line in Jharkhand as on date;

(b) the quantity of foodgrains provided by the Union Government to Jharkhand on subsidised rates during each of the last three years;

(c) whether the quantity of foodgrains allotted to Jharkhand is less than the requirement; and

(d) if so, the measures taken by the Union Government to make the foodgrains available as per the requirements of the State?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) The Estimated number of families living below the poverty line in Jharkhand is 23.94 lakh.

(b) to (d) The quantity of foodgrains allotted to Government of Jharkhand from the Central Pool under Targetted Public Distribution System (TPDS) at subsidized rates during the last three years is as under:

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			(in lal	ch tonnes)
Year	BPL	APL	AAY	Total
2000-01	1.845	0.211	0.000	2.056
2001-02	5. <b>675</b>	0.633	0.916	7.224
<b>200</b> 2-03	8.147	2.163	1.539	11.849

The allocation of foodgrains under TPDS for all the categories to all the States including Jharkhand is made @35 kg per family per month.

## Seizure at IGI Airport

3888. SHRI DALPAT SINGH PARSTE: Will the Minister of FINANCE be pleased to state:

(a) the details of various items seized at the Indira Gandhi International Airport during each of the last three years; and

(b) the steps taken by the Government to detect the smuggled goods through latest technology?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The details of the various items seized at the Indira Gandhi International Airport during each of the last three years is as under:

Year	No. of cases booked		Value of various items seized (Rs. in Crore)	
2000-2001	1289	•	17.37	
2001-2002	1335		17.93	
2002-2003	641		16.17	

(b) The Government is keeping strict vigil on the suspects and surveillance in respect of sensitive flights. Also the intelligence on the basis of advance passenger information system is being worked out including the profiling of passengers. Checked-in as well as hand baggage of passengers coming from sensitive destinations are X-rayed.

[English]

#### **Transfer of Unclaimed Dividends**

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3889. SHRI PRAKASH V. PATIL:
SHRI PRAVIN RASHTRAPAL:
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Will the Minister of FINANCE be pleased to state:

(a) whether some of the big companies have not transferred the unclaimed dividends and interests to the education/defence funds in contravention of provisions of the companies Act, 1956;

(b) if so, the names of such companies with amount due from each; and

(c) the details of action taken on contemplated against these companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) There is no provision under the Companies Act requiring the companies to transfer the unclaimed dividend and interest to the education/defence fund.

(b) and (c) Does not arise.

#### Baba Saheb Ambedkar Hastshiip Vikas Yojana

3890. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have undertaken any study of handicrafts clusters in the country;

(b) if so, the details thereof;

(c) the extent to which the Baba Saheb Ambedkar Hastshilp Vikas Yojana has been helpful to the artisans;

(d) the number of artisans benefited under this scheme during the last three years, year-wise and Statewise; and

(e) the steps taken or being taken by the Government to make the procedure simplified to get financial assistance by the artisans from the financial institutions?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) and (b) Yes, Sir. The following studies have been undertaken of handicrafts clusters in the country.

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- (i) Diagnostic studies of 5 craft cluster in Sikkim, Leh, Jodhpur, Puri and Baster were undertaken by M/s ICA Domus Trust, New Delhi during 2000-2001.
- (ii) An assessment evaluation and values chain analysis of six cluster namely Delhi, Villupuram (Andhra Pradesh) Chittoor (Andhra Pradesh) Saharanpur (Uttar Pradesh) Lucknow (Uttar Pradesh) and Barmer (Rajasthan) was assigned to M/s H.S.M. Managenal Concepts Pvt. Ltd. New Delhi during 2002-03.
- (iii) A study on evaluation of Baba Saheb Ambedkar Hastshilp Vikas Yojana (AHVY) was entrusted to M/s National Productivity Council, New Delhi during 2002-03.
- (iv) M/s Micro Credit Rating International Ltd., Gurgaon was also entrusted a study for micro finance strategy of AHVY during 2003-2004.

(c) The AHVY scheme was launched during 2000-2001 with the aim to develop selected clusters in the country for sustainable development. Nearly 278 artisans cluster have been identified for the purpose, which shall be developed in a sustained manner during a period of 3 to 5 years. None of the projects has been completed yet, however, the artisans are getting benefited through this scheme both in terms of backward and forward linkages.

(d) The number of artisans benefited under AHVY during the last three years, year-wise and State-wise is as per Statement attached.

(e) Government has formulated Artisans Credit Card Scheme to provide timely and hassle free credit facilities to artisans in the country. This scheme has been approved by Reserve Bank of India and Indian Bank Association (IBA) has circulated the same to its members banks for adoption and implementation.

#### Statement

State-wise Number of Artisans Benefited under Ambedkar Hastshilp Vikas Yojana (AHVY) during 2001-02, 2002-03 & 2003-04

SI.No	. State	No.	of Artisans	benefited
		2001-02	2002-03	2003-04
1	2	3	4	5
1.	Uttar Pradesh	5305	5705	5705
<b>2</b> .	Uttaranchal	2092	3542	3542

1		3	4	5
3.	Chhattisgarh	1869	-	1869
4.	Jharkhand	250	1300	1300
5.	Gujarat	3016	144	-
6.	Madhya Pradesh	4737	1149	450
<b>7</b> .	Maharashtra	813	-	1000
8.	Goa	-	-	-
9.	Delhi	390	500	-
10.	Himachal Pradesh	2605	-	-
11.	Haryana	1960	500	-
12.	Punjab	950	200	-
13.	Rajasthan	5500	250	-
14.	Jammu & Kashmir	12 <b>4</b> 0	100	-
15.	Andhra Pradesh	2725	. 120	-
<b>16</b> .	Tamil Nadu	5730	300	-
17.	Kerala.	10015	-	40
18.	Kamataka	2750	2928	225
19.	Pondicherry	600	-	-
20.	Andaman & Nicobar Islands		_	
01		2250	-	-
21.	Orissa Bihar	3350	1082	-
22.		-	-	-
23.	West Bengal	12363	120	-
24.	Tripura	1844	209	350
25.	Assam	3804	-	150
<b>26</b> .		<u>م</u> 285	100	-
27.	•	670	-	
28.	Manipur	260	-	-
<b>29</b> .	Mizoram	210	-	-
30.	Meghalaya	200	-	-
31.	<b>Sildam</b>	-	550	-
	Total:	75533	18799	14631

#### Tax Benefit for Housing Industry

3891. SHRI KIRIT SOMAIYA: Will the Minister of FINANCE be pleased to state:

(a) whether the CBDT has issued some instructions, circular extending tax benefits to the housing industry of Mumbai against TDR;

(b) if so, the details thereof;

(c) whether the Government have received some suggestions from MPs and other in this regards; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir. No specific tex benefits meant only for the housing industry of Mumbai have been expended by the C.B.D.T.

However, certain queries raised by Maharashtra Chamber of Housing Industry regarding interpretation of existing provisions of Sub-section (10) of Section 80-IB, have been replied to vide letter dt. 4.5.2001.

(b) Does not arise.

(c) Yes, Sir.

(d) Representations from the Members of Parliament and various public fora for amending the tax policy are examined at the time of the budget exercise and the decision of the Government is reflected in the form of proposals in the Finance Bill.

#### Guidelines for Purchase of Computer

3892. SHRI ADHI SANKAR: Will the Minister of FINANCE be pleased to state:

(a) whethef the competent authority issued an office memorandum during December, 1998 on purchase of computer system by Government departments;

(b) if so, whether the competent authority is aware that DGS&D has finalised generalised specifications for personal computers and initiated the process of concluding rate contract;

(c) if so, the details thereof;

(d) whether DGS&D has concluded rate contract for computers;

(e) if so, the details including the year from which the rate contract will be applicable for purchase of personal computer by various ministries/departments;

(f) if not, the reasons therefor;

(g) whether open tender system is a must for purchase of personal computers; and

(h) if so, the details with reasons for the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) and (c) Yes, Sir. The generalised specifications finalised are aimed at catering to the general requirements of the indenting Departments/Offices.

(d) to (h) Yes, Sir. Rate Contracts are being regularly concluded since 15.12.1999. The last Rate Contract concluded was valid upto 8th July, 2003. Advertised Tenders for conclusion of fresh Rate Contracts are due for opening on 22.8.2003. Individual Central Government Departments can procure Personal Computers through DGS&D Rate Contracts without inviting tenders as per provisions under the General Financial Rules.

## **ERC Recommendation for Scientific Ministries**

3893. SHRI AMAR ROY PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Expenditure Reforms Commission (ERC) conducted study on expenditure of various Ministries;

(b) if so, the names of those Scientific Ministries who were advised to constitute a Committee for review of expenditure of all Scientific Ministries;

(c) the name of Ministry who was the nodal Ministry for all these Scientific Ministries and action taken so far by that Ministry on the advise of ERC:

(d) whether any Committee has been constituted;

- (e) if so, the details thereof;
- (f) if not, the reasons for the same; and

(g) the recommendations of that Committee in respect of each of the Scientific Ministries/Departments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) to (g) The Expenditure Reforms Commission (ERC) had conducted studies in respect of 36 Ministries/ Departments out of total of about 70 Ministries/ Departments. The ERC did not study Scientific Ministries/ Departments. The uncovered Ministries/Departments (including Scientific Ministries/Departments) were requested to review their functions as per the methodology suggested by the ERC in its note titled "Task Ahead". The report of the ERC on Autonomous Institutions was also forwarded to all the Ministries/Departments including Scientific Ministries/Departments for necessary action.

## [Translation]

SBI MoU with Mahindra and Mahindra Lid.

3894. SHRI TUFANI SAROJ: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India has signed any memorandum of understanding with Mahindra and Mahindra Ltd. by the name of "SBI-Mahindra Tractor Plus";

(b) if so, the objective of this agreement; and

(c) the benefit likely to accrue to State Bank of India from this agreement?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Yes, Sir. As per the tie up made between State Bank of India (SBI) and Mahindra & Mahindra Ltd. the company will offer discount of Rs. 3000 to the farmers for purchase of tractors whereas bank will sanction loans at a reduced margin of 10%. The bank has also waived the upfront fees/processing charges. The above arrangement will facilitate the bank to provide credit for agricultural equipment on easier and attractive terms and will enable the bank to increase its advance portfolio.

(English)

# Bifurcation of Central Excise Commissionerate in UT in Daman

3895. SHRI DAHYABHAI VALLABHBHAI PATEL: Will the Minister of FINANCE be pleased to state: (a) whether the Government have received representations at various Channels from Daman Industries association against the bifurcation of the Union Territory of Daman into two Central Excise Commissionerates;

(b) if so, the details thereof and the action taken by the Government in this regard;

(c) whether Government are aware that this bifurcation has resulted in overlapping jurisdictions of Valsad Commissionerate and has created a number of problems and harassment to trader community in Daman; and

(d) if so, the steps taken by the Government to revoke the notification proposing this bifurcation and to retain the entire area of the Union Territory of Daman under the jurisdiction of single commissioner to obviate the problems of the trader community and overlapping jurisdiction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Government received representation to keep the entire Union Territory of Daman within the jurisdiction of a single Central Excise Commissionerate.

(b) to (d) The representation has been examined and the decision has been taken to keep the entire Union Territory of Daman within the jurisdiction of a single Central Excise Commissionerate.

## Lending Rate for Agriculture

3896. SHRIMATI RAMA PILOT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to have a separate agriculture lending rate on the pattern of prime lending rate available to certain other categories in order to increase investment in agriculture sector;

(b) if so, the details thereof; and

(c) the fresh steps taken by the Government to provide adequate capital to farmers at reasonable rate of interest so that productivity of our agricultural holdings can increase to the level of developed countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) As per the extant guidelines of the Reserve Bank of India (RBI), commercial banks announce a single Prime Lending Rate (PLR) incorporating all cost elements and reasonable profit margin to serve as a benchmark for lending rate. The interest rate on individual borrowers/sectors would be fixed linked to PLR taking into account risk premia, etc. Consequent on the statement made while presenting Union Budget on 28th February, 2003 regarding the need for passing on the benefits of lower rates of interest to agriculture, the Indian Banks' Association (IBA) has advised all its member banks on 5th March, 2003 to take appropriate action in the matter of introduction of interest rate band of 2% above and below its PLR for secured advances. Subsequently the IBA on 12.7.2003 advised all public sector banks that the rate of interest on crop loans upto Rs. 50,000 should not exceed 9%.

# Storage Charges of CWC

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## 3897. SHRI G. PUTTA SWAMY GOWDA: SHRI RAM MOHAN GADDE:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the fee/charges of Central Warehousing Corporation (CWC) for storage of foodgrains have been on the much higher side;

(b) if so, the details thereof during the last three year-wise;

(c) whether the FCI has asked the CWC for cost study or cost record system integrated with accounts as per prevalent Cost Records Rules;

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

(e) the steps taken by the CWC on the request of FCI?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) to (d) Storage charges payable by the Food Corporation of India (FCI) to the Central Warehousing Corporation (CWC) are decided on the recommendation of the Cost Accounts Branch of the Ministry of Finance, keeping in view the various elements of cost, by the MOCAF&PD.

#### Scrutiny of FCI

3898. SHRI P.S. GADHAVI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government are aware that recent scrutiny of the records of the Food Corporation of India has revealed that the labourers on an average get four lakhe rupees per annum and that "proxy labourers" have also been noticed;

(b) if so, the factors responsible for such huge earnings;

(c) whether the Union Government have investigated the position so far;

(d) if so, the details thereof; and

(e) the steps taken/being taken to address these issues?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) to (e) The Food Corporation of India has informed that the annual earning of the Department of Labour including wages, incentive wages and overtime allowance during the year 2002-03 is about Rs. 4 takhs for a Handling Labour in one depot of the Food Corporation of India I.e. Sirsa situated in Haryana Region. This was due to the enormous workload which resulted in increase in their "Incentive-wage Earnings" as per incentive scheme which is linked with their output per shift/day. On an average, the total wages of a departmental labour ranges between Rs. 1.70 to Rs. 1.80 lakhs, annually.

The FCI is having sufficient labour force for food handling operations in various depote of the FCI and the FCI does not need the services of any outside labour for the operations.

No specific cases regarding proxy labour has come to the notice of the Food Corporation of India. Steps have been taken to avoid the alleged system of proxy labour, if any, by exercising strict supervision and control by issuing instructions to all the District Managers of the Food Corporation of India, Haryana Region.

In order to accelerate the productivity of the labourers, the existing Incentive Scheme for the labourers of the Food Corporation of India is being regulated as per the agreement signed with the FCI Workers' Union on 13.03.1999. The incentive earnings are paid to the workers for handling of bags/height/lead beyond the prescribed norms. The scheme provides for extra percantage over the normal wages for these three operations. The incentive earnings of the labours depend upon their output during the shift hours and beyond the shift hours. Due to handling of more bags than the fixed norms and payment of incentive and overtime allowance as per the provisions of the local shops & Establishment Act of Haryana State to the labourers, the combined earnings of the labourers increase.

Payment of wages, incentive wages and Over Time Allowance with reference to the output of the labourers within the framework of the rules cannot be termed as illegal payment. In order to keep expenditure on Over Time Allowance/Incentive to the minimum, instructions have been issued to the Field Officers of the Food Corporation of India for deployment of labourers on Tour from the depots with relatively lesser work to the depots where sufficient work is available, as the expenditure on Traveling allowance is lesser in comparison to the actual incentive/Over Time Allowance. Thus, expenditure on account of Incentive and Over Time Allowance has been curtailed to a considerable extent.

#### **External Commercial Borrowings**

3899. SHRI PRAKASH YASHWANT AMBEDKAR: Will the Minister of FINANCE be pleased to state:

(a) the foreign loan that has been borrowed by the Indian companies during the last three years;

(b) the manner in which this loan is to be repaid;

(c) whether this loan has been taken by the companies to start new activities or to repay the existing loan to Indian financial institutions; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Foreign currency loans approved/ contracted under approval/automatic route during the last three years are as under:

Period		Amount (in USD millions)
1.	2000-01	2837.00
2.	2001-02	2653.00
3.	2002-03	4235.00

(b) Foreign currency loans would be repaid by borrower as per the repayment schedules.

(c) and (d) As per ECB guidelines, borrowers can raise foreign currency loans from a internationally recognised sources for expansion of existing capacity, fresh investments and general corporate purposes including repayment of dues to Indian financial institutions/ banks.

# **Outsourcing of Inspection Work by DCA**

3900. SHRI VINAY KUMAR SORAKE: Will the Minister of FINANCE be pleased to state:

(a) whether the Department of Company Affairs has been outsourcing work on inspection;

(b) if so, whether the Section 209A of the Companies Act, 1956 provide for such arrangement;

(c) whether due to paucity of staff and accumulated workload the DCA has already entrusted high profile cases like Zerox Modicrop bribery allegations to qualified outside agencies;

(d) whether the Shardul Shroff Committee has recommended outsourcing of such inspection jobs by the DCA; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) No, Sir.

(c) An investigation under Section 237 of the Companies Act, 1956 into the affairs of M/s Xerox Modicorp Limited has been entrusted to a firm of professionals.

(d) No such recommendation has been received at present.

(e) Does not arise.

[Translation]

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## **U.K. Assistance to West Bengal**

3901. SHRI BRAHMA NAND MANDAL: Will the Minister of FINANCE be pleased to state:

(a) the amount of assistance being provided by the Government to West Bengal alongwith the purpose thereof;

(b) whether the U.K. Government are going to increase this amount in the next two years; and

(c) if so, the amount thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) During 2002-03, an amount of Rs. 631.23 crores was provided by Government of India to Government of West Bengal as Additional Central Assistance (ACA) for the Externally Aided Projects (EAPs) and during the current year (2003-04) an amount of Rs. 283.50 crores has been released to West Bengal as ACA for EAPs so far.

(b) and (c) The Government of the United Kingdom (U.K.) provides assistance under bilateral development cooperation programme to India. During 2002-03, Government of U.K. had provided assistance of £146.09 million to India. U.K. does not allocate bilateral assistance state-wise. U.K. has indicated that they may increase their assistance to India to £ 300 million per annum in future.

#### (English)

#### **Expenditure under Various Heads**

3902. SHRI SHAMSHER SINGH DULLO: Will the Minister of FINANCE be pleased to state:

(a) the year-wise expenditure incurred under various heads such as advertisement, catering, conferences,

conveyance, tours of managers and above, mobile phone bills, private taxi bills, overtime to drivers, petrol bills, miscellaneous expenses and other office expenses in Delhi and Chandigarh Regional Offices of New India Assurance Company Ltd. (NIACL) during the last three years;

(b) whether the Government propose to direct the Company to launch any drive to cut down the expenditure being incurred under above heads;

(c) if so, the details thereof;

(d) if not, the reasons therefor;

(e) the details of steps take by the Internal Audit Department and Financial Adviser of the Company to check avoidable expenditure;

(f) whether the Financial Adviser, a nominee of the Government is also heading the accounts department of the company; and

(g) if so, the details thereof and reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The required information is as under:

(Rupee in lakhs)

\*

Head of Accounts	2000-01		2001-02		2002-03	
	Chandigarh RO	Delhi RO	Chandigarh RO	Delhi RO	Chandigarh RO	<b>Dei</b> hi RO
1	2	3	4	5	6	7
Advertisement	2.37	5.04	4.46	2.06	3.87	3.33
Conference	2.23	1.83	1.57	5.42	2.67	3.71
Overtime	0.10	1.43	0.30	1.97	0.10	1.70
Local Conveyance	13.15	68.74	14.74	60.75	16.61	66.28
Petrol	0.20	54.87	0.43	57.64	0.70	61.39
Catering	4.87	8.29	7.00	8.02	8.79	9.70
Fours of Managers & above	4.30	11.19	4,41	11 <i>.</i> 27	3.08	10.97

1	2	3	4	5	6	7
Mobile Phones	-	0.35	0.41	0.39	0.26	0.7 <del>9</del>
Private Taxi	-	1.81	-	1.96	0.06	1.58
Miscellaneous	78.50	112.70	81: <b>78</b>	<del>96</del> .74	74.41	101.94

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(b) to (d) The expenses on management of the public sector general insurance companies are governed by Section 40C of the Insurance Act. As per the provision under this Section, no insurer shall spend, as management expenses, an amount in excess of the prescribed limit unless otherwise permitted by Insurance Regulatory & Development Authority.

(e) Internal Audit Department strives to attain cost control and cost reduction through various budgetary techniques such as head-wise budgetary allocations, periodical review of expenses incurred against the budgets sanctioned, etc.

(f) and (g) The Financial Advisers are appointed on deputation basis in the public sector general insurance companies. Since the responsibility on the part of the individual general insurance companies to exercise financial prudence and develop strong internal controls has assumed increased significance, the posts of Financial Adviser in these companies were suitably strengthened by enlarging the scope of their work handled by them by placing the Accounts department also under their charge.

#### Procurement of Substandard Paddy

3903. COL. (RETD). SONA RAM CHOUDHARY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the FCI has any mechanism to ensure fair quality of paddy and other foodgrains are procured;

(b) if so, the details thereof;

(c) whether any deviations have been noticed in this regard particularly at Bathinda and Sangrur districts of Punjab;

(d) if so, the details thereof;

(e) the corrective steps taken in this regard; and

(f) the action taken against the persons responsible for procuring sub-standard paddy and other foodgrains during the above period, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) and (b) Yes, Sir. Food Corporation of India (FCI) procures foodgrains as per the uniform specification norms fixed by the Government of India. Technical Assistants are posted in the mandies by FCI for purchase of paddy and other foodgrains under Minimum Support Price (MSP). Besides, Senior Officers viz, AM (QC)/DM (QC), District/ Regional/Zonal officers of FCI also visit the mandies to inspect and ascertain the quality of paddy and other foodgrains purchased.

(c) to (f) In the Comptroller & Auditor General of India's Report No. 4 of 2003 (PSUs), it was observed that in Bhatinda and Sangrur districts, substandard rice was accepted at large scale by technical staff in connivance with the officers upto the level of District Manager and beyond rejection limit (BRL) rice valued at 171.46 crore (quantity 1.72 lakh MT) during 1999-2000 and 2000-2001.

The Food Corporation of India (FCI) have stated that sub-standard rice was not accepted in large scale in Bhatinda/Sangrur districts by technical staff. The details of the quantity of rice procured and quantity declared BRL in Bhatinda and Sangrur districts is as under:

	Quantity of rice pro	ocured in Lakh MTs	Quantity of rice declared BRL in M	
District	1999-2000	2000-2001	1999-2000	2000-2001
Bhatinda	4.62	5.27	5848 (1.26%)	19159 (3.6%)
Sangrur	11.27	12.40	11294 (1%)	<b>4236</b> 2 (3.41%)
		\$ · · · ·		

Some quantity of BRL stocks were detected by various squads during the inspection. Action has already been initiated by FCI in respect of 197 cases where BRL stocks were detected by various inspection squads in Bhatinda and Sangrur. Action has also been initiated by FCI against five class-I officers including District Manager, Sangrur/Bhatinda.

, Various steps have been taken to ensure purchase of stocks i.e. wheat, paddy and rice strictly conforming to specifications like:

- (i) Squads from district/regional/zonal/hqurs. of FCI and Ministry are deputed to mandles/depots to exercise quality related checks,
- (ii) In case of detection of purchase of sub-standard stocks, action is taken against the delinquents, and
- (iii) Concerned State Governments have been advised to provide infrastructure facilities including power cleaners, pucca mandi years etc. at mandies to facilitate purchase of good quality stocks.

#### **Competition Commission**

3904. SHRI A. BRAHMANAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have established a Competition Commission of India;

(b) if so, the role of this Competition Commission;

(c) whether the Government have any plans to broadbase this Commission;

(d) whether non-officials are also appointed in this Commission; and

(e) if so, the details of the tenure of Members and other appointees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir. Government has announced the appointment of a Chairman and one Member of the Competition Commission.

(b) The main functions of the CCI will be to prevent practices having adverse effect on competition and to promote and sustain competition in the market. (c) and (d) The Act provides that Commission shall consist of a Chairperson and not less than two and not more than ten other members. The qualifications for the post of Chairperson and Members is also provided in sub-section (2) of Section 8 of the Act and there is no bar on appointment of non-officials on the Commission.

(e) Sub-section (1) of Section 10 of the Act prescribes the term of office of the Chairperson and other Members. The term of office is for five years. The maximum age limit for the Chairperson is 67 years and for any other Member is 65 years.

[Translation]

#### Benefits of Loan Walvers to Farmers

3905. SHRI THAWAR CHAND GEHLOT: Will the Minister of FINANCE be pleased to state:

(a) the State-wise number of farmers in the country who have been benefited so far as per the announcement made and decision taken by the Government to waive of interest on loans taken by the farmers;

(b) whether the Government have received complaints from the farmers of some States and from the people's representatives that the said benefit is not reaching the farmers; and

(c) if so, the State from which complaints have been received and the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The information is being collected and will be placed on the Table of the House.

(English)

## **Rice Procurement**

3906. SHRI BISHNU PADA RAY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Food Corporation of India has proposed to procure 12000 metric tonnes of rice produced locally by the farmers of Andaman & Nicobar Islands under Minimum support price; and

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(b) if so, the details thereof and the likely date by which the A&N administration will start its procurement from the farmers under MSP?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) No, Sir.

(b) The A&N Administration proposes to take up the procurement of rice under Decentralized Procurement Scheme from the ensuring Kharif Marketing Season 2003-2004 under which financial support would be provided by the Central Government.

## [Translation]

## Non-Payment of Inland Travel Tax

# 3907. SHRI SATYAVRAT CHATURVEDI: SHRI SUNDER LAL TIWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether various aviation companies are not making payment of inland air travel tax to the Government in time; (b) if so, the reasons therefor alongwith the names of the defaulting aviation companies stating the outstanding amount against them separately, till-date;

(c) whether concrete steps have been taken by the Government to ensure timely payment of the said tax by the aviation companies;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (e) The aviation companies which are currently operating air flights, are paying their inland air travel tax (IATT) to the Government, regularly. Some companies, who operate a number of aircrafts and who are not able to estimate their tax liability precisely, pay the tax, initially, on a provisional basis and later on after receipt of full particulars the exact amount is quantified and adjusted, either through refunds or through further deposits.

No inland air travel tax dues are outstanding against aviation companies who are presently operating air flights. Dues are pending only against some aviation companies who have since discontinued operation of air flights. Details are as under:

(as on 22-7-2003)

SI.No. Name of the Airline		Dues outstanding (Rs. in Crores)			
		IATT	Interest	Penalty	Total
1	2	3	4	5	6
1.	M/s Raj Aviation Private Limited	0.47	0.96	0.15	1.58
2.	M/s Continental Aviation Private Limited	0.75	1.64	0	2.39
3.	M/s East West Airlines	2.53	6.49	0.26	9.29
4.	M/s Modiluft Limited (since taken over by M/s Royal Airways (Limited)	0	0	14.32	14.32
5.	M/s UP Airways	0.68	0.88	0.54	2.10
6.	M/s VIF Airways Limited.	0.21	0.32	0.15	0.68

1	2	3	4	5	6
<b>7</b> .	M/s Skyline NEPC Airlines.	4.07	6.26	9.52	19.58
<b>8</b> .	M/s NEPC Airline	1.82	2.58	2.40	6.80
<b>9</b> .	M/s Air Asiatic Limited.	0.58	1.41	0.18	2.17
10.	M/s Gujarat Airways	0.57	1.44	0	2.01
11.	M/s City Link Airways	0.60	1.16	0.18	1.94
	Total	12.28	23.14	27.70	63.13

The payment of IATT is monitored by the Government through scrutiny of monthly returns to ensure that the airlines pay the tax in time. In case any company delays payment or defaults in payment, it is liable to pay interest @ 20% per annum and penalty which shall not be less than 20% of the tax not paid and can even go up to three times the amount of tax due. In addition to the above, statutory provisions exist for arrest or distrainment of aircraft of the company. To make the provisions more stringent, the Government, have recently, through the Finance Act, 2003, acquired powers to even arrest and prosecute the offenders.

# **MSP** on Jute

3908. SHRI GIRDHARI LAL BHARGAVA: Will the Minister of TEXTILES be pleased to state:

(a) the total jute production in the country during 2002-2003;

(b) the detail of its Minimum Support Price;

(c) whether the Government propose to increase its Minimum Support Price; and

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

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) The total jute production including Mesta in the country during 2002-03 was 1110 takh bales of 180 kg. each.

(b) The Government declares the Minimum Support Price (MSP) of raw jute on the basis of recommendation of the Commission for Agricultural Costs and Prices (CACP). The MSP for TD-5 grade of raw jute at Assam level was Rs. 850 per quintal during 2002-03. The details of Minimum Support Price for TD-5 grade jute at Assam level for the Jute year from 1996-97 to 2003-04 are given below:

# Minimum Support Price of Jute for TD-5 Grade at Assam

(In Rs./Qntl.)

Jute Year (July-June)	Price (Rs./Qntl)	Increase over previous year
1996-97	510	20
1997-98	570	60
1998-99	650	80
1999-2000	750	100
2000-2001	785	35
2001-2002	810	25
2002-2003	850	40
2003-2004	860	10

(c) and (d) The Government is announcing everincreasing Minimum Support Price for jute year after year. The details of the increases in MSP is given in Coloumn (3) of the above Table. (English)

## **Directors of Banks**

3909. SHRI ANANTA NAYAK: SHRIMATI NIVEDITA MANE: SHRI SADASHIVRAO DADOBA MANDLIK: DR. M.V.V.S. MURTHI: SHRI RAM MOHAN GADDE: SHRI VILAS MUTTEMWAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government propose to ban Members of Parliament and State Legislature as well as stockbrokers from becoming directors on the boards of commercial and cooperative banks;

(b) if so, the details thereof;

(c) the reasons behind this move of the Government; and

(d) the time by when a final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Government has decided to debar stockbrokers from becoming directors on the boards of commercial and cooperative banks on the basis of recent experience of the banking industry.

The Banking Regulations (Amendments and Miscellaneous provisions) Bill, 2003 has already been introduced in the Lok Sabha on 13.8.2003 to carry out the amendments in the Banking Regulation Act, 1949.

Inclusion of Koli Community in ST List

3910. SHRI KOLUR BASAVANAGOUD: Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a) whether the Karnataka Government had sent a proposal to include all the 42 synonymous Koli communities under the Scheduled Tribes List;

(b) if so, the details thereof;

(c) whether the National Scheduled Caste and Scheduled Tribes Commission had recommended to include these communities in the Scheduled Tribes List;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF TRIBAL AFFAIRS (SHRI JUAL ORAM): (a) Yes, Sir. State Government of Karnataka has recommended 39 synonymous Koli communities under the Scheduled Tribes List.

(b) The details names of Koli communities are given below:

(1) Gangamatha (2) Gangakula, (3) Gourimatha,
 (4) Ambiga (5) Kabbaliga (6) Kabber (7) Kabbera
 (8) Karvi (9) Bhoyi (10) Bhoi (11) Boyi (12) Thoreya
 (13) Gabbit (14) Goabit (15) Daavat (16) Gangamakkalu
 (17) Gangaputa (18) Ambing (19) Bestha (20) Koli
 (21) Karakanthra (22) Karikanthra (23) Meenagara
 (24) Khariya (25) Siviyar (26) Parlvara (27) Bunda Basthar
 (28) Mahadeva Koli (29) Talawara (30) Machala, Kahar
 (31) Megaveera (32) Sunnagar (33) Barki (34) Besthar
 (35) Suryavanshi Koli (36) Jalagar (37) Machi Gabit
 (38) Gapit (39) Daalija.

(c) to (e) The proposals have been processed as per approved modalities laid down for the purpose.

[Translation]

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## Export Quota

3911. SHRI RAMDAS ATHAWALE: Will the Minister of TEXTILES be pleased to state:

(a) whether USA has recently given any indication that export quota for readymade garments from India will be increased only when American garment industry gets marketing facilities in India on mutual basis; and

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

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) No, Sir. As per World Trade Organisation (WTO) Agreement on Textiles and Clothing (ATC), the quantitative restrictions (import quotas) would be completely phased out and textile sector fully integrated by 1st January 2005. All WTO Members including USA are bound by this obligation.

(b) Does not arise, in view of (a) above.

## Fake Bank Drafts

3912. SHRI MANIBHAI RAMJIBHAI CHAUDHRI: Will the Minister of FINANCE be pleased to state:

(a) whether several cases relating to causing loss to the public sector banks through bogus bank drafts have been reported in the country; (b) if so, the details thereof during the last one year, value-wise and bank-wise;

(c) whether the Government are contemplating to take any concrete step to check such cases; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The details of cases of fraudulent collection/ realization of cheques/demand drafts etc. during the period April, 2002 to March, 2003 as reported by public sector banks to Reserve Bank of India are given in the enclosed statement.

(c) and (d) The Reserve Bank of India has issued detailed instructions to banks advising safeguards against perpetration of frauds through fake/forged demand drafts. The safeguards inter-alia include treating bank drafts as security items to be held in joint custody and balanced daily and verified periodically, printing drafts on sensitive paper, use of protectograph machines, pinpoint typewriters or protective cheque writers while issuing demand drafts. scrutinizing carefully the signatures of drawing officials and in case of doubt contacting the issuing branch by fax/telex/telegram and ensuring extra caution by passing officials where drafts of large amount are paid in cash. Banks have also been advised to introduce a system of sending facstinile copy of the draft issued to the drawee branch/bank. Banks have also been advised to review the existing systems and procedures and ensure adequate safeguards to prevent such type of frauds.

#### Statement

Details of cases of Fraudulent Collection/Realization of Cheques/Demand Drafts etc. during the period April, 2002 to March, 2003 as Reported by public Sector Banks to Reserve Bank of India

	(Rs. in lakhs)		
Name of the Bank	No. of	Amount	
	frauds	involved	
1	2	3	
State Bank of India	44	102.28	
(Overseas branches)	00	0.00	

1	2	3
State Bank of Bikaner & Jaipur	02	3.36
State Bank of Hyderabad	05	31.27
State Bank of Indore	03	4.25
State Bank of Mysore	00	0.00
State Bank of Patiala	00	0.00
State Bank of Saurashtra	01	0.47
State Bank of Travancore	00	0.00
Allahabad Bank	05	42.48
Andhra Bank	00	00.0
Bank of Baroda	64	204.67
(Overseas branches)	01	12.90
Bank of India	17	3 <b>96</b> .52
(Overseas branches)	00	0.00
Bank of Maharashtra	00	0.00
Canara Bank	56	138.70
Central Bank of India	29	137 <b>.8</b> 0
Corporation Bank	12	19.07
Dena Bank	04	21.11
Indian Bank	04	4.76
Indian Overseas Bank	10	14.90
Oriental Bank of Commerce	04	14.98
Punjab National Bank	18	84.54
Punjab & Sind Bank	05	<b>64</b> .16
Syndicate Bank	31	20.19
Union Bank of India	08	10.87
United Bank of India	12	5.25
UCO Bank	14	. 57 <b>.82</b>
Vijaya Bank	05	6.68
(Data Provisional)		

(Data Provisional)

[English]

## **Conversion of CWC Receipts**

3913. DR. N. VENKATASWAMY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Central Warehousing Corporation has recently decided to convert Warehouse Receipts (WRs) into demat form as has been done for securities;

(b) if so, the details thereof;

(c) whether the demat WRs will be permitted to be traded in Commodities Exchange, which had been set up recently;

(d) if so, the details thereof;

(e) whether CWC has tied up with National Securities Depositories Limited for demat of WRs;

(f) if so, the details thereof;

(g) whether the Government propose to bring the demat WRs under Negotiable Instruments Act, 1881; and

. . .

(h) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) The Central Warehousing Corporation (CWC) have so far not taken decision to convert Warehouse Receipts (WRs) into demat form.

- (b) Does not arise.
- (c) No decision has been taken in this regard.
- (d) Does not arise.
- (e) No, Sir.
- (f) Does not arise.
- (g) No decision has been taken in this regard so far.

(h) Does not arise.

## Inspection of Cooperative Banks by NABARD

3914. SHRI HARIBHAI CHAUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether National Bank for Agriculture and Rural Development has conducted statutory inspection of District Central Cooperative Banks and State Cooperative Banks under Section 35 of the RBI Act, 1934;

(b) if so, the details of the irregularities noticed by NABARD; and

(c) the action taken by the NABARD thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir. National Bank for Agriculture and Rural Development (NABARD) has conveyed that it had observed irregularities during 2001-02, of which major ones are:

- 1. Poor recovery performance resulting in high overdues and non-performing assets;
- Non-compliance with the various provisions of Banking Regulation Act, 1949 (As Applicable to Ceoperative Societies), like Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (SLR) norms (Section 18 and 24), etc, as also with Section 11 (1), i.e., maintaining real or exchangeable value of Paid-Up Share Capital and Reserves not less than Rs. 1 lakh;
- Non-compliance with "income recognition and asset classification and provisioning norms" prescribed by Reserve Bank of India (RBI);
- 4. Poor internal checks and controls, non-reconciliation of inter branch accounts and absence of periodic balancing of books of accounts, lack of professionalism in managing the affairs, non-adherence to the stipulated norms of RBI while trading in government securities, defaults to higher financing agencies, defective loan policy and procedures, defaults in maintenance of norms like minimum involvement, exposure norms, etc.

(c) Major irregularities were conveyed to the banks after inspection and then followed up through a clearly defined process of seeking a compliance report. In addition the inspecting officer holds a meeting with the Board of Directors/Chief Executive Officer of the bank to discuss the major findings and efforts needed on the part of the bank for their rectification. Further, the chief executive of the bank along with the Registrar of Cooperative Societies are invited for discussions on core issues of the inspection findings. The inspection report is

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also forwarded to the State Government for appropriate action, followed with a special note indicating the areas which require remedial action by the State Government. The on-site inspection is supplemented by off-site surveillance through prescribed returns on an annual/half yearly basis. NABARD also issues early warning signals to banks wherever required.

[Translation]

#### **Export Data**

# 3915. SHRI ABDUL RASHID SHAHEEN: SHRI SHIVAJI MANE:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Union Government are not maintaining data relating to import and exports made by each State in the country;

(b) whether the Union Government have also not evolved a mechanism to evaluate the facilities being provided to the export oriented units in monitory terms; and

(c) is so, the reaction of the Government in this regard and the reasons for not having such details?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) No Sir, Union Government is maintaining data relating to import and export made by each state in the country.

(b) No Sir, Mechanism exists for quantification of financial incentives to Export Oriented Units.

(c) Question does not arise.

[English]

## **PSUs under BIFR**

3916. SHRI AJOY CHAKRABORTY: SHRI G.S. BASAVARAJ:

Will the Minister of FINANCE be pleased to state:

(a) the names of the sick Public Sector Undertakings referred to Board for Industrial and Financial Reconstruction (BIFR) during the last three years, till date; and

(b) the decision taken by the BIFR on each of these undertakings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The details of sick Public Sector Undertakings (Central and State) referred to Board for Industrial and Financial Reconstruction (BIFR) during the last three years and upto 30th June, 2003 and their present status are furnished in the enclosed statement.

		Statement	
S. No.	Name of PSU	Year in which Referred to BIFR	Status
1	2	3	4
	Central P	ublic Sector Undertakir	ngs (CPSUs)
1.	Eastern Coalfields Limited	2000	Under inquiry
2.	Hindustan Salts Limited	2000	-do-
<b>3</b> .	Bharat Coking Coal Limited	2001	Dismissed as non-maintainable
<b>4</b> .	Bharat Wagon and Engineering Co. Limited	2001	Under inquiry
5.	Maharashtra Elektrosmelt Limited	2002	Dismissed as non-maintainable

1	2	3	4
6.	Central Coal Fields Limited	2002	Dismissed as non-maintainable
7.	Hindustan Cables Limited	2002	-do-
<b>8</b> .	BIECCO Lawrie Limited	2002	-do-
<b>9</b> .	Hindustan Cables Limited	2002	Under inquiry
10.	Andrew Yule and Company Limited	2002	-do-
State	Public Sector Undertakings		•
1.	Auto Tractors Limited (UP)	2000	Dismissed as non-maintanable
2.	Uptron Powertronics Limited (UP)	2000	Under Enquiry
<b>3</b> .	Devagiri Texti <del>le</del> Mills Limited (Maharashtra)	2001	Dismissed as non-Maintanable
4.	Travancrore-Cochin Chemicals Limited (Kerala)	2002	-do-
5.	Kerala State Electronics Dev. Corporation Ltd. (Kerala)	2002	-do-
6.	Gujarat Communication Electronics Limited (Gujarat)	2002	Winding up recommended under Section 20(1) of SICA, 1985.
7.	Goa Auto Accessories Limited (Goa)	2002	Under Enquiry
8.	Tamil Nadu Cements Corporation Limited (Tamil Nadu)	2002	-do-
9.	Kalameshwar Textile Mills Limited (Maharashtra)	2002	-do-
10.	HP.H.M.P.C. Limited (Punjab)	2002	-do-• .
11.	Keltron Crystals Limited (Kerala)	2003	-do-
12.	Western Maharashtra Dev. Corporation Limited (Maharashtra)	2003	- <b>d</b> o-
13.	Maharashtra State Textile Corporation Limited (Maharashtra)	2003	-do-

# [Translation]

**Unclaimed Money in LIC** 

3917. SHRI MANSUKHBHAI D. VASAVA: DR. M.P. JAISWAL:

Will the Minister of FINANCE be pleased to state:

(a) the total unclaimed amount of money with various branches of the Life Insurance Corporation of India; and (b) the manner in which the LIC propose to utilize this money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Life Insurance Corporation of India (LIC) has informed that the net unclaimed amount of policyholders was Rs. 101.39 crore as on 31.3.2003.

(b) LIC has informed that a claim is kept outstanding iff their books for a period of 5 years. When there is no project of a settlement and contact can not be established with the claimant, the unclaimed amount is written back to Revenue Account. However, this amount is available for settlement whenever claimed. The outstanding claim amount, after meeting the liabilities in respect of belated claims, is credited to the Life Fund Account which is collectively owned by the entire policy holders of the Corporation.

## [English]

## Additional Funds to Tamil Nadu

3918. SHRI E.M. SUDARSANA NATCHIAPPAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have received any request from the Government of Tamil Nadu for providing additional funds for its development projects; and

(b) if so, the details thereof and the action proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) During 2002-03, Government to Tamil Nadu had requested for a minimum un-tied graht package of Rs. 3000 crores for effective implementation of development programmes in the coming years. Non-plan grant to States is normally released as per the recommendations of the Finance Commission and opening of a new window for non-plan grant would not be consistent with the recommendations of the Eleventh Finance Commission (EFC). Financing of developmental outlay of the States is provisioned for in the Annual Plans approved by the Planning Commission in consultation with the respective State Governments. Accordingly, Central assistance for funding the Annual Plan 2003-04 of Tamil Nadu has been approved at Rs. 3057.80 crores.

## **Marble Import Policy**

3919. SHRI RAM VILAS PASWAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Marble Processors Industries Association, Dadra and Nagar Haveli, had represented to the Government for rectification of the anomaly in the policy relating to the import of marble; (b) if so, the date on which such a representation was made by the said Association;

(c) the decision, if any, taken by the Government on the points raised by the Association in its representation; and

(d) the reasons for not taking decisions on remaining demands?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) to (d) Yes, Sir. The Association has represented on many occasions. The last representation was received on 16.4.2003. After duly considering the representations and in consultation with the concerned Ministries, it has been decided to retain the restrictions with regard to the import of rough marble.

#### Assistance for Development Projects .

# 3920. SHRI PRABODH PANDA: DR. BALIRAM:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have allocated funds for the development of various existing development projects executed by the Ministry of Commerce and Industry in West Bengal, Uttar Pradesh, Delhi and other States;

(b) if so, the details of the funds allocated and disbursed for various Centrally assisted schemes in each State during the last three years;

(c) whether the money allocated for various schemes and projects are utilized fully; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): (a) to (d) The information is being collected and will be laid on the Table of the House.

## Funds Sought by Andhra Pradesh

3921. DR. MANDA JAGANNATH: Will the Minister of FINANCE be pleased to state:

(a) the details of the financial assistance sought from the Union Government by the State Government of Andhra Pradesh for its various on-going schemes in the State; and

(b) the amount actually allocated by the Union Government to the State during the last two years i.e 2001-2002 and 2002-2003?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Govt. of Andhra Pradesh has sought financial assistance/adjustment amounting to Rs. 9833.17 Crs. from Government of India on various programmes and schemes which fall within the administrative purview of different ministries of the Union Government. The Planning Commission in consultation with the State Government approves the annual plan of the state and the Central Assistance for financing the Annual Plan. Non-Plan grants are released to the State in accordance with the recommendations of the Eleventh Finance Commission (EFC).

(b) The actual amount allocated to Andhra Pradesh under the approved Annual Plan of the State for the year 2001-02 & 2002-03 for the implementation of various plan schemes and the devolution as per the recommendations of Eleventh Finance Commission are 'as follows:

		(Rs. in Cr.)
item	2001-02	2002-03
Central Assistance under State Plan	5 <b>299</b> .53	6021.60
Devolutions under EFC	4545.55	4721.92

# SIDBI Assistance to Small Entrepreneurs

3922. SHRI BASU DEB ACHARIA: Will the Minister of FINANCE be pleased to state:

(a) the amount given as loan to different Small Scale Entrepreneurs throughout the country during each of the last three years by SIDBI;

(b) out of the total loan sanctioned, what were the amount of loans granted to the entrepreneurs of West Bengal, Bihar, Orissa, Assam and North Eastern States, year-wise;

(c) whether the applications being made by small scale entrepreneurs of the above States, are either deliberately delayed or not granted taking various pleas; and

(d) if so, the steps Government propose to take remove such discrimination to North Eastern States by SIDBI?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The amount of loan sanctioned and disbursed by Small Industries Development Bank of India (SIDBI) to different Small Scale Entrepreneurs throughout the country during each of the last three years is as under:

(Rs.	crore)
(110.	0.0.07

Year	Amount sanctioned	Amount disbursed
2000-01	10821	6441
2001-02	9026	5919
2002-03	10903	6789

(b) Out of the total loans sanctioned, the amount of loans granted to the entrepreneurs of West Bengal, Bihar, Orissa, Assam, North Eastern States during the last three years is as under:

# (Rs. Crore)

State	20	2000-01		2001-02		02-03
	Sanction	Disbursement	Sanction	Disbursement	Sanction	Disbursement
1	2	3	4	5	6	7
West Bengal	366.97	171.00	296.98	190.42	290.38	160.03
Bihar	47.82	29.65	33.77	29.19	34.28	21.82

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1	2	3	4	5	6	7
Orissa	213.85	164.44	132.99	91.76	62.59	55.96
Arunachal Pradesh	1.67	1.67	2.13	2.13	-	-
Assam	34.62	20.16	23.35	19.36	9.21	6.35
Manipur	6.39	7.27	1.52	1.52	-	-
Meghalaya	7.52	5.43	2.94	4.72	3.70	2.50
Mizoram	1.90	1.51	1.04	0.81	-	-
Nagaland	3.80	2.82	2.53	2.47	-	-
Tripura	7.85	6.50	1.43	1.27	8.78	5.17

(c) No, Sir.

(d) Does not arise.

## Frauds in Banks

3923. SHRI BIR SINGH MAHATO: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) has made mandatory for banks to install system for reporting frauds and sought augmentation of investment fluctuation reserve by them;

(b) if so, the details thereof;

(c) whether the N.L. Mitra Committee has also made recommendations in this regard;

(d) if so, the details thereof; and

(e) the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The Reserve Bank of India (RBI) has reported that banks immediately report individual cases of frauds of Rs. 1.00 crore and above to its Central Office. Frauds of Rs. 1.00 lakh and above and upto Rs. 1.00 crore are reported to its Regional Offices and frauds of amount less than Rs. 1 lakh are required to be reported in a consolidated manner to its Regional Offices at quarterly intervals. Software on Frauds Reporting and Monitoring System for computerized reporting of frauds cases has been forwarded by RBI to all commercial banks.

With a view to building up adequate reserves to guard against any possible reversal of interest rate environment in future, RBI has advised banks to build up Investment Fluctuation Reserve (IFR) with reference to their investments in Held for Trading (HFT) and Available for Sale (AFS) categories. As per the extant guidelines, banks are required to build up IFR of a minimum 5% of their investments in HFT and AFS categories within a period of 5 years. The IFR is eligible to be reckoned as Tier II capital subject to a ceiling, along with general provisions and loss reserves, of 1.25% of the total risk weighted assets. On a review of the requests made by banks, it was decided that, while IFR will be eligible to be reckoned for Tier II, it will not be subjected to the ceiling of 1.25% of the total risk weighted assets. However, for the purpose of compliance with capital adequacy norms, Tier II capital including IFR, would be reckoned up to maximum of 100% of total Tier | capital.

(c) No, Sir.

(d) and (e) Do not arise.

[Translation]

## World Bank Ald

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3924. SHRI BRIJLAL KHABRI: Will the Minister of FINANCE be pleased to state:

(a) the amount of loan sanctioned by the World Bank of India during the current financial year; S. 1

(b) the sectors in which the Government propose to utilize the loan sanctioned by the World Bank; and

(c) the conditions of repayment of loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The World Bank has approved loans/credits of US \$ 514.59 million for the current financial year (upto July 2003) for Roads, Food and Drug Capacity Building and Rural Poverty Alleviation Sectors.

(c) Loans from International Bank for Reconstruction and Development (IBRD) are availed of under Variable Spread (VSL) basis with repayment period of 20 years including 5 years grace period. Variable interest rate if currently at 1.55%. A front end fee of 1% on approved amount and net Commitment Charge of 0.25% on undisbursed loan amount are also payable. Credits from International Development Association (IDA) have a repayment period of 35 years including 10 years grace period. A service charge of 0.75% is payable but no interest or commitment charge (presently) is payable.

#### Trade Ties with Germany

3925. SHRI SUBODH ROY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government of India have established bilateral trade ties with Germany;

(b) if so, the sectors in which these bilateral trade ties have been established; and

(c) the steps taken to improve bilateral trade relations and to promote trade between the two countries?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) Yes, Sir.

(b) Our major exports to Germany include Engineering goods, textiles, drugs, pharmaceuticals, chemicals, leather & products, gems & jewellery. Our major imports from Germany include machinery, chemicals & pharmaceuticals, iron & steel, precision instruments, automobile, electronics.

(c) Steps taken to improve bilateral trade relations and promote trade between the two countries include regular interaction at the Government level through bilateral Joint Commission, encouraging and facilitating direct business level contacts, participation in trade promotional activities, etc.

[English]

## Profit earning Mills of NTC

3926. SHRI RAMSINH RATHWA: Will the Minister of TEXTILES be pleased to state:

(a) whether steps have been taken by the Union Government during the last four year to run loss making textile mills of National Textile Corporation into profit earning ones;

(b) if so, the number of sick textile mills which were turned into profit earning ones from 1999 till the end of the year 2002; and

(c) the amount spent by Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) The BIFR, based on the Government's proposal, has sanctioned the rehabilitation schemes for all the 8 sick subsidiaries of NTC in 2002, consisting of closure of unviable mills and revival of viable mills. Government has agreed for sacrifices/concessions amounting to Rs 5,500 crores by way of capital restructuring for making the schemes viable.

(b) The rehabilitation schemes were sanctioned by BIFR only in 2002 and the implementation period is two years beginning from 2002-03. The mills slated for revival are expected to turn around only after implementation of the rehabilitation schemes.

(c) The rehabilitation schemes, sanctioned by BIFR, would largely be self-financing through sale of surplus land and assets of the NTC. However, the Government is providing all necessary support for successful implementation of the schemes which includes giving guarantee to mobilize Rs. 1250 crores through NTC Bonds, apart from releasing Rs. 350.47 crores for meeting shortfall in wages/salaries during 2002-03. [Translation]

# Services of Consultants

# 3927. SHRI PUNNU LAL MOHALE: SHRI P.R. KHUNTE:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have engaged the services of consultants to conduct a study of the foreign based industries in order to boost export of the products of domestic industries in the country; and

## (b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING. MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION. MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) Export promotion being a constant endeavour of the Government, several initiatives are taken to promote exports of merchandise goods. These include, inter-alia, commissioning of research studies relevant to the export sector, market research in respect of important destinations and products, etc. For conducting such research studies, services of Consultants are engaged from time to time besides the in-house research undertaken by the Government.

# Mahila Bank Branches

3928. SHRI BHUPENDRASINH SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has instructed all the public sector banks to open special branches for women;

(b) if so, the names of public sector banks which are not following the said instructions;

(c) whether the Government propose to take some concrete steps to implement these instructions without further delay;

(d) if so, the time by which it is proposed to be done; and

(e) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank of India (RBI) has reported that they advised all lead banks on 07.06.2001 to identify potential centres in the districts where they had the lead responsibility and to open specialized women branches.

(b) to (e) The following public sector banks have set up. Mahila Branches/converted existing branches to exclusively cater to the women entrepreneurs:

Name of Bank	No. of Branches
Oriential Bank of Commerce	5
Allahabad Bank	1
Indian Overseas Bank	1
State Bank of Travancore	1
Union Bank of India	1
Vijaya Bank	1

Other public sector banks are exploring the feasibilities of opening specialized women branches. However, many of these banks have already opened women cells in their Head Offices/Regional Offices/ Branches.

#### [English]

#### **Compassionate** Appointment

3929. SHRI PABAN SINGH GHATOWAR: Will the Minister of FINANCE be pleased to state:

(a) the number of Grade B,C and D employees who dies in harness during the last three years in Income Tax Department;

(b) whether the dependent children or other family members of the deceased had made applications for compassionate appointment;

(c) if so, the number of applications were received during aforesaid period;

(d) the number out of which appointment on compassionate ground; and

(e) the reasons for the denial of appointment to others?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) During the last three years 667 employees of Income Tax Department in Group B, C and D died in harness, 587 dependent family members applied for compassionate appointments and 63 appointments were made.

(e) Compassionate Appointments have not been denied to the dependent family members of the deceased Government servants. The appointments were made to the extent of availability of vacancies as per quota which is 5 per cent of the vacancies meant for direct recruitment.

## **Export to Asian Countries**

3930. SHRI Y.V. RAO: SHRI A. BRAHMANAIAH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Indian exports to other Asian countries grew by 42.85% in 2002-03;

(b) if so, whether adequate targets has been set for exports to other Asian countries in 2003-04;

(c) the sectors where Indian exports to Asian countries has not grown;

(d) the details of steps to encourage exports from such sluggish sectors; and

(e) the position of imports from other Asian countries during 2002-03?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) Indian exports to Asian countries which has a weight of 41.68% in India's total exports grew by 32.94% in dollar terms in 2002-03 as compared to 2001-02.

(b) The target for export growth of the merchandise goods as a whole for the year 2003-04 has been fixed at 12%.

(c) Exports of most of the major sectors to Asian Countries show a positive growth rate. Some of the major items where Indian exports to some Asian countries have not registered positive growth during 2002-03 include Cotton, including Yarn & Woven fabric thereof, Woven Apparel, Marine products and Machinery.

(d) Based on the strategies contained in the Medium Term Export Strategy 2002-07, announced in January, 2002, a number of programmes/schemes have been launched through the Union Budget, 2003-04 and Exim Policy, 2003-04. In the Exim Policy, 2003-04, besides, the focus on Service exports, policies have been devised to strengthen Special Economic Zones (SEZs), 100% Export Oriented Units (EOU's), etc. Duty Neutralization Schemes for import of inputs used for export production have been strengthened. Constant efforts are being made to increase exports to most of the Asian Countries. As a result of the efforts of the Government, the percentage share of exports to Asian Countries has increased from 37.37% in 2001-02 to 41.68% in 2002-03.

(e) The total imports of goods from Asian countries are placed at US\$ 16476.42 million in 2002-03 registering a growth of 15.49% over 2001-02.

# Self Employment Schemes

3931. SHRI V. VETRISELVAN: Will the Minister of FINANCE be pleased to state:

(a) whether Committees constituted by Reserve Bank of India to monitor the implementation of provision of loans to unemployed youths under various schemes have highlighted the bottlenecks of procedures prevailing in sanction/disbursements of loans;

(b) if so, the details thereof; and

(c) the steps taken by the RBI to remove said bottlenecks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The information is being collected and will be laid on the Table of the House.

# Under invoicing by importers/Exports

3932. SHRI A.F. GOLAM OSMANI: SHRI KAMAL NATH:

£

Will the Minister of FINANCE be pleased to state:

(a) whether the customs authorities have imposed penalty on several exporters/importers and individuals for under invoicing exports/imports under COFEPOSA during the last three years;

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

(c) whether the Government propose to strengthen its rules and laws to check such frauds; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Seven persons were detained under COFEPOSA during last three years. There is no penalty impossible under this Act. Through the Finance Act, 2003, Government have already strengthened various Finance Act, 2003, Government have already strengthened various provisions of the Customs Act, 1962, particularly sections 113, 114, 135 and 136.

## Identification of Tribal Areas

3933. SHRI CHINTAMAN WANAGA: Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a) whether the Government have identified/notified tribal areas in the country;

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

(c) whether any special schemes are implemented for development of these areas; and

(d) if so, the details of the schemes and funds allotted to these schemes during each of the last three years?

THE MINISTER OF TRIBAL AFFAIRS (SHRI JUAL ORAM): (a) and (b) Yes, Sir. The Government has identified/notified Scheduled Areas in relation to Scheduled Tribes in the country. The State-wise position of Scheduled Areas is given in Annexure V of this Ministry's Annual Report for the year 2002-2003, a copy of which is available in the Parliament Library.

(c) and (d) The details of the schemes being implemented for development of these areas and the funds released under these schemes during each of the last three years (2000-01, 2001-02 & 2002-03) are also given in the statements at Annexures VI to XXI, XXIII, XXIV, XXVI & XXIX of this Ministry's Annual Report for the year 2002-2003, referred to above.

# Medical Insurance Scheme for Tobacco Producers

3934. SHRI GUTHA SUKENDER REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether medical insurance scheme had been introduced for tobacco producers;

(b) if so, the details thereof; and

(c) the measures proposed to popularise the scheme?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) to (c) The Tobacco Board had assisted the registered flue cured Virginia tobacco growers in getting medi-claim cover from an insurance company during 31.03.2002 to 31.03.2003. The insurance policy covered the grower, spouse, two children and parents below the age of 60 years. The scheme could not be continued in 2003-04 on account of steep increase in insurance premium and non-availability of floater facility.

# Outstanding Amount of Bank and Financial Institutions

3935. SHRI A. VENKATESH NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether the big industrial houses have not refunded the loan taken by them from banks and nonbanking financial institutions;

(b) if so, the details thereof alongwith the total amount outstanding against these houses by the end of June, 2003;

(c) the names of the business houses against whom actions have been taken by each public sector banks; and

(d) the amount of loan realized/proposed to be realized through the said action?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) The information is being collected and will be laid down on the Table of the House to the extent available.

## Spinning Mills

• 3936. DR. JASWANT SINGH YADAV: Will the Minister of TEXTILES be pleased to state:

(a) the number of spinning and composite mills in the country, particularly in the State of Rajasthan separately, State-wise and location-wise;

(b) the number of those mills functioning at present in the country in co-operative/public/private sector;

(c) whether the Government have any proposal to set up such mills in the backward districts of the country; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) The total number of spinning and composite mills (non SSI) as on 30.6.2003 is 1872 of which 54 are in Rajasthan, where location-wise list is at statement. State wise list is at statement II.

(b) The number of mills functioning under cooperative/ public/private sector are:

Management	No. of Mills
Public Sector	95
Co-operative Sector	100
Private Sector	1173
Total	· 1368

(c) and (d) The Government does not setup mills in the country. The role of the Government in this regard is that of a facilitator. The Government through various schemes and policies creates a conducive environment for the growth of the textile mills including spinning and composite mills.

#### Statement I

# Location-wise list of textile mills in the State of Rajasthan

Sr. N	o. Name of the Location	Spinning	Composite	Total
1	2	3	4	5
1.	Ajmer	3	2	5
<b>2</b> .	Alwar	10	1	11

1	2	3	4	5
3.	Banswara	1	1	2
4.	Bhilwara	12	3	15
5.	Dungarpur	2	0	2
6.	Hanumangarh	1	0	1
7.	Jaipur	3	0	3
8.	Jhalawar	1	0	1
9.	Jodhpur	1	0	1 ;•
10.	Pali	1	0	1
11.	Sikar	1	0	1
12.	Sirohi	2	0	2
13.	Sri Ganganagar	1	1	2
14.	Udaipur	6	0	6
15.	Tonk	0	1	1
	Total	45	9	54

## Statement II

Spinning and composite (cotton/man-made fibre textile mills (Non-SSI) (As on 30.06.2003)

Sr. Ņo.	State/Union Territory	Spinning Mills	Composite Mills	Total Mills
1	2	. 3	4	5
	State			
1.	Andhra Pradesh	%	2	98
2.	Assam	6	2	8
3.	Bihar	7	1	8
4.	Chhattisgarh	٦	1	2
5.	Delhi	0 .	1	1
<b>6</b> .	Goa	1	0	1
7.	Gujarat	60	89	149

1	2	3	4	5
8.	' Haryana	78	2	80
<b>9</b> .	Himachal Prades	h 16	0	16
10.	Jammu & Kashm	nir 2	0	2
11.	Jharkhand	1	0	1
12.	Kamataka	49	10	59
13.	Kerala	34	4	38
14.	Madhya Pradesh	40	18	58
15.	Maharashtra	131	78	209
16.	Manipur	1	0	1
17.	Orissa	16	1	17
18.	Punjab	75	3	78
19.	Rajasthan	45	9	54
20.	Tamil Nadu	837	20	857
21.	Uttar Pradesh	58	16	74
22.	Uttaranchal	5	0	5
23.	West Bengal	24	15	39
	Union Territory			
24.	Dadra Nagar Hav	<b>veli</b> 3	2	5
25.	Dam <b>an &amp; Diu</b>	1	0	1
2 <b>6</b> .	Pondicherry	9	2	11
	Grand Total	1596	276 ·	1872

## **Resource Utilization of Growth Centres**

3937. SHRI KALAVA SRINIVASULU: Will the Minister of FINANCE be pleased to state: (a) whether the Infrastructure Schemes like growth centres have had only limited success resulting in suboptional utilisation of resource;

(b) if so, the details of resource utilization of all growth centres in the country since their inception;

(c) whether the Union Government had ever asked the States to undertake an impact study;

(d) if so, the outcome of the study; and

(e) the performance of growth centres created in each State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The Growth Centre Scheme has achieved considerable success. Out of 71 Growth Centres approved, 68 have already been sanctioned. An amount of Rs. 427.49 crore has so far been released as central assistance to various Growth Centres. Full central assistance has been released to 19 Growth Centres. 44 Growth Centres have already become functional. 987 industrial units have so far been established in these Growth Centres. A capital investment of Rs. 9386.76 crore has so far been made. An employment of 31,416 has been generated. Resource utilization of all Growth Centres in the country since inception is placed at Statement I.

(c) and (d) States where Growth Centres have received full central assistance have been asked to undertake an impact assessment study. As per the reports received so far the establishment of Growth Centres have certainty improved the social and industrial infrastructure in the backward areas.

(e) The performance of the Growth Centres in each State is placed at Statement II.

## Statement I

Resource utilization of all growth centres in the country.

(Rupees in lakh)

X

SI. No.	Name of State, Growth Centre/District	Amount of Central Release	Amount Released by States & its Agencies	Total expenditure
1	2	3	4	5
	ANDHRA PRADESH			
1.	Hindupur (Anantpur)	200.00	179.81	379.81

1	2	3	4	5
2.	Khammam (Khammam)*	50.00		
3.	Bob <del>bil</del> i (Vizianagaram)	551.00	521.34	1072.34
4.	Ongole (Prakasam)	760.00	737.67	1414.39
	ARUNACHAL PRADESH			
5.	Niklok-Ngorlung (East Siang)	468.00	137.50	352.09
	ASSAM			
<b>6</b> .	Matia (Goalpara)	700.00	152.11	402.03
7.	Chariduar (Sonitpur)	750.00	192.05	491.93
	BIHAR			
<b>8</b> .	Begusarai ( <b>Begusarai</b> )	500.00	697.75	<b>94</b> 3.87
<b>9</b> .	Bhagalpur (Bhagalpur)	50.00	392.77	458.40
10.	Chhapra (Chhapra)	50.00	90.00	9.70
11.	Darbhanga (Darbhanga)	50.00	_	-
12.	Muzaffarpur (Muzaffarpur)	50.00	90.00	9.73
	CHHATTISGARH			
13.	Borai (Durg)	893.00	1330.60	2223.60
14.	Siltara (Raipur)	1000.00	1753.84	2753.84
	GOA			
15.	Electronic-City (Verna-Plateau)	824.00	1234.31	2058.31
	GUJARAT			
16.	Gandhidham (Kutch)	765.00	500.00	<del>66</del> 5.04
17.	Palanpur (Banaskantha)	350.00	500.00	473.00
18.	Vagra (Bharauch)	1000.00	3940.25	4940.25
	HARYANA			
19.	Bawal (Rewari)	1000.00	7722.62	8722.62
20.	Saha ( <b>Ambala</b> )	850.00	953.02	1353.02
	HIMACHAL PRADESH			
21.	Kangra (K <b>angra</b> )	603.00	387.63	603.55
	JAMMU & KASHMIR			
22.	Lassipora (Pulwama)	425.00	256.92	- 681.92
23.	Samba (Jammu)	1000.00	851.98	1851.98

At the request of the Government of Andhra Pradesh, shifting of the location of the Growth Centre at Khammam to Jedcherla (Distt. Mahaboobnagar) has recently been acceded to.

4

2		3	4	5
JHARKHAND				
. Hazaribagh (H	azaribagh)	200.00	241.19	57.10
KARNATAKA				
i. Dharwad (Dha	nwad)	1000.00	5165.00	6164.98
6. Raichur (Raich	nur)	1000.00	1916.69	2716.69
. Hassan (Hass	an)	1000.00	6319.52	7319.52
KERALA				
8. Kannur-Kozhik Kozhikode)	ode (Kannur-	1000.00	2558.37	3291.68
). Alappuza-Mala (Alappuza-Mala		· 1000.00	3004.37	3162.83
MADHYA PRA	NDESH			
). Chainpura (Gu	ina)	250.00	260.00	527.70
. Ghirongi (Bhin	d)	1000.00	3223.41	4223.41
. Kheda (Dhar)		1000.00	1161.63	2163.00
3. Satlapur (Rais	en)	635.00	636.87	1142.91
MAHARASHT	AR			
. Akoła (Akoła)		1000.00	1232.00	2231.21
. Chandrapur (C	Chandrapur)	815.00	777.12	1471.53
i. Dhule (Dhule)		<b>58</b> 0.00	746.69	1262.67
Nanded (Nand	led)	910.00	976.03	1794.18
. Ratnagiri (Rat	nagiri)	440.00	124.76	564.76
MANIPUR				
. Lamlai-Napet	(Imphal)	150.00	126.59	8.56
MEGHALAYA				
. Mendhipattar (	East Garo Hills)	50.00	-	_
MIZORAM				
Luangmual (A	izawai)	480.00	160.44	640.44

1	2	3	4	5
	NAGALAND			
42.	Ganeshnagar (Kohima)	1500.00	460.25	1960.25
	ORISSA			
13.	Chhatrapur (Ganjam)	50.00	90.84	58.57
4.	Kalinganagar-Duburi (Cuttack)	840.00	1839.22	2679.22
5.	Jharsuguda (Jharsuguda)	200.00	124.07	324.07
6.	Kesinga (Kalaahandi)	125.00	37.02	128.89
	PONDICHERRY			
7.	Polagam-Karaikal (Karaikal)	650.00	685.00	1171.28
	PUNJAB			
8.	Bathinda (Bathinda)	1000.00	982.74	1982.74
9.	Pathankot (Gurdaspur)	1000.00	500.00	1246.42
	RAJASTHAN			
50.	Abu-Road (Sirohi)	1000.00	2153.11	3153.11
51.	Bhilwara (Bhilwara)	300.00	311.80	611.80
2.	Khara (Bikaner)	620.00	489.93	1109.93
3.	Dholpur (Dholpur)	1000.00	- 206.96	1206.94
4.	Jhalawar ( <b>Jhalawar</b> )	300.00	176.85	476.85
	TAMIL NADU			
5.	Erode (Periyar)	1000.00	9902.47	7902.47
6.	Oragadam (Kancheepuram)	800.00	296.74	1096.74
<b>57</b> .	Tirunelveli-Gangai Kondan (Tirunelveli-Kattabomman)	930.00	1500.00	969.41
	TRIPURA			
5 <b>8</b> .	Bodhjangnagar (West Tripura)	1070.00	58.49	725.19
	UTTAR PRADESH			
5 <b>9</b> .	Bijauli (Jhansi)	593.00	365.12	<b>958</b> .12
60.	Jamaur (Shahjahanpur)	315.00	155.18	470.18
61.	Pakbara (Moradabad)	850.00	1108.14	- 1958.14
<b>62</b> .	Dibiapur (Auraiya)	150.00	75.00	223.64
63.	Khurja (Bulandshahr)	420.00	285.00	<b>58</b> 7.28

1	2	3	4	5
<b>64</b> .	Sathria (Jaunpur)	767.00	439.91	1006.91
65.	Shajanwa (Gorakhpur)	1000.00	1553.27	2553.27
	WEST BENGAL			
<b>66</b> .	Bolpur (Birbhum)	200.00	100.00	153.50
67.	Jalpaiguri (Jalpaiguri)	200.00	100.00	157.50
68.	Maida (Maida)	400.00	274.25	384.00
	Total	<b>42699</b> .00	75524.21	105861.01

Provisional Release to Shivrajpur-Padampur (Uttaranchal): Rs. 50 lakh.

Total Central Assistance released including Shivrajpur-Padampur (Uttaranchal): Rs. 42699 lakh+Rs. 50 lakh = Rs. 42749 takh.

# Statement II

# Performance of Growth Centres

(Rupees in lakh)

							(··	
si. No.	Name of State, Growth Centre/District	Date of approval	Land acquired	Plots/ sheds developed	Plots/ sheds allotted	No. of units established	Capital invested by units	Employment generated
1	2	3	4	5	6	7	8	9
	ANDHRA PRADESH (B)							
1.	Hindupur (Anantpur)	30.3.92	712.52 Acres	231/12	133/10	36	1570.08	938
2.	Khammam (Khammam)	23.7.92		-			-	-
3.	Bobbili (Vizianagaram)	30.3.92	1239.33 Acres.	408/-	1/-	-		
4.	Ongole (Prakasam)	30.3.92	1320.44 Acres	615/-	4/-	-		-
	ARUNACHAL PRADESH							
5.	Niklok-Ngorlung (East Siang) ASSAM (A)	08.04.97	582.15 Acres	<b>-</b>	-	-	_	-
6.	Matia (Goalpara)	31.10.97	1672 Bighas			-	-	-
7.	Chariduar (Sonitpur)	08.04.97	1500 Bighas		-	-	-	-
	BIHAR (B)							
<b>8</b> .	Begusarai (B <b>egusarai</b> )	03.05.95	392.141 Acres	-	-		-	-

175 Written Answers

	2	3	4	5	6	7	8	9
9.	Bhagalpur (Bhagalpur)	<b>30.9.96</b>	424.25 Acres	-	-	-		-
10.	Chhapra (Chhapra)	30.9.96	-	-	-	-	-	-
11.	Darbhanga (Darbhanga)	13.2.98	_	-	-	-	_	-
12.	Muzaffarpur (Muzaffarpur)	30.09.96		-	-		-	-
	CHHATTISGARH (A)							
13.	Borai (Durg)	27.03.91	436.84 Hec.	323/35	55/26	36	11 <b>563</b>	1404
14.	Siltara (Raipur)	11.03.92	1259.286 Hec.	151/10	32/10	19	63394.00	1731
	GOA (A)							
15.	Electronic-City (Verna- Plateau)	12.02.93	2917182 sq.m	398/-	319/-	82	31163.67	7723
	GUJARAT (A)							•
16.	Gandhidham (Kutch)	23.07. <b>9</b> 2	131 Hec.	387/-	-	-	_	_
17.	Palanpur <b>(Banaskantha)</b>	23.07.92	75 Hec.	136/-	_		_	-
18.	Vagra (Bharauch)	<b>23.07.92</b>	200 Hec.	300/-	-	-		_
	HARYANA (A)							
19.	Bawal (Rewari)	31.03. <b>92</b>	1212 Acres	556/-	208/-	25	100000.00	400
20.	Saha (Ambala)	31.10.97	301 Acres 5 kanel	916/-	125/-		_	_
	HIMACHAL PRADESH (A)							
21.	Kangra (K <b>angra</b> )	20.02.97	196-69-62 Hec.	311/30	114/30	51	1499.00	574
	JAMMU & KASHMIR (A)							
<b>22</b> .	Lassipora (Pu <b>twama</b> )	11.12.97	5167 Kanals 02 marias	12/-	6/-	-	-	
<b>23</b> .	Samba (Jammu)	27.01.92	1742 Kanals	241/-	33/-	-	-	
	JHARKHAND (C)						•	
24.	Hazaribegh (Hazaribegh)	03.05.95	525.34 Acres	-	-	-		_

	2	3	4	5	6	7	8	9
	KARNATAKA (A)							
25.	Dharwad (Dharwar)	27.01.92	2205 Acres	2205 Acres	1333 Acres	88	72400	573
6.	Raichur (Raichur)	27.01.92	1000 Acres	430 Acres	3	-	-	
7.	Hassan (Hassan)	27.01.92	1825 Acres	1825 Acres	514 Acres	75	435300	2023
	KERALA (A)							
8.	Kannur-Kozhikode (Kannur-Kozhikode)	28.02.94	572 Acres	88/-	37/-	3	2057	266
9.	Alappuzha-Malappuram (Alappuzha-Malappuram)	28.02.94	523 Acres	55 Acres/- 7 Acres/-	7 Acres/-	-	600	100
	MADHYA PRADESH (A)							
0.	Chainpura (Guna)	27.03.91	334.81 Hec.	400 Hec/-	180 Hec/-		-	
Ι.	Ghirongi (Bhind)	27.03.91	716 Hec.	441.032 Hect/-	143.987 Hect/-	42	121778.25	7296
2.	Kheda (Dhar)	27.03.91	240.770 Hec.	96/-	11/-	6	66252.64	1755
3.	Satlapur (Raisen)	23.03.93	321.190 Hec.	_	-		-	-
	MAHARASHTRA (B)							
<b>4</b> .	Akola (Akola)	30.3.92	625.05 Hec.	286/-	216/-	45	8337	510
5.	Chandrapur (Chandrapur)	30.03.92	623.49 Hec.	150/-	1/-			
6.	Dhule (Dhule)	30.03.92	707 Hec.	60	3		-	-
7.	Nanded (Nanded)	11.12.97	645.81 Hec.	188/-	7	1	415.00	52
8.	Ratnagiri (Ratnagiri)	30.03.92		-	-			
	MANIPUR (C)							
<b>19</b> .	Lamlai-Napet (Imphal)	02.03.96	-	-	-	-		-
	MEGHALAYA (C)							
<b>10</b> .	Mendhipattar (East Garo Hitis)	24.10.97		-	-	-	-	

	2	3	4	5	6	7	8 <sup>`</sup>	. 9
	MOZORAM (C)							
11.	Luangmual (Aizwal)	24.10.97	311 Acre	30/6		-	_	
2.	NAGALAND (C)							
	Ganeshnagar (Kohima)	12.02.98	1000 Acre	23/-	-	_	-	_
	ORISSA (C)							
3.	Chhatrapur (Ganjam)	12.02.97	· '		_	_	-	-
4.	Kalinganagar- Duburi (Cuttack)	12.02.97	1500 Acre			-	_	_
5.	Jharsuguda (Jharsuguda)	12.02.98	102 Acre	-	_	_	-	_
6.	Kesinga (Kalahandi)	09.02.99	126.72 Acre	2/-	2/-	<del>-</del> .	-	_
	PONDICHERRY (C)							
7.	Polagam-Karaikal (Karaikal)	31.10.97	592 Acre	74/-	74/-	-	-	. –
	PUNJAB (A)							
<b>18</b> .	Bathinda (Bathinda)	27.03.91	389.79 Acres	401/17	196/-	17	-	-
<b>19</b> .	Pathankot (Gur <b>daspur)</b>	06.01.92	409.86 Acres	432/205	187/-	0	_	_
	RAJASTHAN (A)							
<b>50</b> .	- Abu-Road (Sirohi)	31.03.92	914.00 Acres	294/-	71/-	27	1000.00	300
51.	Bhilwara (Bhilwara)	18.12.97	1159 Bighas	4/-	4/-	-	-	
<b>52</b> .	Khara (Bikaner)	31.03.92	1162 Bighas 21 Biswa	461/-	235/-	75	948	680
<b>53</b> .	Dholpur (Dholpur)	23.03.93	332.22 Acres.	211	104/-	53	1500.00	240
54.	Jhalawar ( <b>Jhalawar</b> )	23.07.92	438 Acre	238/-	118/-	78	900.00	45
	TAMILNADU (A)						_	
<b>5</b> 5.	Erode (Periyar)	23.07.92	2450.07 Acres	64/-	64/-	20	4761.86	100
<b>56</b> .	Oragadam (Kancheepuram)	12.05.99	1260 Acre	-		-	-	-

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1	2	3	4	5	6	7	8	9
57.	Tirune <del>lveli-Ganga</del> i Kondan (Tirunelveli- Kattabomman)	30.03.92	2032.00 Acre	2/-	· 2/-			_
	TRIPURA (A)							
<b>58</b> .	Bodhjangnagar (West Tripura)	07.11. <del>9</del> 7	242 Acres	41/-	16/-	2	-	-
	UTTAR PRADESH (A)							
59.	Bijauli (Jhansi)	23.03.93	309.64 Acres	441/-	318/-	-	· _	_
<b>60</b> .	Jamaur (Shahjahanpur)	17.02.93	147 Acres	43/-	40/-		-	-
61.	Pakbara (Moradabad)	17.02.93	408 Acres	247/-	2/-			
<b>62</b> .	Dibiapur (Auraiya)	03.03.98	-			. –		-
<b>63</b> .	Khurja ( <b>Bulandshahr</b> )	23.03.93	1200.84 Acres *	-		<u> </u>	-	_
64.	Satharia (Jaunpur)	17.02.93	508.45 Acres	485/-	337/-	<b>8</b> 6	3954.50	1402
65.	Sahjanwa (Gor <b>akhpur)</b>	16.02.93	525.27 Acres	.1298/30	999/25	89	5065.55	1941
	WEST BENGAL (B)							
<b>66</b> .	Bolpur (Birbhum)	20.02.97	50 Acres	_	-	-		-
67.	Jalpaiguri (Jalpaiguri)	20.02.97	105 Acres	-	-	-	-	
<b>68</b> .	Maida (Maida)	20.02.97	164 Acres	135/-	124/-	31	4216.00	52
	Total			H*		987	938675.55	31416

(A)- Represents category 'A' States where percentage of functioning/total Growth Centre is 66% and above.

(B)- Represents category 'B' States where percentage of functioning/total Growth Centre is between 33% to 65%.

(C) Represent category 'C' States where percentage of functioning/total Growth Centre is below 33%

Source: Quarterly progress reports furnished by the State Government.

## WTO Conference in Canada

3938. SHRI AJAY SINGH CHAUTALA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the agenda of the WTO conference held in Canada recently;

(b) the extent to which India and other Asian countries like China presented their viewpoint in the conference; and

(c) the extent to which the outcome of the above conference would help India to boost the trade volume?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY

OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) to (c) An informal mini-ministerial meeting on WTO issues was convened by Canada at Montreal on 28-30 July 2003 with a view to exchange views among the Trade Ministers from select countries on the current status of negotiations under the work programme adopted at Doha as part of the Doha Ministerial Declaration and explore strategies for addressing blockages. 25 WTO Members including India besides the Director General of WTO and the Chairman of the WTO General Council were invited by Canada for this meeting. All Members present, including India, reiterated their well known position on all the issues covered by the Doha Work Programme. While there was no conclusion at this meeting, it helped the Members appreciate and understand each other's position on various issues.

# Malimath Committee

3939. SHRI SUNIL KHAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether Justice Malimath Committee (Arrears Committee) submitted its recommendations to the Government;

(b) if so, the details of the recommendations;

(c) whether the Government have taken steps for implementing the recommendations;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) and (b) A Committee known as Malimath Committee (Arrears Committee) had submitted its Report during 1989-90 on various aspects relating to the pendency of cases in the Judiciary. However, sometimes back a Committee was set up by the Government under the chairmanship of Dr. Justice V.S. Malimath to consider and recommend measures to revamp the Criminal Justice System of the country. The Committee has submitted its Report on 21st April, 2003. The Committee has made several recommendations for amendment to various provisions of the Code of Criminal Procedure, 1973, the Indian Penal Code, 1860, and the Indian Evidence Act, 1872. The Committee has suggested, inter-alia, reduction of vacations of the Supreme Court and High Courts, change in trial procedure with a view to providing speedy and effective trial of cases; provisions for right of a victim to participate in cases involving serious crimes and to adequate compensation; protection to witnesses, arrears eradication scheme, measures to check offences against women, enactment of central legislation to deal with crimes of inter-state and international ramifications, establishment of federal courts for trial of underworld criminals, making more offences compoundable, and abolishing the difference between cognizable and noncognizable offence.

(c) to (e) Implementation of the recommendations made by the Committee would require consultation with State Governments as the Criminal Law and Criminal Procedure are on the Concurrent List of the Seventh Schedule to the Constitution of India. No time frame can be fixed for implementation of the recommendations.

# Trade Agreement with USA and Russia

3940. SHRI AKBOR ALI KHANDOKER: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the trade agreements signed by the Government with USA and Russia during the last three years;

(b) the foreign exchange earned by India as a result of these agreements during the above period;

(c) whether signing of some more agreements with these countries is under consideration of the Government; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) No trade agreement has been signed by the Indian Government with USA and Russia during the last three years.

(b) Does not arise.

(c) and (d) Government's efforts to expand trade are a sustained and continuous process. Efforts are made to facilitate trade and maximise investment opportunities across a broad range of economic sectors including information technology, infrastructure, biotechnology and services.

#### **Export Credit Guarantee Corporation**

3941. SHRI T.M. SELVAGANPATHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have taken a decision to allow banks to act as agents for the Export Credit Guarantee Corporation of India Ltd;

(b) if so, the details thereof;

(c) whether the ECGC has also decided to open ten new branches;

(d) if so, the details thereof; and

(e) the extent to which the Corporation had reduced the list of countries offered restricted cover?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION. MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) Insurance Regulatory and Development Authority (IRDA), set up under an act of Parliament to regulate the Insurance Industry, has permitted the banks to become Corporate Agent for one life and one non-life insurance company under the regulations issued on 16th October, 2002. Export Credit Guarantee Corporation of India Ltd. (ECGC) which is registered with the IRDA as a non-life insurer, has signed the first Corporate Agency agreement with Corporation Bank on 4.8.2003 for marketing its insurance products for exporters.

(c) and (d) ECGC has decided to open satellite branch offices in centers like Chandigarh, Jodhpur, Rajkot, Noida, Vishakapatnam, Mangalore, Guntur, Vijayawada, Aligarh, Tuticorin and Karur during this financial year. The branches in Rajkot, Jodhpur, Chandigarh, Noida and Vishkkapatnam are being opened by October, 2003 and the rest are expected to be opened by March, 2004.

(e) ECGC has brought down the number of countries under restricted cover to 33 from 54.

#### Cotton Yarn to Handloom Weavers.

3942. SHRI ASHOK N. MOHOL: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have provided cotton yam to handloom weavers in the country at subsidised rates through State Handloom Development Corporation;

(b) if so, the subsidies provided to weavers during the last two years and current year, State-wise particularly in Maharashtra;

(c) whether the Union Government have received some complaints regarding misuse of cotton yarn provided at subsidy rate by the weavers;

(d) if so, the number of complaints received by the Government, particularly in Maharashtra during the above period; and

(e) the steps taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) and (b) Ministry of Textiles is implementing the Mill Gate Price Scheme, under which the National Handloom Development Corporation (NHDC), a Government of India Undertaking is arranging supply of all types of yarn required for handloom weavers and their organisations at Mill Gate Price. The expenditure for transportation of yarn from the Mill Gate to the godown of the handloom agencies is being reimbursed by NHDC to the agencies and then by Government of India to NHDC. NHDC has reimbursed a sum of Rs. 211.91 lakh and Rs. 55.39 lakh to the handloom agencies in various states during 2001-02 and 2002-03 respectively. Statewise details of reimbursement is given at Statement I. No claims have been received during 2003-04 for reimbursement.

Further the competent authority has approved the Scheme for Reimbursement of CENVAT on Hank Yam with effect from 1st April, 2003 and approved the arrangements for such reimbursement made for the period from 01.03.2003.

As per this arrangement, NHDC had supplied yarn worth about Rs. 890.00 lakh and Rs. 24190.00 lakh during 2001-02 and 2002-03 respectively and the benefit of Rs. 72.67 lakh and Rs. 2225.80 lakh were passed on for this period to the handloom weavers/handloom agencies in various States. Statewise, yearwise details of benefit passed on the handloom agencies is given at statement II. AUGUST 22, 2003

The following releases were also made to State Governments during 2003-04 under the above arrangements, for supplies made by state agencies:

SI.No.	Name of the State	Amount Released (Rs. in lakhs)
1.	Andhra Pradesh	14.07
2.	Kerala	6.66
3.	West Bengal	5.33

(c) to (e) No complaints were received from Maharashtra during the last 2 years about misuse of subsidy provided under the above scheme/arrangements.

## Statement I

The Statewise/Yearwise reimbursement of transportation charges made by National Handloom Davelopment Corporation under Mill Gate Price Scheme during 2001-02 and 2002-03.

si.No.	Name of State/UT	Reimbursement made during			
		2001-02	2002-03		
1	<u>,</u> 2	3	4		
1.	Andhra Pradesh	10.36	8.52		
2.	Assem	1.49	-		
3.	Bihar	4 <i>.</i> 41	2.14		
4.	Chhattisgarh	0.43	1.36		
5.	Gujarat +	0.05	-		
<b>6</b> .	Hary <b>ana</b> ,	4.39	2.66		
7.	Himachal Pradesh	0.03	0.04		
8.	Karn <b>ataka</b>	21.98	14.63		
<b>9</b> .	Kerala	30.68	-		
10.	Madhya Pr <b>adesh</b>	3.82	0.37		
11.	Maharashtra	0.99	0.10		
12.	Manipur	0.07	-		

(Rs. in lakh)

1	2	3	4
13.	Meghalaya	0.17	-
14.	Mizoram	0.37	-
15.	Orissa	0.77	
16.	Punjab	0.11	0.04
17.	Pondicherry	1.48	-
18.	Rajasthan	0.25	-
19.	Sikkim	0.01	-
20.	Tamil Nadu	98.62	19.76
21.	Tripura	7.41	-
22.	Uttar Pradesh	9.45	5.77
23.	West Bengal	14.57	-
	Total	211.91	55.39

# Statement II

The Statewise/Yearwise details of the benefit of reimbursement of CENVAT made by National Handloom Development Corporation during 2001-02 and 2002-03.

(Rs.	in I		ch)
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SI.No.	Name of State/UT	Benefit of CENVAT passed on to the handloom agencies			
		2001-02	2002-03		
1	· 2	3	4		
1.	Andhra Pradesh	4.05	101.15		
2.	Chhattisgarh	1.52	12.61		
3.	Gujarat	-	1.18		
4.	Madhya Pradesh	0.56	12. <b>99</b>		
5.	Maharashtra	-	0.87		
6.	Kamataka	0.51	36.17		
7.	Keraja	8.67	221.58		

1	2	3	4
8.	Orissa	0.25	3.95
<b>9</b> .	Pondicherry	1.42	12.01
10.	Tamil <b>Nadu</b>	65.39	1812.51
11.	Tripura	-	6.50
12.	West Bengal	0.30	4.28
	Total	82.67	2225.80

# [Translation]

# World Bank Assistance to Bihar

3943. SHRI RAJO SINGH: Will the Minister of FINANCE be pleased to state:

(a) the names of the places in Bihar which received financial assistance from the World Bank for the purpose of literacy, Anganbari, welfare and development works during the last one year and till date;

(b) the rate of interest on the amount received by Central Government/State Government;

(c) the conditions on which the said assistance has been received;

(d) the works undertaken by the Bihar Government with the said amount; and

(e) the time by which these works are likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a), (d) and (e) There are no World Bank aided State Sector project/schemes for Bihar alone. However, there are central sector and state sector multistate projects/schemes in areas of literacy, anganbari, welfare and developmental works, which are being implemented in various parts of the country including Bihar, such as District Primary Education Project III, Women and Child Development Project, Immunization Strengthening Project, National Highways Project III, National Agriculture Technology project, Rural Women Development and Empowerment Project etc. The works envisaged in the central sector and multistate projects/schemes covering Bihar include construction of primary school buildings/rooms, anganbari centres, improvement of national highways, etc. in various parts of the state.

The time limits for completion of these works are linked to specific project/scheme completion dates.

(b) and (c) World Bank IBRD assistance is available to Government of India as Variable Spread Loans (VSL) with current interest rate of 1.55%, repayment period of 20 years including 5 years grace period. World Bank IDA credits to Government of India have a service charge of 0.75% but no interest and repayment period of 35 years including 10 years grace period.

For state sector projects/schemes the funds are released to the State Government on standard additional central assistance terms. For central sector projects/ schemes, the funds are released as per specific terms of the projects/schemes.

# Sugar Stock

3944. DR. BALIRAM: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government are aware that huge stock of sugar is lying with the sugar mills in Uttar Pradesh;

(b) if so, the details in this regard alongwith the reasons therefor;

(c) whether the Uttar Pradesh State Government has requested the Union Government to release the entire stock of sugar lying with the sugar mills in the State; and

(d) if so, the action taken on the request of the State Government till date?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) and (b) As on 15th July 2003, the stock of sugar with the mills of Uttar Pradesh was 28.23 Lakh Tonnes (Provisional) as against 33.26 Lakh Tonnes on the corresponding date of the last year.

(c) and (d) The release of non-levy sugar of sugar mills (including those situated in Uttar Pradesh) is made

having regard inter-alia to production, stock, requirement, availability of other alternative sweetening agents like Gur, Khandsari and price trends.

# [English]

# **NPAs of Banks**

3945. PROF. UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has cautioned the Government that bank and financial institutions will be de-stabilised if non-performing assets continue to grow;

(b) if so, the details of the observations made by the World Bank; and

(c) the reaction of the Union Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The World Bank mission conducted the final review of performance of six participating Banks viz. Allahabad Bank, Bank of India, Dena Bank, Indian Bank, Indian Overseas Bank and Syndicate Bank, under the Financial Sector Development Project in October, 2001. The mission, in its report dated 17.04.2002 observed that despite efforts to clear up portfolio of existing NPAs, the level of NPAs remained high, as fresh NPA's have arisen, partly due to downturns in industry and infrastructure sectors to which Public Sector Banks have large exposure. The mission was concerned that the growth had taken place at the expense of credit quality and could lead to further NPAs. The observation of World Bank mission was confined to six Public Sector Banks only.

(c) Government of India and Reserve Bank of India have advised the banks and financial institutions to take several steps for recovery of dues such as evolving and implementation of recovery policy by banks, filing of sults with civil courts, filing cases with Debt Recovery Tribunals (DRTs), compromise settlement through Settlement Advisory Committee, Lok Adalats and monitoring and follow up of NPAs at various levels. Credit Information Bureau has also been set up to disseminate information on borrowers to the banks. Corporate Debt Restructuring (CDR) scheme has been put in place to provide a transparent mechanism for restructuring of corporate debts of viable entities facing problems due to internal and external factors. A company viz., "Assets Reconstruction Company (India Ltd.)" has been incorporated under the Companies Act, 1956. "The Securitization & Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002" has been enacted to facilitate foreclosures and enforcement of securities in cases of default, in order to enable the banks and financial institutions to realize their dues. RBI has issued revised guidelines for compromise settlement of chronic NPAs of Public Sector Banks on 29th January, 2003. These guidelines will cover all NPAs in all sectors irrespective of the nature of business, which have become doubtful or loss as on 31st March 2000 with outstanding balance of Rs. 10.00 crore and below.

# World Bank Loan to Andhra Pradesh

3946. SHRI A.P. JITHENDER REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Andhra Pradesh Government have requested the Union Government for recommendation to World Bank for sanction of a Structural Adjustment Loan (SAL) of Rs. 1610 crores, while considering the resources estimates of the State for financing the annual plan;

- (b) if so, the details thereof; and
- (c) the reaction of the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Yes Sir. Andhra Pradesh Government's request for Structural Adjustment Loan (SAL) from World Bank has been posted to the World Bank. The amount, tranches and reform content of the SAL will depend upon completion of programme. Inclusion of SAL resources in resource estimates of the State is conditional upon actual availability of such resources from World Bank in the relevant financial year.

# Refund of Excise Benefit

3947. SHRI J.S. BRAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have asked the tobacco companies to refund excise benefits obtained by them due to retrospective revision of policy;

(b) if so, the details thereof;"

(c) whether the tobacco companies have represented against the retrospective effect of the policy; and

(d) if so; the details thereof and the views taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Incentives provided by way of excise duty refund on specified products including tobacco products manufactured within North-Eastern Region have been withdrawn retrospectively vide Section 154 of the Finance Act, 2003 (No. 32 of 2003). As a consequence of this amendment, an amount of Rs. 20412.62 Lakhs has been demanded from the manufacturers of tobacco products.

(c) and (d) The validity of Section 154 of the Finance Act, 2003 and the action initiated for recovery of the dues arising out of the amendment is challenged in the Hon'ble Guwahati High Court. The Hon'ble High Court had granted ad-interim stay for the recovery of the dues and the matter is pending for final decision before the Hon'ble Guwahati High Court.

## **Debts Recovery Tribunal**

3948. PROF. I.G. SANADI: Will the Minister of FINANCE be pleased to state:

(a) whether the functioning of Debts Recovery Tribunal at Coimbatore in Tamil Nadu has drawn criticism from Bank Associations for its poor performance;

(b) if so, the total number of cases settled by this DRT during the last three years;

(c) the total number of cases alongwith the amount involved sorted by DRT Coimbatore during the last one year pertaining to private banks and public sector banks separately;

(d) whether the DRT Coimbatore, at the cost of Exchequer, has helped only the private sector banks in recovery of debts while comparing the recoveries pertaining to Government/nationalised banks; and

(e) if so, the corrective measure taken by the DRT, Coimbatore in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Indian Banks' Association has reported that they have not made any comment with regard to the functioning of the DRT Coimbatore about their performance.

(b) Debts Recovery Tribunal (DRT) Coimbatore was set up on 22.03,2002. The tribunal has disposed of 302 cases during the period from 22.3.2002 to 13.8.2003. (c) As per the information made available by DRT Coimbatore, the total number of case alongwith the amount involved sorted during the period 1.8.2002 to 13.08.2003 are as under:

		Amount involved (Rs. in crores)	
Public Sector Bank	189	32.18	
Private Sector Banks	75	17.13	

(d) No, Sir.

(e) Does not arise.

## PNB to start Life insurance

3949. SHRI G.S. BASAVARAJ: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are considering a proposal of Punjab National Bank to start Life Insurance JV with US based Finance Company;

(b) if so, the details thereof;

(c) whether there is any proposal of PNB to close down its mutual find;

(d) if so, the details thereof; and

(e) the reasons for such proposal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Punjab National Bank (PNB) has sought approval of Reserve Bank of India on a proposal to form insurance joint venture between Pension & Life Insurance Company and Insurance Broking Company with US based Principal Financial Group. The proposed share capital of companies is Rs. 110 crore and Rs. 5 crore respectively. Besides PNB, Vijaya Bank and M/s Berger Paints India Ltd. will be participating in the Joint Venture.

(c) to (e) PNB is considering transferring its Mutual Fund Schemes to proposed Principal-PNB Asset Management Company, which will be a joint venture company. Asset Management is a specialized function in terms of product design, development and understanding of the equity and debt markets and partnering with a global player will enhance skills and competitiveness.

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#### Export of Oil Cake

3950. DR. RAGHUVANSH PRASAD SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether millions of tonnes of oil cake/concentrates are exported thereby depriving our livestock and affecting their productivity, causing far greater losses to animal owners;

(b) if so, whether there is a demand to ban the export of oil cake; and

(c) if so, the reaction of the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) Some representations demanding ban on export of oilcake have been received. However, export of oilcake has declined appreciably in 2002-03 over the previous year, indicating a strengthening of domestic demand. Besides, exports depend on a host of factors, including domestic and international prices. The fact that exports are taking place need not mean deprivation of livestock and loss in their productivity.

(c) Export essentially means providing a larger market permitting larger production and incomes to farmers. There is no proposal therefore to consider a ban on export of oilcakes.

## **Inclusion of Castes**

3951. SHRI VARKALA RADHAKRISHNAN: Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a) whether the Union Government have received a proposal and from the Government of Kerala for including certain castes in the list of Scheduled Tribes;

(b) if so, the details thereof indicating population and habitations of the people of these castes; and

(c) the decision taken by the Union Government in this regard?

THE MINISTER OF TRIBAL AFFAIRS (SHRI JUAL ORAM): (a) Yes, Sir.

(b) The Government of Kerala has recommended for inclusion/exclusion/modification etc. of 59 communities in the list of ST of Kerala. The population data are available only in respect of communities notified as Scheduled Tribes. Since the communities recommended by the State Government have not yet been notified as Scheduled Tribes, their population and habitation data are not compiled.

(c) 33 communities of Kerala have already been included in the list of Scheduled Tribes vide the Scheduled Castes and Scheduled Tribes Order (Amendment) Act 2002. The remaining recommendation of the Govt. of Kerala have been processed as per modalities approved for deciding such claims.

# Modernisation of Courts in Kerala

3952. SHRI T. GOVINDAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Union Government have received any proposal from the Kerala Government regarding modernisation/computerisation of various courts in the State; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) and (b) Union Government have received proposals from the Government of Kerala for computerisation of the High Court of Kerala at an estimated cost of Rs. 3.31 crore and computerisation of subordinate judiciary at an estimated cost of Rs. 23 crores.

## Income-Tax Payers

3953. SHRI PRAVIN RASHTRAPAL: Will the Minister of FINANCE be pleased to state:

(a) the number of income-tax payers as per the register of the Income-Tax Department in the country as on 31.3.2001, 31.3.2002 and 31.3.2003;

(b) whether the returns filed by the assesses have all been processed; and

(c), if so, the number out of them were subjected to scrutiny during the above period?

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THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a)

	No. of Income-tax Assessees (in Lakhs)		
As on 31.3.2001	248.00		
As on 31.3.2002	300.02		
As on 31.3.2003	331.49		

(b) No Sir, all the returns filed by the Assesses have not been processed. The percentage achievement in this regard is as follows:

Processing of Returns					
Financial Year	Workload	Disposal	Percentage achievement		
2000-2001	3,23,94,959	1,91,51,549	59.12%		
2001-2002	3,56,07,628	2,05,32,518	57. <b>66%</b>		
2002-2003 3,88,45,118		3,50,07,785	90.12%		
2002-2003	3,88,43,118	3,50,07,785	90.127		

(C)

#### Scrutiny of Returns

Financial Year	Workload	Disposal
2000-2001	3,33,414	2,31,952
2001-2002	2,10,422	1,32,805
2002-2003	3,31,182	1,43,326

#### Loans for Bulk Drug Units

3954. DR. CHARAN DAS MAHANT: Will the Minister of FINANCE be pleased to state:

(a) whether banks are not giving loans for modernization and upgradation of bulk drug units to meet their obligations for schedule M. vide notification under GSR No. 894 dated December 11, 2001 issued by Ministry of Health;

(b) whether in absence of such loans nearly half of the bulk drug industry in the small scale will close down and exports will decline; and

(c) if so, the steps the Government have taken to prevent such closure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The Schedule 'M' of Notification under GSR No. 894 dated 11th December, 2001 issued by Ministry of Health & Family Welfare has nothing to do with the loaning by Banks for modernization and upgradation of bulk drug units, which, among others, updates and harmonises the existing Good Manufacturing Practices (GMP) from time to time to update the GMP requirements. For this purpose, under Technology Modernisation Fund Scheme of SIDBI, the above requirements can be covered. Other related Scheme is Credit Linked Capital Subsidy Scheme. Further need based support is also provided by SIDBI to SSI Units for acquiring the ISO 9000 certifications for improving the quality of the products manufactured by these Units. Reserve Bank of India does not capture data on loans by Banks to the bulk drug units in the SSI Sector.

# Rubber Park in Kerala

3955. SHRI KODIKUNNIL SURESH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government propose to set up a new Rubber Park at Pathanapuram in Kerala;

(b) if so, the total land and money needed for this Rubber Park;

(c) the details of functioning of Rubber Park;

(d) whether the Irapuram Rubber park has been commissioned; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): (a) No, Sir.

(b) and (c) Do not arise.

(d) and (e) The development works of Phase I of the Irapuram Rubber Park project have been completed. Land has also been allotted to 17 entrepreneurs to set up rubber industries. The project has, however, not been officially commissioned.

## **Insurance Regulatory System**

3956. SHRI KIRIT SOMAIYA: Will the Minister of FINANCE be pleased to state:

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(a) whether a controversy regarding utilization of money, charging fee has been erupted among IRDA, Insurance Companies and the Government;

(b) if so, the details thereof;

(c) the expenses and investment of IRDA during the above period;

(d) whether the Government had committed that the fund available and collected by regulators will be deposited with Government authority; and (e) if so, the details thereof and the present stand of IRDA in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) Does not arise.

(c) the statement as furnished by IRDA is annexed.

(d) and (e) The matter has been referred to the Ministry of Law for legal advice.

# Statement

S.No.	Particulars	Year		
		2002-03	2001-02	2000-01
	2	3	4	. 5
Ехрөп	diture			
1.	Payment to Ch <b>airperson and</b> Members	1,984,536	2,385,908	1,388,813
2.	Payment to and Provision for Members of Staff	15,316,110	6,036,219	728,403
3.	Establishment Expenses	31,103,638	21,574,846	13,326,883
4.	Rent	6,837,332	8,673,118	24,300,032
5.	Depreciation	2,576,292	1,111,270	697,332
<b>6</b> .	Loss on Sale of/Write Off of Assets	6,544	0	C
7.	Provision for doubtful debts and advances	37,900	229,485	c
<b>8</b> .	Development Expenditure	100,000,000	0	c
<b>9</b> .	Promotional Expenditure	131,833,504	0	c
10.	Other Expenses	961,268	40,390	C
Inves	tment			
	Fixed Deposits with Scheduled Banks	579,253,210 ¢	574,227,908	204,766,622

Expenses and Investment of IRDA during the last three financial years.

## Sugar Development Fund

3957. SHRI SADASHIVRAO DADOBA MANDLIK: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government have created a Sugar Development Fund;

(b) if so, the purpose for creating the said fund and the resources from where funds are generated;

(c) the criteria/rules for disbursement of the funds to sugar manufacturers;

(d) whether the Government have received representations for violation of SDF rules for granting funds of Rs. 609 crore recently to bridge the gap of Statutory Minimum Price and Actual Price paid by sugar factories; and

(e) if so, the details of the representations and the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) and (b) The Sugar Development Fund was created in 1982 under the provisions of the Sugar Development Fund, Act 1982, to provide financial support for the development of the sugar industry and for matters connected therewith/incidental thereto. Amounts equivalent to the proceeds of duty of excise levied and collected under the Sugar Cess Act, 1982 reduced by the cost of collection, as determined by the Central Government, together with any monies received by the Central Government for the purpose of this Act, are credited to the Fund, after due appropriation made by Parliament by law.

(c) The rules/criteria for disbursement from the Fund have been notified by the Government of India as the Sugar Development Fund Rules, 1983.

(d) and (e) While certain representations have been received in this behalf, there is no proposal, at present,

to extent such assistance from the Sugar Development Fund.

[Translation]

## Target for income Tax Collection

3958. SHRI TUFANI SAROJ: Will the Minister of FINANCE be pleased to state:

(a) whether any target has been set by the Income Tax Department for realization of Income Tax in Uttar Pradesh and Uttaranchal during the current financial year;

(b) if so, the details thereof;

(c) whether the department had also set any target in regard to realization of Income Tax in the aforesaid States during the previous financial year;

(d) if so, the details in regard to realization of Income Tax during the financial years 2000-2001, 2001-2002 and 2002-2003; and

(e) the extent to which these target have been achieved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes Sir.

(b) The target set for realization of Income Tax during the current financial year for these States is as under:

Rs.	2183	
	2100	crore
Rs.	7719	crore
	Rs.	Rs. 7719

(d) and (e) The detail of realization of Income Tax in the State of Uttar Pradesh and Uttaranchal is as under:

Year	Tax	Target	Realization	Achievement of target (%)
1	2	3	4	5
*2000-2001	Corporation Tax	3608	4333.65	
	Income Tax	1664	1548.82	
	Total	5272	5882.47	110%

1	2	3	4	5
2001-2002	Corporation Tax	5245	4036.67	
	Income Tax	1975	1527.90	
	Total	7220	5564.57	70%
2002-2003	Corporation Tax	5380	4971.95	
	Income Tax	2096	1734.05	
	Total	7476	6706.00	89%

Not including figures of Uttaranchal sparately as the State of Uttaranchal was created only in the year 2001-2002.

# (English)

# Illegal Sale in the Domestic Market

3959. SHRI RAMJEE MANJHI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether some exporters are diverting sugar and other food items meant for export to the domestic market; and

(b) if so, the details thereof alongwith the action taken thereon, exporter-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) and (b) As per the Commissionerate of Central Excise & Customs, Pune, Aurangabad and Nagpur Zones, 14 exporters have diverted sugar meant for exports to the domestic market. A Statement containing the requisite information is enclosed.

The names of these exporters have been forwarded to the Competent Authority for taking appropriate action for violation of Clause 9 of the Sugar (Control) Order, 1966 issued under Section 3 of the Essential Commodities Act, 1955.

One case of diversion of rice meant for exports to the domestic market in 2002-2003 was also reported.

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# Statement

Exporters Relating to Division of Sugar Meant for Export to the Domestic Market/Proof of Export not Furnished.

S.No.	Name of the Exporter	Quantity Diverted/Proof of Export not Furnished (in MTs)
1	2	3
1.	M/s. Shivanathrai Harnarain (India) Ltd., New Delhi	64,605.8
2.	M/s. Nielson Overseas Pvt. Ltd., New Delhi	4,750.0
<b>3</b> .	M/s. Jay Jagdish Sugar, Mumbai	- 16,482.2
4.	M/s Yogi Exports, Ahmedabad	7,500.0
5.	M/s Ashok Exporter, Ahmedabad	7,269.6
<b>6</b> .	M/s. Gold Mould & Jewellery (I) Pvt. Ltd., Mumbai 🔋 🕫	1 <b>60.0</b>

1	2	3
7.	M/s. Shiva Marketing, Mumbai	1,231.5
8.	M/s. Standard Investments, Mumbai	2,496.0
<b>9</b> .	M/s. C.M. Mehta & Co., Ahmedabad	260.0
10.	M/s. S.R. Marketing, Ahmedabad	1,276.0
11.	M/s Regal Impex, Mumbai	2,695.0
12.	M/s. Lewga International, Mumbai	80.0
13.	M/s. Laxmirath Sales Agency, Ahmedabad	3,033.0
14.	M/s. Sai Agro International, Mumbai.	5,000.0

### **Grievance Redressal Cell**

3960. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is a Grievance Redressal Officer appointed in the Ministry of Commerce and Industry under Citizens Charter;

(b) if so, the details of complaints/grievances received relating to DGS&D office and others in the last three years and current year;

(c) the time that has been taken by DGS&D to solve the complaints/grievances received through the Grievance Redressal Officer of the Ministry; and

(d) the grievances remain unsettled alongwith the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) Staff Grievance Officer has been designated under the Citizens Charter adopted by the Ministry of Commerce & Industry, Department of Commerce, with Grievance Redressal Cells operating in the attached offices viz. DGS&D and Directorate General of Foreign Trade (DGFT) under their respective Grievance Officers(s). The Public Relation Officer and the Deputy Controller of Accounts are the designated officers in the office of Chief Controller of Accounts, Supply Division, to attend the complaints/ grievances of Contractors and Pensioners respectively.

(b) Complaints/grievances received in the Department of Commerce, DGS&D, DGFT and the office of the Chief Controller of Accounts, Supply Division during the last three calendar years and current calendar year are as under:

	No. of Grievances/Complaints received						
Year	Department of Commerce	DGS&D (after settlement through interaction meetings)	DGFT	O/O Chief (Controller of Accounts, Supply Division			
2000	5	3	95	11			
2001	8	7	113	1			
2002	34	3	53	3			
2003 (upto July, 2003)	25	-	32	1			
Grievances pending as on date	8	Nil	30	2			

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(c) and (d) Complaint redressal mechanism in DGS&D is primarily through meetings with the Director(s) and senior officers. The complaints, which remain unsettled through interaction with the Director(s) and Senior Officers, are recorded by the Grievance Redressal Cell in DGS&D and are disposed of in a time bound manner. DGS&D has informed that majority of the cases were disposed of within three months, few grievances took a longer time because of involvement of multiple agencies/user feedback information. There are no pending grievances in DGS&D as on date. However, in the office of Chief Controller of Accounts, Supply Division, following two grievances are pending:

- Grievance received from Shri D.K. Shukla, Deputy Director (Retired), on 17th June, 2003 for revision of pension payment order by restoring 1/3rd portion of the commuted value of pension.
- Grievance received from Shri G.S. Gopalaraman on 12th September, 2002 regarding payment of GPF balance pertaining to year 1962-63, prior to the Departmentalisation of Accounts which took place in 1976, for want of old records & reconciliation.

### Trade Pact with Bangladesh

3961. SHRI K.E. KRISHNAMURTHY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and Bangladesh are entering into a free trade agreement to strengthen the economic cooperation between the countries; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) During the 6th Meeting of the India-Bangladesh Joint Economic Commission (JEC) held in Dhaka on July 14-15. 2003, the two sides agreed that the Joint Working Group at the level of Joint Secretaries from the two Ministries of Commerce would meet in Dhaka by the middle of October, 2003 to begin negotiations on a bilateral Free Trade Agreement. [Translation]

# **Development of Tribals**

3962. SHRI ASHOK KUMAR SINGH CHANDEL: Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a) whether the Government propose to formulate schemes for development of tribals in most backward districts of Hamirpur and Mahoba under Bundelkhand area of Uttar Pradesh; and

(b) if so, the details thereof?

THE MINISTER OF TRIBAL AFFAIRS (SHRI JUAL ORAM): (a) The Ministry of Tribal Affairs implements several Central Sector/Centrally Sponsored Schemes/ programmes for the socio-economic development of tribals in all the States/UTs, including Uttar Pradesh. There is, however, no proposal to formulate schemes specifically for the development of tribals in most backward districts of Hamirpur and Mahoba under Bundelkhand area of Uttar Pradesh.

(b) Does not arise.

[English]

### Kerala Power Finance Corporation

3963. SHRI RAMESH CHENNITHALA: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Kerala has requested for inclusion of Kerala Power Finance Corporation Limited (KPFC) in the Approved Market borrowing Programme list of Union Government with permission to issue SLR Bonds;

(b) if so, whether any action has been taken to include KPFC in the approved list;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY APFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) The request of Kerala Government has been examined in consultation with Reserve Bank of India. In view of the decision to exclude allocations for State guaranteed institutions from the approved market borrowing programme, it has not been found feasible to accede to the request of Kerala Government.

# [Translation]

# **Private Financial Institutions**

3964. SHRI RAMDAS ATHAWALE: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the advertisements of private financial institutions offering 30 per cent and 24 per cent rate of interest on term deposits in various metropolitan cities specially in Delhi;

(b) if so, the details in this regard during the last three years and till date;

(c) whether the rate of interest offered by such companies has been approved by any Government agency;

(d) if so, the reasons therefor;

(e) if not, the action proposed to be taken to save the small investors from being tempted by such interest rates and from being exploited;

(f) whether the Government propose to make the people aware of reality about such tempting schemes through print media; and

(g) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank of India (RBI) have reported that they have not come across any advertisement issued by Non Banking Financial Companies (NBFCs) operating in Delhi, which is offering 30 percent and 24 percent rate of interest on term deposits.

(b) Does not arise.

(c) The rate of interest offered by NBFCs on the public deposit mobilised is subject to the ceiling prescribed by RBI from time to time, which, at present, is 11 percent.

(d) The NBFCs are governed by provisions of the RBI Act, 1934 and powers have been vested with the Reserve Bank to regulate deposit acceptance by the NBFCs, including the rate of interest on deposit.

(e) The RBI had made it compulsory for NBFCs to seek RBI's approval on the text of advertisement issued/ statement filed for soliciting deposits from general public so that the companies give proper information on their working and do not make unrealistic claims in the advertisement/statement.

(f) and (g) RBI is actively engaged in educating depositors of NBFCs. An advertisement campaign through print and electronic media was launched by RBI to highlight the following points on the minds of the prospective depositors:

- To ensure that NBFC is registered with RBI before depositing the money with them.
- To help the prospective depositor in the matter, a list of the NBFCs rejected/registered with RBI is displayed on the official web-site www.rbi.org.in.
- It is mandatory for NBFC/s to include in their prospectus or advertisement stating that the deposits placed with an NBFC is neither insured nor guaranteed by RBI.

## **Profit of Multi-National Companies**

3965. SHRI RAM TAHAL CHAUDHARY: SHRIMATI RAJKUMARI RATNA SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have any data in regard to profits being earned by the multi-national companies in India;

(b) if so, the details thereof;

(c) if not, the reasons for the same and the estimated amount of revenue loss suffered by the Government for want of such data per annum; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir. Such data is not centrally maintained.

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

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(c) Such data is available with the Field Units of the Income Tax Department and the Registrars of Companies, with whom the multi-national companies file their Return or Audited Accounts. There is no finding of any revenue loss on account of lack of a data-base of profits of multinational companies.

(d) There is at present no proposal for creation of such data-base under consideration of the Government.

[English]

#### Assistance for industrial Parks

3966. SHRIMATI NIVEDITA MANE: SHRI SADASHIVRAO DADOBA MANDLIK:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have any schemes to assist State Governments to set up various kinds of Industrial Parks in the country;

(b) if so, the details thereof; and

(c) the details of assistance provided by the Union Government to various State Governments for the purpose during 2001-02, 2002-03 and 2003-04 till date, Statewise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): (a) to (c) For the development of Growth Centres in various States/Union Territories, Central Government makes a contribution of Rs. 10 crore per Growth Centre by way of equity (Rs. 15 crore in the case of Growth Centres in the North Eastern States, Sikkim, Himachal Pradesh and Uttaranchal). Central assistance is released on the basis of progress in the implementation of the project.

In addition to the assistance for Growth Centres, assistance was also provided to the State under the Export Promotion Industrial Park Scheme. This schemes has been merged with the Scheme "Assistance to State for Development of Export Infrastructure and Allied Activities (ASIDE)" w.e.f. 13.03.2002. Under ASIDE Scheme funds are allocated to the states, which can also be utilised for meeting requirements of capital outlay of EPIP with the approval of the state level export promotion committee. The Central Government also provides seed money of Rs. 50 lakhs for setting up of each Software Technology Park Centre.

Details of assistance provided to different States/Union Territories during 2001-02, 2002-03 and 2003-04, under these Schemes are given in the enclosed statement.

Besides these, as per the Industrial Park Scheme, 2002, Income Tax benefit under Section 80IA of the Income Tax Act, 1961, is available to the undertakings developing, developing and operating or operating and maintaining an Industrial Park in the country.

SI.No.	States/Union Territories	Amount released (Rs. lakhs)				
			2001-02		2002	2-03
		Growth Centre	STPI	EPIP	Growth Centre	STPI
1	2	3	4	5	6	7
1.	Andhra Pradesh	Nil	Nil	100	110	150
2.	Arunachal Pradesh	NH	Nil	Nil	320	Nil
3.	Assam	Nil	Nil	Nil	900	Nil
4.	Bihar	Nii	NH ;	300	200	50

# Statement

Details of Central Assistance to States/Union Territories

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1	2	3	4	5	6	7
5.	Chhattisgarh	Nil	50	Nil	100	Nil
<b>6</b> .	Gujarat	235	Nii	Nil	300	Nii
7.	Haryana	200	Nil	NH	450	50
<b>8</b> .	Himachal Pradesh	Nil	50	Nil	153	Nil
<b>9</b> .	Jammu & Kashmir	50	Nil	Nil	275	50
0.	Madhya Pradesh	Nil	Nil	Nil	250	50
1.	Maharashtra	240	100	NH	NH	Nil
12.	Mizoram	Nil	Nii	Nil	180	Nil
3.	Nagaland	255	NII	500	Nil	Nil
4.	Orissa	675	50	Nil	240	Nil
5.	Pondicherry	100	Nil	Nii	250	Nil
6.	Rajasthan	Nil	Nil	70	850	50
7.	Tamil <b>Nadu</b>	600	150	Nil	Nii	NII
<b>8</b> .	Tripura	270	50	300	500	Nil
9.	Uttar Pradesh	1025	200	435	250	50
20.	West Bengal	350	50	61	300	100
21.	Goa	Nil	Nil	Nii	NH	50
22.	Jharkhand	Nil	NII	Nil	Nii	50
23.	Kamataka	Nii	Nii	200	Nil	50
24.	Meghalaya	Nil	50	NH	Nil	Nil
25.	Punjab	Nil	50	234	Nil	NH
	Total	4000	800	2200	5628	700

During 2003-04, no fund has been released, so far, to any State/Union Territories

# **Revenue from Tobacco Products**

3967. SHRI R.S. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the revenue collected from excise duty on tobacco products is lower than the budgeted figures for the last three years; (b) If so, the excise duty collected for each of the various types of tobacco products during the above period;

(c) the share of total excise duty collected from tobacco out of total excise duty collections during the said period;

(d) whether National Calamity Contingent Duty (NCCD) is distributed to the States to tackle various facets of calamity; and (e) if so, the details thereof, State-wise and yearwise since the inception of NCCD in the Union Budget?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Commodity-wise budgetary estimates are available for the financial year 2000-2001 only. Thereafter, commodity-wise budgetary estimates have not been made. The actual excise duty collected from tobacco products, in year 2000-2001, was less than the budget estimates of the said year.

(b) Budget Estimates for the year 2000-2001 and actual excise duty collected for year 2000-2001 are as per enclosed statement-I.

(c) Share of excise duty collected from tobacco products out of the total excise duty collections for the last three financial years is as given below (Rs. in crores).

Year	Total excise Duty collected.	Excise duty from tobacco products	Share
2000-2001	68636.00	6113.00	8.91%
2001-2002	72418.68	6443.71	8.90%
2002-2003	81976.48	6321.23	7.71%

(d) Yes, Sir.

(e) State-wise and year-wise details are as per enclosed statement II.

S.No.	Commodity		Budget Estimate Year 2000-01 Rs. in crore		Actual excise duty collected for Year 2000-01
1.	Cigarettes and cigarillos of tobacco and tobacco substitutes		6507.12		5181.00
<b>2</b> .	Biris		357. <b>89</b>		272.00
3.	Chewing tobacco including Kara Masala, Kimam etc.		672.14		425.00
<b>4</b> .	All others falling under chapter 24		155.34		153.00
	Total		7692.49		6031.00
		Stater	nent II		,
S.No.	State	- <b> </b>	Assistance released (Ru	pees in crore	s)
	Year	2000-01	2001-02	2002-03	2003-04
1	2	3	4	5	6
1.	Andhra Pradesh	0.00	30.44	59.94	64.04
<b>2</b> .	Arunachal Pradesh	2.00		12.78	
<b>3</b> .	Bihar	29.67			-
4.	Chhattisgarh	40.00	42.88	100.68	26.83
<b>5</b> .	Gujarat	585.00	994.37	23.29	5.15
<b>6</b> .	Jammu & Kashmir	_	23.20		
7.	Haryana	-	¥	-	2.20

Statement I

1	2	3	4	5	6
8.	Himachal Pradesh	8.29	61.48	14.05	* 0.30
9.	Karnataka	_		196.88	10.77
10.	Madhya Pradesh	35.00	22.72	183.34	23.88
11.	Maharashtra	_		20.00	
12.	Manipur	-		7.07	
13.	Meghalaya	1.0			
14.	Orissa	35.00	114.62	21.84	
15.	Rajasthan	85.00	78.97	434.08	477.41
16.	Tamil Nadu	_		215.99	116.10
17.	Uttar Pradesh	-	-	<b>310.06</b>	0.98
18.	West Bengal	103.25	-		_
	Total	924.21	1368.68	1600.00	727.66

# **Apparel Parks**

# 3968. SHRI KOLUR BASAVANAGOUD: SHRI BRIJLAL KHABRI:

Will the Minister of TEXTILES be pleased to state:

(a) the number of proposals relating to setting up of Apparel Parks in each State pending with the Government;

(b) the present status of these proposals, State-wise; and

(c) the time by which all these proposals are likely to be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) to (c) State Governments' Apparel park Project Proposals, which conform to the guidelines of 'Apparel Park for Exports' Scheme are placed before the Project Approval Committee (PAC), set up under the guidelines of the scheme for sanctioning Apparel parks projects. PAC meets from time to time to consider these proposals. So far, the Committee has considered twenty proposals and has accorded in-principle approval to the nine project proposals for setting up Apparel Parks at Tronica City & Kanpur (U.P.), Surat (Gujarat), Thiruvananthapuram (Kerala), Visakhapatnam (Andhra Pradesh), Ludhiana (Punjab), Bangalore (Karnataka) and Tirupur & Kanchipuram (Tamil Nadu). The PAC has also decided that the project proposals for setting up Apparel Parks at Bellary (Karnataka) and Kuppam (Andhra Pradesh) may be taken up for consideration at an appropriate stage later on after evaluating the success achieved in running of sanctioned Apparel Park Projects in the respective States at Bangalore and Vishakhapatanam. The Committee has also considered the nine project proposals for Apparel parks at Indore, Jabalpur, Ghirongi (Madhya Pradesh), Kolkata or Howrah (West Bengal), Gannaur (Haryana), Sołan (Himachal Pradesh) and Bhagalpur (Bihar), Kheda (Madhya Pradesh) and Bhubaneshwar (Orissa), but did not agree to sanction the same, as they were not in conformity with the guidelines of the Scheme.

# [Translation]

## **Raids on Customs Officials**

3969. SHRI NAWAL KISHORE RAI: SHRI RAMJI LAL SUMAN:

Will the Minister of FINANCE be pleased to state:

 (a) whether the residences of a number of officers of the Customs, Excise and Income-Tax were raided during the last three years;

(b) if so, the details thereof; and

(c) the details of cash and other objectionable items of goods seized from the houses of each of the above officers during the raids; and

(d) the number of such officers who have been found guilty during the above period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Information is being collected and will be laid on the Table of the House.

# [English]

# Irregularities in Bank of Maharashtra

3970. SHRI AJOY CHAKRABORTY: Will the Minister of FINANCE be pleased to state:

(a) whether through a Resolution of the Board of Directors of the Bank of Maharashtra, Bombay dated May 11, 2002, a Sub-Committee was appointed under the Chairmanship of Workmen Director to study and report within three months on the serious financial irregularities of some credit proposals in bank;

(b) if so, whether the said Sub-Committee has finalized and submitted its report;

(c) if so, the details of the findings of the report; and

(d) the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir. As per the resolution passed in the Board Meeting of Bank of Maharashtra dated 11th May, 2002, a sub committee of the board was constituted to examine alleged irregularities in certain borrowal accounts and submit the report in 4 months. This time limit was further extended by the Board upto end of August, 2003. The report of this subcommittee is awaited.

(c) and (d) Do not arise.

# Amendment to Companies Act, 1956

3971. SHRI CHANDRA BHUSHAN SINGH: SHRI ADHIR CHOWDHARY: SHRI Y.G. MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to further amend the Companies Act, 1956.

(b) if so, the details of the changes likely to be made alongwith the specific reasons for such changes; and

(c) the time by when it is likely to be done?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (c) The Government has recently introduced the Companies (Amendment) Bill, 2003 to further amend the Companies Act. This Bill has already been introduced in the Rajya Sabha on 7 May 2003.

# Joint Economic Declaration signed with Russia

3972. SHRI K.P. SINGH DEO; Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Joint Economic Declaration which was signed between India and Russia during the visit of the Russian President last December has been implemented; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION. MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) The Joint Declaration on Strengthening and Enhancing Economic, Scientific and Technological Cooperation between India and the Russian Federation signed in December 2002 by the Prime Minister and the President of the Russian Federation outlines the basic principles of cooperation in the Economic and Science & Technological fields. The document is in the nature of principles and does not contain any binding or immediate obligations for the two Sides. These principles form the basis of cooperation between India and the Russian Federation in the fields mentioned in the Joint Declaration. Cooperation in the various Economic and Scientific & Technological fields is an ongoing affair. As such there is no question of the Declaration not being implemented.

#### Action against Certain Sugar Mills

3973. SHRIMATI PRABHA RAU: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether certain sugar mills in the cooperative sector and export houses in Maharashtra have violated the Essential Commodities Act, 1955 by diverting sugar meant for export into the domestic market;

(b) if so, the names of such sugar mills and the reasons which prompted them to resort to such practice; and

(c) the action taken against such mills?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) to (c) As per the Commissionerate of Central Excise & Customs, Pune, Aurangabad and Nagpur Zones, 14 exporters involving 21 sugar mills have diverted sugar meant for exports to the domestic market. A statement containing the requisite information is enclosed.

The names of these exporters/sugar miles, have been forwarded to the Competent Authority for taking appropriate action for violation of Clause 9 of the Sugar (Control) Order, 1966 issued under Section 3 of the Essential Commodities Act, 1955.

# Statement

Sugar	Mills/Exporters	relating	to di	version	of	Sugar	meant	for	Export	to	the
	Domes	tic Mark	et/Pro	of of E	χρο	ort not	Fumist	ned			

6. <b>No</b> .	Name of the Sugar Mill	Name of the Exporter	Quantity Diverted/Proof of Export not furnished (In MTs)
	2	3	4
I.	M/s. Dnayneshwar S.S.K. Ltd; Bhende	(i) M/s. Shivnathrai Harnarain (India) Ltd.	1 <b>900</b> .0
		(ii) M/s. Standard Investments	2496.0
		(iii) M/s. C.M. Mehta & Co.	260.0
			Total: 4656.0
	M/s. Shree Shankar SSK Ltd; Sadashivnagar.	M/s. Shivnathrai Hamarain (India) Ltd.	6492.9
•	M/s Shri Shankar Maharshi Shankarrao Mohite Patil SSK Ltd; Akluj	M/s. Shivnathrai Hamarain (India) Ltd.	26995.6
ŀ.	M/s Gadhinglaj Taluka SSK Ltd; Gadhinglaj	<b>M/s.</b> Shivn <b>athrai Harnarain</b> (India) Ltd.	1 <b>544</b> 5.0
<b>.</b>	M/s. Krishna SSK Ltd; Karad	M/s. Shivnathrai Hamerain (Indie) Ltd.	13772.3
i.	M/s. Shri Kedareshwar SSK Ltd; Shevgaon,	M/s. Nielson Overssas Pvt. Ltd.	4750.0
	M/s. Agasti SSK Ltd., Akole, Agasti Nagar	M/s. Jay Jagdish Sugar	1 <b>84</b> 5.0
ι.	M/s. Niphad SSK Ltd, Niphad	M/s. Jey Jagdish Sugar	<b>92</b> 16.7

1	2	3	4
<b>9</b> .	M/s. Vasantrao Dada Patil SSK Ltd., Vithewadi	M/s. Jay Jagdish Sugar	5420.5
0.	M/s. Sant Eknath SSK Ltd., Paithan	M/s. Yogi Exports	2500.0
1.	M/s. Purna SSK Ltd., Basmathnagar	(i) M/s Yogi Exports	5000.0
		(ii) M/s Ashok Exporter	5000.0
			Total: 10,000.0
2.	M/s. Hutatma Jayawantrao Patil SSK Ltd., Suryanagar	M/s. Ashok Exporter	2269.6
3.	M/s. Sahyadri SSK Ltd., Sahyadri	M/s. Gold Mould & Jewellery (I) Pvt. Itd.	1 <b>60</b> .0
<b>I</b> .	M/s. Sant Damaji SSK Ltd., Mangalvedha	M/s. Gold Mould & Jewellery (I) Pvt. Ltd.	Not available
<b>5</b> .	M/s. Dongarai Sagareshwar SSK Ltd., Raigaon	M/s. Shiva Marketing	1231.5
5.	M/s. Shetkari SSK Ltd., Kallari	M/s. S.R. Marketing	776.0
7.	M/s. Mula SSK Ltd., Sonai	M/s. S.R. Marketing	500.0
8.	M/s. Terna SSK Ltd., Ternangar	M/s. Regal Impex	2695.0
9.	M/s. Daulat SSK Ltd., Halkarni	M/s. Lewga International	80.0
0.	M/s. Gangapur SSK Ltd., Raghunathnagar	M/s. Laxmirath Sales Agency	3033.0
1.	M/s. Bhogawati SSK Ltd., Irle. Vaırag	M/s. Sai Agro International	5000.0

# [Translation]

# Foreign Exchange Reserves

3974. SHRI BRAHMA NAND MANDAL: Will the Minister of FINANCE be pleased to state:

(a) the foreign exchange reserve during each of the last three years;

(b) the year-wise earnings from the said amount;

(c) the manner in which the said amount is being spent; and

(d) the sources of the said amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The foreign exchange reserves at end-March 2000, end-March 2001, end-March 2002, and end-March 2003, stood at US\$ 38.0 billion, US \$42.3 billion, US \$54.1 billion and US \$75.4 billion respectively.

(b) Net earnings on foreign currency assets and gold during 1,999-2000, 2000-01, 2001-02 and 2002-03 (Juty-June) were 4.6 per cent, 6 per cent, 4.5 per cent and 3.1 per cent, respectively, in dollar terms, (c) In terms of provisions contained in RBI Act, 1934, RBI acts as custodian of foreign exchange reserves, and manages reserves within the defined objectives of safety, liquidity and returns. India's foreign exchange reserves are invested in multi currency portfolios consisting of international convertible currencies, such as US Dollar, Euro, Pound Sterling and Japanese Yen. The law broadly permits deposits with other central banks and Bank for International Settlements (BIS), deposits with foreign commercial banks, debt instruments representing sovereign/sovereign-guaranteed liability (with residual maturity not exceeding 10 years), other instruments/ institutions as approved by the Central Board of Directors of the Bank.

(d) The balance of payments of country comprises current and capital accounts. If the overall balance of the current and capital accounts is surplus, it results in the accretion of foreign exchange reserves of a country. In India, there has been and overall surplus in the balance of payments since 1996-97. In fact, since 2001-02, both the current account and capital account have registered surpluses.

[English]

#### Facilities for Study Abroad

3975. SHRI DALPAT SINGH PARSTE: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has recently announced facilities for those planning to study for a degree abroad or seek expert medical advice overseas;

(b) if so, whether the Reserve Bank of India also hiked the remittance limits for those emigrating or seeking employment abroad; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes Sir.

(c) Authorized dealers are now allowed to release amount upto USD 100,000 for each category i.e, (i) Employment abroad, (ii) Emigration and (iii) Education abroad, without insisting on any supporting documents, on the basis of self declaration, incorporating the basic details of the transaction and submission of application in form A2. The limit for release of foreign exchange by authorized dealers for medical treatment abroad without insisting on any estimate from a hospital/doctor in India/ abroad, has also been raised to USD 100,000 against the earlier limit of USD 50,000.

# Rai Bahadur Daga Mill, NTC Mill

3976. SHRI NARESH PUGLIA: Will the Minister of TEXTILES be pleased to state:

(a) whether the R.B. Bansilal Abirchand Spinning and Weaving mills (RBBA) in Hinganghat in Maharashtra is run by National Textile Corporation (NTC);

(b) if so, whether this mill needs modernization and a proposal for its modernization is under consideration of the Government;

(c) if so, the details thereof and the action taken by the Government in this regard;

(d) whether the mills has offered VRS to its employees and workers; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) Yes, Sir.

(b) and (c) the modernization plan as per Rehabilitation Scheme sanctioned by BIFR costs approximately Rs. 12.21 Crores. These funds are to be mobilised from sale of surplus assets. Sale of majority of surplus assets of NTC in Maharashtra is pending for approval of Brihanmumbal Municipal Corporation. The matter is being taken up with Government of Maharshtra of early clearance of the same.

(d) and (e) No. Since the mill is slated for revival, VRS scheme has not been extended to this mill.

## Export Subsidy in Sugar

3977. SHRI MANSINH PATEL: SHRI SHIVAJI MANE:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether some States have requested the Union Government to grant adequate level of export subsidy to " make exporters of sugar possible from various States; (b) if so, the details thereof;

(c) whether a report has been called for from the Directorate of Sugar Industry in this regard; and

(d) if so, the details thereof and the time likely for response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) to (d) Policy on assistance for promotion of export of sugar is framed keeping in view suggestions received, interalia, from State Governments and Apex Organisations of sugar industry. The Government has taken the following steps to promote export of sugar:

- (i) Quantitative restrictions on export of sugar have been lifted;
- (ii) Factories exporting sugar have been allowed exemption from levy on the quantity of sugar exported;
- (iii) Adjustment in free sale stocks of sugar factories exporting sugar is being made at the end of 18 months from the date of export;
- (iv) Duty Entitlement Pass Book (DEPB) benefit @4% on the f.o.b. value of exports has been allowed on exports of sugar;
- (v) With effect from 21st June, 2002, the sugar factories have been allowed to claim reimbursement of expenditure incurred on internal transport and freight charges on export shipments of sugar;
- (vi) With effect from 14th February, 2003, the sugar factories have been allowed neutralization of ocean freight disadvantage on export shipments of sugar @ Rs. 3.50 per tonne.

#### **Export of Minerals**

3978. SHRI A. NARENDRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the target fixed for export of minerals during the Ninth Five Year Plan has been achieved;

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

(c) whether there has been a steep decline in the export of minerals during the past few year from some States;

(d) if so, the names of items whose export has declined during the above period alongwith the reasons therefor:

(e) the steps being taken by the Government to boost the export of minerals; and

(f) the countries which have shown their willingness to import minerals from India?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) As per the available data, annual targets and performance during the Ninth Five Year Plan Period (1997-98—2001-2002) are as under:

(US\$ Million)

Year	Target	Performance
1997-1998	1250	1278
1998-1999	1252	1118
1999-2000	912	1170
2000-2001	1204	1417
2001-2002	1543	1536
Total	6161	6519
·····		

(Source: DGCI&S & MMTC)

(c) and (d) The collection of export and import data is done at national level and, therefore, State-wise figures are not maintained.

(e) In an endeavour to accelerate the export of minerals, following steps have been initiated:

 Granite' has been identified and declared as a 'thrust area' and necessary steps initiated for hassle-free export of granite in consultation with the Ministries of Mines and Finance and the State Governments.

 Ministry of Mines have notified amendments to the Minor Minerals Regulation & Development Rules paving way for uniform policy throughout

 the country for prospecting licence for lease/ royalty/dead-rent, etc. in granite sector.

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- --- MMTC Ltd., the designated State Trading Enterprise for the export of High Grade Iron Ore, have since renewed Long-Term Agreements with Chinese steel mills.
- Private exporters who own mines have been allowed to export high-grade iron ore to bring in healthy competition when surplus to domestic demand is available.
- The Department of Commerce provides Market Development Assistance (MDA) for all products for participation in overseas trade fairs/exhibition and overseas publicity.

(f) Apart from the traditional markets for export of minerals i.e. Japan, South Korea, Australia, Germany, Hong Kong, Taiwan, recently China, Pakistan and the Middle-East have shown their willingness to import minerals from India.

# Equity of LIC and GIC

3979. SHRI BASU DEB ACHARIA: Will the Minister of FINANCE be pleased to state:

(a) the equity of the Government in LIC and GIC and the dividend received by the Government during the last three years alongwith the amount of income tax paid by them; and

(b) the steps being taken by the Government to further strengthen these public sector units in the presence of private players in the insurance fields?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Government's equity in LIC is Rs. 5 crore and in GIC is Rs. 215 crore as on 31.3.2003. Year-wise break-up of dividend and income tax paid by both LIC and GIC during last 3 years is given below:

# LIC

Year	Dividend paid (Rs. in crore)	Income Tax paid (Rs. in crore)	
1999-2000	316.65	758.62	
2000-2001	380.66	709.65	
2001-2002	433.25	868.17	

Year	Dividend paid (Rs. in crore)	Income Tax paid (Rs. in crore)
1999-2000	64.50	142.76
2000-2001	43.00	110.31
2001-2002	43.00	85.79

(b) The steps taken by the public sector insurance companies/corporations to meet the competition from private players, interalia, include improvement in customers' satisfaction, new product development, developing alternative marketing channels, modernisation and increasing use of IT.

### Exports by Handloom Industry

3980. SHRI RAMSHETH THAKUR: Will the Minister of TEXTILES be pleased to state:

(a) whether the centrally sponsored schemes operating in the country for the development and promotion of the handloom industry has failed to boost the export;

(b) if so, the reasons for not achieving the results under these schemes;

(c) whether adequate credit and market facilities are not being provided to the handloom weavers;

(d) if so, the reasons therefor and the steps taken by the Government to provide adequate facilities to the handloom weavers;

(e) the export target fixed by the Government for the Tenth Five Year Plan Period; and

(f) the percentage target so far have been achieved during the first two calendar year of the Tenth Five Year Plan till date?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) and (b) The office of the Development Commissioner for Handlooms has been implementing various Centrally Sponsored Schemes for the development and promotion of handloom industry in the country. One of such schemes relates to the export of handlooms. In order to give impetus to the export of handloom products from the country, the Office of the Development Commissioner for

GIC

Handlooms, Ministry of Textiles had introduced a scheme viz. "Development of Exportable Products and their Marketing (DEPM)" in the year 1996-97. The scheme was in force upto the end of 9th Plan. The Scheme is continued in the 10th Five Year Plan in a modified form and under a modified nomenclature of "Handloorn Export Scheme". However, the Handloom Export Scheme is only one of the several schemes/measures implemented by the Government which have a bearing on the overall export of Indian handlooms. As a composite effect of various schemes/incentives implemented by the Government of India, the export of cotton handloom fabrics and made-ups during the previous year, i.e. 2002-03 (upto February 2003) was of Rs. 2400.76 Crore, which shows a growth of 26.70% in rupee terms and 24.43% in US dollar terms vis-a-vis the export figures during the corresponding period of the previous year. The target of US\$ 550 million fixed for the handloom export for the year 2002-03 is expected to be achieved.

(c) and (d) The refinance assistance is provided by the National Bank for Agriculture and Rural Development (NABARD) to the State Cooperative Banks for financing production and marketing activities of Primary Weavers' Cooperative Societies and for procurement and marketing activities of Apex Weavers' Cooperative Societies. The Office of the Development Commissioner for Handlooms has been taking periodical meeting with the representatives of Reserve Bank of India, NABARD, Small Industries Development Bank of India (SIDBI), Commercial and Cooperative Banks and representatives from the State Department of Handlooms/Textiles to review the flow of credit to the handloom sector and to suggest suitable measures.

The details of the short term credit limit sanctioned to the State Cooperative Banks by NABARD for financing production and marketing activities of Weavers' Cooperative Societies during last three years are as under:

Year	Credit Limit sanctioned (Rs. in Crore)
2000-01	Rs. 686.28
2001	Rs. 680.23
2002-03	Rs. 550.94

Under the Marketing Promotion Programme implemented by the office of the Development Commissioner for Handlooms, financial assistance in the form of 100% grant is provided to the various state handloom agencies for organising National Handloom Expos/Special Handloom Expos, District level events to promote marketing of handloom products within the country.

The Government of India has also been providing financial assistance to the handloom organisations under the Marketing Incentive Component of the Deen Dayal Hathkargha Protsahan Yojana (DDHPY) w.e.f. 1.4.2000. This incentive aims to enable the handloom agencies to overcome the price in competitiveness of the handloom products by using this amount towards activities which would attract the consumers and gear up the overall sales of handloom goods.

(e) and (f) At present, the export target is fixed by the Ministry of Textiles only on annual basis. For the year 2002-03, a target of US\$ 550 million was fixed for the export of cotton handloom fabrics and made-ups, and as per the export data for the year 2002-03, available upto February, 2003, the actual export achieved is of Rs. 2400.76 crore, which is 90% of the target fixed for the said year. For the subsequent period of the 10th Five Year Plan, the export data is yet to be made available by the concerned agency.

# [Translation]

# **Re-payment of External Debt**

3981. SHRI BRAHMA NAND MANDAL: Will the Minister of FINANCE be pleased to state:

(a) the amount of loan repaid by the Government to the World Bank and the Asian Development Bank during the year 2002;

(b) whether the Government intend to repay loan to these institutions this year i.e. 2003 also; and

# (c) if so, the extent thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The amount of loan repaid by the Government to the World Bank and Asian Development Bank during 2002 was as follows:

World Bank	 •	US\$	1,043	million
ADB		US\$	148 n	nillion

(b) and (c) During the year 2003 (January-June), Government has repaid US\$ 2118 million and US\$ 1376 million to the World Bank and Asian Development Bank respectively, including premature repayment of US\$ 1804 million and US\$ 1347 million. The Government is following a cautious and prudent policy for managing the external debt liabilities and of proactively liquidating relatively high cost component of external debt portfolio.

[English]

# **Outsource of Income Tax Functions**

3982. SHRI PABAN SINGH GHATOWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have any proposal to outsource the income tax departmental functions concerning TDS, Challan processing, information data collection, processing of returns etc;

(b) if so, the details thereof;

(c) the number of employees who would be rendered surplus on account of such outsourcing; and

(d) the reasons for such outsourcing?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The Government have decided to outsource certain non-core activities of the Income Tax Department. It has been decided to establish a National Tax Information Network (TIN) which will receive on behalf of the Department, all TDS returns and other information returns for digitization. TIN will also receive on line information about collection of taxes from the banks. It has also been decided to outsource data entry of returns of income wherever it is not possible to manage the workload from the available manpower.

(c) No employee will be rendered surplus.

(d) Decision to outsource non-core functions of the Income tax department was taken on the basis of Kelkar Committee recommendations so that departmental manpower could be optimally engaged in core functions of the department.

# State Guarantees to Cooperative Banks

3983. COL. (RETD.) SONA RAM CHOUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have asked the Reserve Bank of India to instruct the State Governments not to issue any fresh guarantees to cooperative banks; (b) if so, the details thereof alongwith the reasons therefor;

(c) whether the State Governments have been taken into confidence about the directives to be issued by Reserve Bank of India barring State Governments not to issue bank guarantees for cooperative banks; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) to (d) Do not arise.

### **NRI Deposits Scheme**

3984. SHRI Y.V. RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has set any limit on NRI deposit scheme;

(b) if so, the details thereof; and

(c) the impact of this limit on the foreign exchange deposits?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank has not placed any limit on acceptance of NRI deposits by Authorised Dealers.

(b) and (c) Do not arise.

Loan Disbursement by Financial Institutions

3985. SHRI V. VETRISELVAN: Will the Minister of FINANCE be pleased to state:

(a) whether economic slowdown took a heavy toll on some of the financial institutions like IDBI, ICICI, IFCI and IIBI with cumulative loan disbursement falling by 22.4 per cent at Rs. 17,878 crore in the last fiscal;

(b) if so, whether these financial institutions have seen drastic fail in loan disbursement since 2000-2001;

(c) if so, the reasons therefor; and

(d) the steps being taken by the Government to improve the position of these financial institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir. There has been a decline in the quantum of loans disbursed by Industrial Development Bank of India (IDBI), IFCI Ltd. and Industrial Investment Bank of India (IIBI). In the case of Small Industries Development Bank of India (SIDBI) and Export Import Bank of India (EXIM Bank), disbursements have recorded growth during the last three years. As reported by Reserve Bank of India, the advances of ICICI Bank as on 31-3-2003 registered an increase of 11.72% over the previous year (2001-2002).

(b) Details of disbursements of FIs (IDBI, IFCI Ltd., SIDBI, EXIM Bank, IIBI and ICICI Bank) during the last three years are as follows:

		(Rs. in Core			
Name of the Institution	2000-01	2001-02	2002-03		
IDBI	17474	11151	3924		
IFCI Ltd.	2144.65	1078.75	1792.81		
EXIM Bank	1896.4	3452.9	5320.3		
SIDBI	6441	5919	6789		
ICICI Bank*	31665	20555	_		
IIBI	644.20	283	51.52		

\*ICICI Bank is a banking Company incorporated under the Banking Regulation Act, 1949 and erstwhile ICICI Ltd., a financial institution, has merged with ICICI Bank with effect from 3.5.2002, the appointed date of the merger being March 30, 2002, Hence, the figures pertaining to erstwhile ICICI are provided only upto 31.12.2001.

(c) Operational Performance of Development Financial Institutions (DFIs) in general has come under strain in recent years due to a combination of factors. The slackening of the pace of investment compounded by depressed business sentiments and sluggish capital market condition led to decline in demand for assistance from traditional industries and a smaller flow of application for fresh assistance, while paucity of equity capital led to delays in completion of several projects. These factors also led to a decline in the level of annual sanctions and disbursements of DFIs.

(d) Government had introduced several enabling measures for improving the situation arising out of growing incidence of Non-Performing Assets (NPAs) through strengthening of Debt Recovery Tribunals (DRTs), introduction of Corporate Debt Restructuring (CDR) mechanism, enactment of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SRES) and the setting up of Asset Reconstruction Companies (ARCs). ICICI has merged with ICICI Bank and would get advantage of lower cost borrowing in the form of savings and current deposits. As regards IDBI, a Bill has been introduced to corporatize it and vest it with a banking license. RBI has also issued circulars to FIs and banks to enter into nondiscretionary and non-discriminatory mechanism for recovery of NPAs in all sectors through compromise settlements under One Time Settlement Scheme (OTS), which is expected to clean up bad debts. Macro-economic initiatives in general and the thrust on infrastructure are expected to improve the investment climate.

#### **Reservation to Poor**

# 3986. SHRI VINAY KUMAR SORAKE: SHRI IQBAL AHMED SARADGI:

Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Attorney-General has suggested to the Union Government that a Constitutional Amendment may be made to allow reservation for the poor among the upper castes as Article 16(4) of the Constitution prohibits any reservation solely and exclusively on economic criteria;

(b) if so, whether the Government propose to make any legislation in this regard;

(c) if so, the details thereof; and

(d) the time by which it is likely to be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) The Learned Attorney General has opined that reservation for Economically Backward Sections can be made permissible only through a Constitutional amendment.

(b) No, Sir.

(c) and (d) Does not arise.

[Translation]

# **US Assistance for Development Projects**

3987. SHRI UTTAMRAO DHIKALE: Will the Minister of FINANCE be pleased to state: (a) the financial assistance provided by the United States for the development of various projects in India during the last three years, State-wise;

(b) the number of projects completed out of the total projects; and

(c) the number of projects pending till date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The information is given in the enclosed statement.

(b) and (c) All the projects mentioned in the statement attached are on-going, as on date.

# Statement

U.S. Economic Assistance to India

For U.S. Fiscal Years 2000-2003

Project No.	Project Title	FY 2000	FY 2001	FY 2002	FY 2003 (October 2002 to August 21, 2003)	(\$000) Remarks
1	2	3	4	5	6	7
(A) Bilat	eral Assistance					
386-0496	Program for Advancement of Commercial Technology/CRH	2,900	0	3,395	2,000	Non-State Specific
386-0515	Technical Assistance and Support Project	1,000	0	2,000	0	Non-State Specific
386-0525	AIDS Prevention and Control	2,100	693	2,000	700	For Tamil Nadu.
386-0527	Innovations in Family Planning Services	9,670	0	3,500	4,880	For Uttar Pradeeh, Uttaranchel and Jherkhand
386-0530	Trade in Environmental Services and Technologies	1,499	0	3,000	0	Non-Slate Specific
<b>386-05</b> 31	Financial Institutions Reform and Expansion	4,700	8,794	7,078	0	Non-State Specific
386-0534	Greenhouse Gas Pollution Prevention Project	1,000	3,800	4,000	0	Non-State Specific
386-0542	Energy Conservation and Commercialization	6,400	2,500	3,000	11,350	Non-State Specific
386-0544	Avent	0	2 <b>,30</b> 0	1,000	0	For Maharashtra
386-0545	State Fiscal Management Reform	0	0	1,030	3,000	For Utteranchel, Jharkhand and Kamataka
	Sub-Total Bilateral Assistance:	29,269	18,087	30,003	21,930	· · · · · · · · · · · · · · · · · · ·
(B) Unilatera	A Assistance					
	Technical Assistance for Innovations in Family Planning Serv. (Complements Bilateral Project number 306-0527)	6,930	12,260	8,650	0	For Utter Predoch, Utteranchel and Jharkhand
	Disaster Management Support-UNDP	0	0	0	1, <b>500</b>	For Assem, Orissa, West Bengal,
	(Complements Bilateral Project number 386-0546 with DEA for signature)					Gujerat and Utteranchel.
	South Asia Regional Initiative/Energy (SARI/Energy)	7,843	13,906	9,043	1,030	Non-State Specific
	Sub-Total Unitateral Assistance:	14,773	26,165	17,693	2,530	

1	2	3	4	5	6	7
(C) Food Aid						
	CARE and CRS A	96.859	82,180	71,651	28,374	
	Total:	140,901		119,347	52,834	

Note:

U.S. Fiscal Year starts on October 1 and ends on September 30 (For example, U.S. FY 2000 started on October 1, 1999 and ended on September 30, 2000)

A/FY 2003 levels is from October 2002 to June 2003.

CARE Programme State: Andhra Pradesh, Bihar, Chattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh and West Bengal.

CRS programme state:

South Zone-AP, Chhattisgarh, Orissa.

East Zone-Arunachal Pradesh, Assam, Bihar, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, West Bengal, North Zone-HP, UP, Uttaranchal.

West Zone-Gujarat, MP, Maharashtra, Rajasthan.

[English]

# **Expansion of SBI Branches**

3988. SHRI A. BRAHMANAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India (SBI) propose to expand its global presence in 40 other countries;

(b) if so, whether the SBI has assessed the need for such a presence in 40 other countries;

(c) if not, the details thereof; and

(d) the cost involved in expanding project of SBI?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) State Bank of India (SBI) proposes to expand its global presence to 35 countries by March 2005, from the present 28 countries. SBI has duly assessed the need for expanding presence in the above countries and the expansion will be based on detailed viability study for each center.

(c) Does not arise.

(d) The costs involved in establishing presence at various centers would depend on regulatory requirements and costs etc. prevailing in the respective countries.

### **Committee Textiles Exports**

3989. SHRI IQBAL AHMED SARADGI: Will the Minister of TEXTILES be pleased to state:

 (a) whether to achieve export target of \$50 billion, special economic zone has been sought for textile sector;

(b) if so, whether a draft report prepared by the Textile Committee, Mumbai in this regard has been submitted to the Union Government;

(c) if so, the main features of the report;

(d) whether the Government have accepted the same; and

(e) if so, to what extent textile sector will be benefited by setting up of special economic zones?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) No, Sir.

(b) No such draft report has been prepared by the Textiles Committee.

(c) to (e) in view of (b) above, question does not arise.

**− £** <sup>#</sup> 7

# Use of Hindi in Courts

3990. DR. JASWANT SINGH YADAV: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government have chalked out any plan to promote the use of Hindi language in the various High Courts and Supreme Court of India;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) to (c) Article 348 (1) of the Constitution of India provides that all proceedings in the Supreme Court and in every High Court shall be in English language until Parliament by law otherwise provides.

Under Article 348 (2) the Governor of the State may with the previous consent of the President, authorize the use of the Hindi language or any other language used for any official purpose of the State, in the proceedings of the High Court having its principal seat in that State provided that decrees, judgements or orders passed by such High Courts shall be in English.

Under Section 7 of the Official Language Act, 1963, the use of Hindi or official language of a State in addition to the English language may be authorized, with the consent of the President of India, by the Governor of the State for the purpose of judgement etc. made by the High Court for that State.

So far the Governors of four States namely; Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh have authorized the use of Hindi in addition to English language in the proceedings as well as the judgements, decrees etc. of the High Courts in their States.

The matter of authorizing use of Hindi in Chhattisgarh High Court is pending before the Full Court of the Hon'ble Supreme Court of India.

At present no proposal is under consideration of the Government to authorize use of Hindi in any other High Court or the Supreme Court of India. However, the Registries of the Supreme Court of India and the Delhi High Court have been requested from time to time to encourage use of Hindi for administrative purposes.

# **Directions of Supreme Court**

3991. SHRI T.T.V. DHINAKARAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the details of directions issued by the Supreme Court to the Union Government to make amendments in Law/Constitution during the last three years;

(b) the reaction of the Government to each of such observation;

(c) whether the Government propose to ascertain the views of the political parties on these directions; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) to (d) The information is being collected and will be laid on the Table of the House.

# IDBI Assistance to Entrepreneurs of U.P. & Delhi

3992. SHRI SAIDUZZAMA: Will the Minister of FINANCE be pleased to state:

(a) the number of applications received by the Industrial Development Bank of India from the entrepreneurs of Uttar Pradesh and Dethi during each of the last three years;

(b) the year-wise details of applications sanctioned during this period;

(c) the year-wise and unit-wise details of financial assistance provided by the IDBI to the entrepreneurs of the said States during this period; and

(d) the targets fixed for the next financial year in respect of these two States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) As per the industrial Development Bank of India, the number of applications received from entrepreneurs, year-wise details of number of applications sanctioned, amount sanctioned and disbursed by IDBI to entrepreneurs of Uttar Pradesh and Delhi during the FY 2000-01, 2001-02 and 2002-2003 are as under:

	2000-200	1	2001-2002		2002-200	3
	Uttar Pradesh	D <b>el</b> hi	Uttar Pradesh	Delhi	Uttar Pradesh	Delhi
No. of applications received	70	46	31	23	9	7
No. of applications sanctioned	44	34	15	15	5	6
Amount Sanctioned	587	2733	219	1165	37	937
Amount Disbursed	599	2688	197	1162	67	954

(Amount in Rupees crore)

As regards unit-wise details of financial assistance provided by IDBI to entrepreneurs of U.P. and Delhi during the above period, it may be mentioned that in accordance with the practices and usages customary amongst the banks and in conformity with the provisions of statutes governing the financial institutions as also the provisions of Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, the information in respect of individual constituents of banks and public financial Institutions cannot be divulged.

(d) IDBI has reported that assistance to a particular State depends on the viable and support worthy applications received for projects, irrespective of their location.

#### **Consumption of Coffee**

3993. SHRI G. PUTTA SWAMY GOWDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Coffee Board has taken a number of steps to increase the domestic consumption of coffee;

(b) if so, the details thereof;

(c) whether the Coffee Board has taken initiatives to encourage marketing of coffee by COMARK in collaboration with co-operative societies viz. GCMMF (Amul);

(d) if so, whether any remarkable changes have been noticed in the sale of coffee thereafter; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): (a) and (b) To promote domestic coffee consumption, the Coffee Board conducted a Market Research Study in urban India and based on the findings of this study, the Board has been taking the following steps to enhance the domestic coffee consumption:

- Participation in important national festivals/ exhibitions.
- Producing world class publicity promotion material.
- Organising coffee festivals throughout the country.
- Sale of consumer friendly coffee making machines/percolators to the consumers through promotional units of the Board.
- Aggressive generic promotion efforts through public relation campaigns.
- Establishing a high tech roasting and packaging facility in the Board for making coffee blends, packaging it in attractive vacuum packed pouches and selling through promotional units of the Board as well as extending the facility to grower cooperatives/consortia.
- Extending financial incentives for procurement of coffee vending machines.
- Providing intensive training on roasting and brewing coffee by conducting Kaapi Sastra courses in different locations.

(c) to (e) The Government of India/Coffee Board and facilitated interaction/between the Gujarat Cooperative Milk Marketing Federation (GCMMF) and Indian Coffee Marketing Cooperative Ltd. (COMARK) for a mutual tieup between these two organisations for taking up coffee marketing in the domestic market. However, the proposed joint venture between Gujarat Cooperative Ltd. (COMARK) is still in the process of being finalised by these organisations.

# **Global investment Meet**

3994. SHRI P.S. GADHAVI: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have announced any new Financial Investment in Gujarat in the recently held global investment meet;

(b) if so, the details thereof; and

(c) the details of other areas where Union Government are planning to invest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The information is being collected and will be laid on the Table of the House.

#### [Translation]

## Modernisation of Mills of Bihar

3995. SHRI RAJO SINGH: Will the Minister of TEXTILES be pleased to state:

(a) the total number of public, co-operative and private sector cotton and artificial yarn mills functioning separately, in Bihar as on date;

(b) the capacity of production and actual production of these mills during the last two years, year-wise; and

(c) the steps taken by the Government for the modernisation of these mills?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) As on 30.06.2003, M/s. Buxar Central Jail, a composite mill in the public sector, is the only cotton/man-made fibre textile mill (Non-SSI) functioning in the state of Bihar. (b) The installed capacity of M/s. Buxar Central Jail is 5200 spindles and 60 looms. The above mill being a jail does not have regular production activity. During 2002-2003 the above mill has produced 13,589 metres of fabrics. As regards 2001-2002 the mill has submitted the nil production return.

(c) To improve the technology level of the industry, including that of mills in the state of Bihar, the Govt. of India, Ministry of Textiles has launched a Technology Upgradation Fund Scheme (TUFS) for Textile and Jute Industries, w.e.f. 1.4.1999 for a period of 5 years, i.e., up to 31st March 2004. However, no cotton/man made fibre textile units in the state of Bihar has availed of Ioan under TUFS.

### Weaving Training Centres

3996. DR. BALIRAM: Will the Minister of TEXTILES be pleased to state:

 (a) the number of the carpet weaving training centres actually imparting training in Uttar Pradesh State alongwith the dates from which they are imparting training locationwise;

(b) the total amount on these centers during the last three years indicating the share of the Central Government and State Government therein separately;

(c) whether the Government have received any complaints in respect of closing down some training centers after fifteen days or more and about non-payment of scholarship to the trainees; and

(d) if so, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) No carpet weaving training centre is actually imparting training at present in the State of Uttar Pradesh.

(b) Training in carpet weaving are imparted through departmentally run training centers and training centers operated by other organisations.

As per Government of India decision all departmentally run training centers have been closed down. However expenditure have been made towards Salary and Establishment etc. The total expenditure made on this account during the last three years is as under. (De le lekhe)

(De le lebe)

		•	(MS.	in lakns)
SI.No. Years		Expe	Total	
		Pian	Non Plan	
1.	2000-2001	495.78	174.14	669.92
2.	2001-2002	530.30	146.54	676.84
3.	2002-2003	542.06	185.13	727.19

For training centers operated by other organisations e.g. various State Corporations/Apex Societies/NGOs etc, assistance is provided to them for imparting training in carpet weaving. The following amount has been released under the scheme in the state of Uttar Pradesh during the last three years.

		(HS. IN IAKNS)
S.No.	Years	Amount
1.	2000-2001	45.04
2.	2001-2002	42.81
3.	2002-2003	12.68
	Total:	100.53

The entire expenditure on carpet weaving training centers is met by the Government of India, hence the question of State Government share does not arise.

- (c) No, Sir.
- (d) Does not arise.

# [English]

### **Investment Fluctuation Reserves**

3997. PROF. UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has given a directive to all banks to create a "Investment Fluctuation Reserve" to meet the uncertainties in banking operation;

(b) if so, the duplication involved in the "Investment Fluctuation Reserve";

(c) whether this reserve will create an additional burden on all banks;

(d) whether banks have represented against this Directive of the RBI; and

(e) if so, the reaction of the RBI thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir. Reserve Bank of India has issued guidelines to transfer part of the gains realized on sale of investments to Investment Fluctuation Reserve (IFR) Account in order to ensure that the banks follow a more prudent policy for utilizing the gains and build up adequate reserves to guard against any possible reversal of the interest rate environment in future due to unexpected developments. There is no duplication involved.

(c) In order to ensure that the banks are not overburdened, banks are required to achieve IFR of a minimum of 5 percent of the investment portfolio over a five year period and are free to build a higher percentage of IFR up to 10 percent of the portfolio depending on the size and composition of their portfolio:

(d) and (e) Several banks including IBA and FIMMDA had submitted representations to RBI requesting to accord Tier I status to IFR or alternatively take out IFR from the present ceiling of 1.25% of risk weighted assets under Tier II. The representations made by banks were examined and it was announced by RBI in the Monetary and Credit Policy for the year 2003-04 that while IFR would continue to be treated as Tier II capital, it would not be subject to ceiling of 1.25% of the total risk weighted assets.

#### **Cases Pending in CEGAT**

3998. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of FINANCE be pleased to state:

(a) whether there has been an increase in the closing balance of the cases pending before the CEGAT in 2002-03 as compared to 1996-97 when institution of cases was quite low and disposal were very high;

(b) if so, the reasons for increase in the pendency of case;

(c) whether it is a fact that expenditure on CEGAT has gone up about 100 percent while the disposal of cases has come down to 36 percent;

t (d) if so, the reasons therefor; and

(e) the steps taken or efforts being made by the Government for speedy disposal of cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) Does not arise in view of (a) above.

(c) and (d) Increase in the expenditure was as a result of transfer of two Benches of the Tribunal from Delhi and hiring of new accommodation also for the existing Benches at Mumbai. The other reasons for increase in expenditure was mainly due to consumption of paper, domestic travel and Computerization etc.

(e) Various steps have been taken for expeditious disposal of cases, such as increase in Monetary jurisdiction, constitution of Circuit Benches in various cities, transfer of 3 Benches from Delhi to Mumbai and Bangalore, filling up of vacancies of Members in the Tribunal.

# Production of Non-Mulberry Silk

3999. SHRI PARSURAM MAJHI: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government are aware of the scope to increase the production of non-mulberry silks in Orissa;

(b) if so, the possibility explored by the Government in that regard during 2000-2001, 2001-2002 and 2002-2003;

(c) whether any Central or external assistance extended to the State Government of Orissa for that purpose during any of the above three years; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) to (d) Yes, Sir. There is scope for development of non-mulberry silks (tasar and eri silk) in Orissa. The details of action taken for development of non-mulberry silk in Orissa during 2000-01 to 2002-03 is given below:

> Central Silk Board (CSB) is implementing a centrally sponsored scheme namely Catalytic Development Programme (CDP) in collaboration

with the States including Orissa for development of sericulture and silk industry. The scheme supports stake holders in operations ranging from food plant cultivation to marketing of products in mulberry, tasar, eri and muga silks, technology absorption, investment generation, productivity improvement and employment generation. Under the scheme a sum of Rs. 106.96 lakhs has been released to State Govt. of Orissa during the period 2000-01 to 2002-03, including a sum of Rs. 24.26 lakhs for non-mulberry sector. Details of Catalytic Development Programme implemented in Orissa for development of nonmulberry silks during last three years are given in the enclosed statement.

- Central Silk Board (CSB) in collaboration with Govt. of Orissa has launched a project entitled "Conservation of Wild Modal Tasar Eco-races in Similpal Biosphere Mayurbhanj District, Orissa" at a case of Rs. 2.60 crore for a period of five years from 2001 to 2006. The main objective of the project is to conserve the existing Modal and Bogaei eco tasar silkworm races population in the Similipal biosphere of Orissa State and to harvest continuous yield of cocoons from the conserved population.
- CSB has established the following units for providing support to the State Govt. regarding Research & Development, extension, training, silkworm seed and post cocoon activities.
  - (1) Regional Tasar Research Station at Baripada,
  - (2) Research Extension Central at Bangriposi.
  - (3) Basis Seed Multiplication & Training Centres (BSMTC) at Nowrangpur, Sundergarh, Pallahara and Baripada.
  - (4) Demonstration Cum Technical Service Centre (DCTSC) at Cuttack.
- An externally aided project for development of non-mulberry silk has been implemented in ten non-mulberry silk producing States including Orissa with UNDP assistance under Fibres and Handicrafts Programmes of Country Cooperation Framework-I with a total outlay of Rs. 42.48 crores including Rs. 1.36 crore for Orissa during the period 1999-2000 to 2002-2003.

# Statement

(Rs. in lakhs)

S.	Catalytic Development	Year	Physica	Physical Progress		
S. No.	Programme	, <b>56</b> 1	Unit	Quantity	Amount Released By CSB	
1.	Support to Agencies for the Upgradation and Popularisation Devices.	2000-01	Training	Training	0.08	
2.	Crop Insurance Support for Tasar	2000-01	Lakh DFLs	1.84	1.00	
3.	Crop Insurance Support for Tasar	2001-02	Lakh DFLs	2.55	1.46	
4.	Support for the Upgradation of Seed Multiplication Infrastructure for Tasar	2001-02	No.	2	2.98	
5.	Support for Installation of Quality Linked Cocoon Purchase systems for Tasar	2001-02	Not Quantifiable (NQ)	NQ	10.00	
6.	Assistance to Tasar Seed Rearers for Maintenance of Systematic Tasar Plantation	2002-03	Hectares	15.	0.15	
7.	Assistance to Tasar Commercial Rearers for the Development of Chawki Garden	2002-03	Rearers	40	0.12	
8.	Upgradation of Tasar Seed Multiplication Infrastructure	2002-03	No.	1	1.25	
9.	Equipment Support to Tasar Seed Rearers	2002-03	Seed Rearers	12	0.32	
10.	Support to Private Tasar Graineurs	2002-03	Graineurs	5	1.25	
11.	Support to Tasar Commercial Rearers for Procuring Rearing Equipments	2002-03	Rearers	30	1.35	
12.	Crop Insurance Support for Tasar	2002-03	Lakh Dfis	1.66	0.93	
13.	Support to Agencies for the Upgradation and Popularisation of Improved Reeling Spinning Devices	2002-03	Realing Spinning	114 57	0.68	
14.	Augmentation of ERI Food Plants with Training and Start Up Tools	2002-03	Rearers	10	0.19	
15.	Assistance to States for Strengthening ERI Farm Cum Grainages	2002-03	ERI Farm Grainage	1	2.50	
-	Total	·····			24.26	

### Complaints received by CVC

# 4000. SHRI MOHAN RAWALE: SHRI ASHOK KUMAR SINGH CHANDEL:

Will the Minister of FINANCE be pleased to state:

(a) whether several complaints have been received by the Authorities including the Chief Vigilance Commissioner against the corrupt activities of some Commissioners and Chief Commissioners of the Income Tax Department;

(b) if so, the details thereof;

(c) whether it is also a fact that despite serious allegations of corruption, some Chief Commissioners are allowed not only to continue in the sensitive posts but also to head the department in some metropolitan cities like Mumbai;

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

(e) the steps taken/being contemplated by the government to stop such corrupt activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) During the Calendar Year 2003, four and nineteen complaints have been received against officers of the rank of Chief Commissioners and Commissioners respectively. These are under preliminary verification/ investigation.

(c) Unless the allegation made in the complaint are substantiated on further inquiry by the Departmental vigilance agency no punitive action is taken.

(d) Procedure as envisaged in the Vigilance Manual provides that after a complaint is owned up investigations are carried out with reference to records and the matter is referred to CVC for their advice. (e) The CBDT has recently formulated a new transfer policy in which posts have been categorized as "sensitive" and "non-sensitive". As per this policy on officer against whom CVC has recommended initiation of vigilance proceedings will not be posted to any sensitive posts or to a Class A Station.

# **Compromise Settlement of NPAs**

4001. DR. N. VENKATASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has recently revised guidelines for settlement of Non-performing Assets upto Rs. 10 crore;

(b) if so, the details thereof;

(c) whether One Time Settlement Scheme for outstanding NPAs has also been extended;

(d) the number of defaulters, bank-wise who have responded to the compromise settlement scheme as on March 3, 2003; and

(e) the total amount recovered under the scheme, bank-wise, as on March 31, 2003 and its percentage to the total outstanding NPAs of the public sector banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Yes, Sir. Reserve Bank of India (RBI) has recently issued guidelines for one time settlement (OTS) for non-performing assets (NPAs) upto Rs. 10 crore. A copy of the guidelines is statement I.

(d) and (e) The bank-wise details of public sector banks relating to Net NPAs, number of NPAs account eligible for settlement under the OTS scheme, applications received and amount recovered as on 31st March, 2003 is at statement II. Percentage of recoveries made under OTS Scheme as on 31.03.2003 as compared to total Net NPAs of the public sector banks is 0.57%.

## Statement I

Telegram : BANKCHALAN, MUMBAI Fax No. 0091-22-22183785, 22188770 E-mail address <rbidboco@bomb3.vsnl.net.in> RESERVE BANK OF INDIA CENTRAL OFFICE DEPARTMENT OF BANKING OPERATIONS AND DEVELOPMENT Centre-1, World Trade Centre Cuffe Parade, Colaba, Mumbai-400 005 Telephone No. 22189131-39 Post Box No. 6089 VSAT address <cgmincdbod @rbi.org.in>

January 29, 2003

DBOD.BP.BC. 65/21.04.117/2002-2003

Chairmen and Managing Directors of all Public Sector Banks.

Dear Sir,

# Revised guidelines for compromise settlement of chronic Non-Performing Assets (NPAs) of public sector banks

Please refer to our circular DBOD.BP.BC. 11/21.01.040/99-00 dated 27th July 2000, setting out the guidelines for compromise settlements of chronic NPAs up to Rs. 5.00 crore.

2. A review of compromise settlements of NPAs through the above scheme has revealed that the progress of recovery of NPAs through this mechanism has been moderate. In consultation with Government of India, it has been decided to give one more opportunity to the borrowers to come forward for settlement of their outstanding dues. Hence fresh guidelines are now issued, which will provide a simplified, non-discretionary and non-discriminatory mechanism for compromise settlement of chronic NPAs below the prescribed value ceiling. All public sector banks should uniformly implement these guidelines, so that maximum realisation of dues is achieved from the stock of NPAs within the stipulated time.

3. The revised guidelines will cover NPAs (below the prescribed ceiling) relating to all sectors including the small sector. The guidelines will not, however, cover cases of wilful default, fraud and malfeasance. The banks should identify cases of wilful default, fraud and malfeasance and initiate prompt action against them. Accordingly, in Modification of guidelines set out in our Circular of 27th July 2000, revised guidelines for compromise settlement of dues relating to NPAs of public sector banks in all sectors are given below:

(A) Guidelines for compromise settlement of chronic NPAs up to Rs. 10.00 crore

# (i) Coverage

(a) The revised guidelines will cover all NPAs in all sectors irrespective of the nature of business, which have become doubtful or loss as on 31st March 2000 with outstanding balance of Rs. 10.00 crore and below on the cut off date.

(b) The guidelines will also cover NPAs classified as sub-standard as on 31st March 2000, which have subsequently become doubtful or loss.

(c) These guidelines will cover cases on which the banks have initiated action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and also cases pending before Courts/ DRTs/BIFR, subject to consent decree being obtained from the Courts/DRTs/BIFR.

(d) Cases of wilful default, fraud and malfeasance will not be covered.

(e) The last date for receipt of applications from borrowers would be as at the close of business on 30th April 2003. The processing under the revised guidelines should be completed by 31st October 2003.

£

# (ii) Settlement Formula amount and cut off date

#### (a) NPAs classified as Doubtful or Loss as on 31st March 2000.

The minimum amount that should be recovered under the revised guidelines in respect of compromise settlement of NPAs classified as doubtful or loss as on 31st March 2000 would be 100% of the outstanding balance in the account as on the date of transfer to the protested bills account or the amount outstanding as on the date on which the account was categorised as doubtful NPAs, whichever happened earlier, as the case may be.

# (b) NPAs classified as sub-standard as on 31st March 2000 which became doubtful or loss subsequently.

The minimum amount that should be recovered in respect of NPAs classified as sub-standard as on 31st March 2000 which became doubtful or loss aubsequently would be 100% of the outstanding balance in the account as on the date of transfer to the protested bills account or the amount as on the date on which the account was categorised as doubtful NPAs, whichever happened earlier, as the case may be, plus interest at existing Prime Lending Rate from 1st April 2000 till the date of final payment.

#### (iii) Payment

The amount of settlement arrived at in both the above cases, should preferably be paid in one lump sum. In cases where the borrowers are unable to pay the entire amount in one lump sum, at least 25% of the amount of settlement should be paid upfront and the balance amount of 75% should be recovered in Instalments within a period of one year together with Interest at the existing Prime Lending Rate from the date of settlement up to the date of final payment.

#### (iv) Sanctioning Authority

The decision on the compromise settlement and consequent sanction of waiver or remission or write-off should be taken by the competent authority under the delegated powers.

### (v) Non-discretionary treatment

The banks should follow the above guidelines for compromise settlement of all NPAs covered under the revised scheme, without discrimination and a monthly report on the progress and details of settlements should be submitted by the concerned authority to the next higher authority and their Central Office. Banks should go for wide publicity and also give notice by 28th February 2003 to the eligible defaulting borrowers to avail of the opportunity for one time settlement of their outstanding dues in terms of these guidelines. Adequate publicity to these guidelines through various means must be ensured.

## (vi) Reporting to the Board

The banks should submit a report on the progress in the compromise settlement of chronic NPAs under the revised guidelines every quarter to the Board of Directors. A copy of the quarterly progress report should also be sent to us.

# (B) Guidelines for compromise settlement of chronic NPAs over Rs. 10.00 crore.

As already advised in our earlier circular dated 27th July 2000, CMDs should personally supervise the compromise settlement of chronic NPAs on case to case basis, and the Board of Directors may evolve policy guidelines regarding one time settlement of NPAs not covered under this circular as a part of their loan recovery policy.

# 4. Deviation only by Board of Directors

Any deviation from the above settlement guidelines for any borrower should be made only by the Board Directors.

5. Please acknowledge receipt.

Yours faithfully, Sd/-(C.R. Muralidharan) Chief General Manager

RESERVE BANK OF INDIA Telegram : BANKCHALAN, MUMBAI Telephone No. Fax No. 2189131-39 CENTRAL OFFICE 0091-22-22183785, 22188770 Post Box No. 6089 DEPARTMENT OF BANKING OPERATIONS AND DEVELOPMENT E-mail address VSAT address Centre-1, World Trade Centre <rbidboco@bom3.vsni.net.in> <cgmincdbod@rbi.org.ln> Cuffe Parade, Colaba, Mumbai-400 005

# DBOD.BP.BC. 108/21.04.117/2002-2003

Chairmen and Managing Directors of all Public Sector Banks.

Dear Sir.

### Revised guidelines for compromise settlement of chronic Non-Performing Assets (NPAs) of public sector banks

Please refer to our circular DBOD No. BP.BC. 65./21.04.117/2002-2003 dated January 29, 2003 setting out the guidelines for compromise settlements of chronic NPAs up to Rs. 10.00 crore. In terms of paragraph 3 (A) (i) (e) thereof, the last date for receipt of applications from borrowers was as at the close of business on April 30, 2003. The processing under the revised guidelines was required to be completed by October 31, 2003.

2. The Government of India and the Reserve Bank of India have received requests from banks for extending the time limit for operation of the guidelines. In view of the above, it has been decided, in consultation with the Government of India, to extend the time period for receipt of applications under the OTS Scheme from April 30, 2003 to September 30, 2003 and date of processing applications from October 31, 2003 to December 31, 2003.

Please acknowledge receipt.

Your faithfully, Sd/-(Dr. N. Krishnamohan) General Manager

### Statement II

Bank-wise Details Relating to net NPAs, Number of NPAs Account Eligible for Settlement under the OTS scheme, Applications Received and Amount Recovered as on 31st March, 2003

(Rupess in Crores)

				•••	
	****	<del> </del>	Application received	Amount Recovered	
Bank	Net NPAs	No. of A/cs eligible for settlement		Number of accounts	Amount
1	2	3	4	5	6
State Bank of India	6183.00	NA	NA	NA	NA
State Bank of Bikaner & Jaipur	<b>281.79</b>	1 <b>54447</b>	287	258	0.51

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1	2	3	4	5	6
State Bank of Hyderabad	315.39	25483	723	696	1.24
State Bank of Indore	137.84	59749	30	7	0.07
State Bank of Mysore	272.90	NA	NA	NA	NA
State Bank of Patiala	160.85	12893	417	155	2.16
State Bank of Saurashtra	163.96	26706	139	107	1.13
State Bank of Travancore	280.00	63644	274	150	2.78
Allahabad Bank	886.98	123478	14568	9576	38.42
Andhra Bank	206.27	1 <b>98067</b>	169	123	1.11
Bank of Baroda	1700.28	230241	396	392	1.29
Bank of India	2382.00	684888	9592	7347	9.50
Bank of Maharashtra	459.14	58745	190	91	0.79
Canara Bank	1453.88	142460	36	22	0.13
Central Bank of India	1562.00	NA	NA	NA	NA
Corporation Bank	198 <b>.39</b>	25641	132	75	0.67
Dena Bank	<del>9</del> 97.28	21435	214	129	2.30
ndian Bank	754.95	83878	1 <del>6</del> 70	718	45.69
ndian Overseas Bank	912.21	59953	2289	2078	3.87
Driental Bank of Commerce	225.28	31434	103	60	0.12
Punjab National Bank	1526.91	215056	2083	16 <b>9</b> 9	6.56
Punjab & Sind Bank	639 <i>.</i> 47	36623	500	187	1.79
Syndicate Bank	700.00	117 <b>945</b>	275	240	1.51
Jnion Bank of India	1253.43	194562	108	108	4.75
JCO Bank	697.14	NA	NA	NA	NA
Jnited Bank of India	406.06	221763	5933	3832	10.45
/ijaya Bank	205.81	47882	537	156	2.20

# Public Health Programme

4002. SHRI A. VENKATESH NAIK: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the pharma industry of developed countries pressurising the WTO not to allow India and Brazil to use excess capacities to supply patented drugs to third world countries to tackle public health problems;

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

(c) the strategy adopted by the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) to (c) Paragraph 6 of Doha Ministerial Declaration on the TRIPS Agreement and Public Health adopted on 14 November 2001 recognizes the problems faced by WTO Members with insufficient or no manufacturing capacities in the pharmaceutical sector in making effective use of compulsory licensing under the TRIPS Agreement and mandates the TRIPS Council to find an expeditious solution by the end of 2002. Towards this solution, the Chairman of the TRIPS Council proposed a Draft Waiver Decision on 16 December 2002 but consensus could not be achieved as the United States proposed restricting the coverage of diseases under this Draft Waiver Decision. This was not agreed to. Since then, the US has not been insisting upon restricting the coverage of diseases but evidently wishes the TRIPS Council to adopt some checks to prevent diversion of drugs produced. The US has also suggested the establishment of a body of eminent persons to be nominated by the Director General of WTO, which would review claims of a country that it does not have manufacturing capacity for a particular patented product. India has conveyed that anything that is beyond the scope of the 16 December 2002 Draft would not be acceptable. Efforts are continuing to be made by the Chairman of the TRIPS Council to forge a consensus on this issue.

# **Protection of Civil Rights Act**

4003. SHRI VARKALA RADHAKRISHNAN: Will the Minister of LAW AND JUSTICE be pleased to refer to reply given to Unstarred Question No. 2462 dated March 7, 2003 regarding Protection of Civil Rights Act, 1955 and state:

(a) whether the information has since been collected;

- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI P.C. THOMAS): (a) Yes, Sir. The information has since been collected from most of the High Courts.

(b) and (c) A Statement is enclosed.

Statement				
SI.No.	Name of the High Court:	No of cases pending under Protection of Civil Rights Act, 1955	Any special Court for dealing such cases	
1	2	3	4	
1.	Allahabad	0	No Special Courts	
2.	Andhra Pradesh	294	22 Special Mobile Courts	
3.	Bombay	392	No Special Courts	
4.	Calcutta	0	No Special Courts	
5.	Delhi	21	No Special Courts	

**.**...

	2	3	4	
<b>6</b> .	Gauhati	NA	No Special Courts	
7.	Gujarat	12	No Special Courts	
8.	Himachal Pradesh	13	No Special Courts	
9.	Jammu & Kashmir	Not received	Not received	
0.	Karnataka	428	No Special Courts	
1.	Kerala	2	No Special Courts	
2.	Madhya Pradesh	Not received	Not received	
13.	Madras	1997	Setting up of Special Courts for SC/STs in 3 to 4 Districts has been under consideration.	
4.	Orissa	3956	Sessions Judges & Additional Judges have been declared as Special Courts. However, Protection of Civil Rights Act, 1955 has been repealed.	
5.	Patna	188	No Special Courts	
6.	Punjab & Haryana	138	No Special Courts	
7.	Rajasthan	Not received	Not received	
8.	Sikkim	0	No Special Courts	
<b>9</b> .	Chhattisgarh	3	No Special Courts	
0.	Jharkhand	0	Not available	
1.	Uttaranchal	1	No Special Courts	

Note: The pendency of cases under the jurisdiction of the High Courts of Orissa and Madras is comparatively higher. The position regarding setting up of Special Courts therein has been explained above.

### Mahila Pradhan agents

4004. SHRI T. GOVINDAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have received any representation from Mahila Pradhan Agents regarding levying of taxes on their meagre income from promoting saving schemes; and

(b) if so, the details including its present position thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO

VITHOBA ADSUL): (a) and (b) Various representations for amending the tax policy are examined at the time of the budget exercise and the decision of the Government is reflected in the form of proposals in the Finance Bill.

# **Rubber Cultivation in Tribels Land**

4005. SHRI KODIKUNNIL SURESH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Rubber Board has planned for rubber cultivation in tribals land in Kerala;

(b) If so, the total hectares of tribals land brought under cultivation of rubber plantations and the total number of families benefited therefrom; and

(c) the steps taken by the Rubber Board for the benefits of tribals in this scheme?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): (a) Yes, Sir.

(b) An area of 1205.96 hectares of tribals land has been brought under rubber cultivation and 3306 tribal families have been benefited.

(c) Rubber Board has been implementing Rubber Plantation Development Scheme and Tribal Sub Plan scheme for the benefit of tribal people. Under the Rubber Plantation Development Scheme financial assistance is provided for new planting as also free technical assistance to the tribal growers. additional support is provided to the tribals under the Tribal Sub Plan Scheme for rubber cultivation. In addition, for effective monitoring, a separate project is being implemented by the Rubber Board in collaboration with the State Government of Kerala in the land already owned by the tribals. The tribal beneficiaries are engaged as wage earners in the plantation during the immature phase of the project and once the plantation enters tapping phase the plantation is handed back to the tribals after forming a Rubber Producers' Society and also establishing a latex collection centre/processing centre.

# Settlement of NPAs by PSB

4006. SHRI PRAVIN RASHTRAPAL: Will the Minister of FINANCE be pleased to state:

(a) the guidelines of the Reserve Bank of India (RBI) for one time settlement for non-performing assets (NPAs) upto Rs. 10 crore; and

(b) the number of cases settled by Punjab & Sind Bank (PSB) under the above guidelines and the lowest interest charged by the PSB to settle the NPAs below Rs. 10 crore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) A copy of the guidelines of the Reserve Bank of India (RBI) for one time settlement for non-performing assets (NPAs) upto Rs. 10 crore is enclosed as statement.

(b) Punjab & Sind Bank has settled 502 cases under the above guidelines and the lowest interest charged by the bank on settlement amount is PLR (as per scheme) which at present is 11.5%.

#### Statement

RESERVE BANK OF INDIA Telegram : BANKCHALAN, MUMBAI Fax No. CENTRAL OFFICE 0091-22-22183785, 22188770 Post Box No. 6089 DEPARTMENT OF BANKING OPERATIONS AND DEVELOPMENT E-mail address Centre-1. World Trade Centre <rbidboco@bomb3.vsnl.net.in> <cgmincdbod@rbl.org.ln> Cuffe Parade, Colaba, Mumbai-400 005

DBOD.BP.BC. 65/21.04.117/2002-2003

Chairmen and Managing Directors of all Public Sector Banks.

Dear Sir.

# Revised guidelines for compromise settlement of chronic Non-Performing Assets (NPAs) of public sector banks

Please refer to our circular DBOD.BP.BC. 11/21.01.040/99-00 dated 27th July 2000, setting out the guidelines for compromise settlements of chronic NPAs up to Rs. 5.00 crore.

2. A review of compromise settlements of NPAs through the above scheme has revealed that the progress of recovery of NPAs through through this mechanism has been moderate. In consultation with Government of India, it has been decided to give one more opportunity to the borrowers to come forward for settlement of their outstanding dues. Hence tresh guidelines are now issued, which will provide a simplified, non-discretionary and non-discriminatory mechanism for compromise settlement of chronic NPAs below the prescribed value ceiling. All public sector banks should uniformly implement these guidelines, so that maximum realisation of dues is achieved from the stock of NPAs within the stipulated time.

s \* i

January 29, 2003

Telephone No.

22189131-39

VSAT address

3. The revised guidelines will cover NPAs (below the prescribed ceiling) relating to all sectors including the small sector. The guidelines will not, however, cover cases of wilful default, fraud and malfeasance. The banks should identify cases of willful default, fraud and malfeasance and initiate prompt action against them. Accordingly, in Modification of guidelines set out in our Circular of 27th July 2000, revised guidelines for compromise settlement of dues relating to NPAs of public sector banks in all sectors are given below:

# (A) Guidelines for compromise settlement of chronic NPAs up to Rs. 10.00 crore

#### (i) Coverage

(a) The revised guidelines will cover all NPAs in all sectors irrespective of the nature of business, which have become doubtful or loss as on 31st March 2000 with outstanding balance of Rs. 10.00 crore and below on the cut off date.

(b) The guidelines will also cover NPAs classified as sub-standard as on 31st March 2000, which have subsequently become doubtful or loss.

(c) These guidelines will cover cases on which the banks have initiated action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and also cases pending before Courts/ DRTs/BIFR, subject to consent decree being obtained from the Courts/DRTs/BIFR.

(d) Cases of wilful default, fraud and malfeasance will not be covered.

(e) The last date for receipt of applications from borrowers would be as at the close of business on 30th April 2003. The processing under the revised guidelines should be completed by 31st October 2003.

#### (ii) Settlement Formula-amount and cut off date

#### (a) NPAs classified as Doubtful or Loss as on 31st March 2000.

The minimum amount that should be recovered under the revised guidelines in respect of compromise settlement of NPAs classified as doubtful or loss as on 31st March 2000 would be 100% of the outstanding balance in the account as on the date of transfer to the protested bills account or the amount outstanding as on the date on which the account was categorised as doubtful NPAs, whichever happened earlier, as the case may be.

#### (b) NPAs classified as sub-standard as on 31st March 2000 which became doubtful or loss subsequently.

The minimum amount that should be recovered in respect of NPAs classified as sub-standard as on 31st March 2000 which became doubtful or loss subsequently would be 100% of the outstanding balance in the account as on the date of transfer to the protested bills account or the amount as on the date on which the account was categorised as doubtful NPAs, whichever happened earlier, as the case may be, plus Interest at existing Prime Lending Rate from 1st April 2000 till the date of final payment.

### (iii) Payment

The amount of settlement arrived at in both the above cases, should preferably be paid in one lump sum. In cases where the borrowers are unable to pay the entire amount in one lump sum, at least 25% of the amount of settlement should be paid upfront and the balance amount of 75% should be recovered in Instalments within a period of one year together with Interest at the existing Prime Lending Rate from the date of settlement up to the date of final payment.

#### (iv) Sanctioning Authority

The decision on the compromise settlement and consequent sanction of waiver or remission or write-off should be - taken by the competent authority under the delegated powers.

#### (v) Non-discretionary treatment

The banks should follow the above guidelines for compromise settlement of all NPAs covered under the revised scheme, without discrimination and a monthly report on the progress and details of settlements should be submitted by the concerned authority to the next higher authority and their Central Office. Banks should go for wide publicity and also give notice by 28th February 2003 to the eligible defaulting borrowers to avail of the opportunity for one time settlement of their outstanding dues in terms of these guidelines. Adequate publicity to these guidelines through various means must be ensured.

### (vi) Reporting to the Board

The banks should submit a report on the progress in the compromise settlement of chronic NPAs under the revised guidelines every quarter to the Board of Directors. A copy of the quarterly progress report should also be sent to us.

### (B) Guidelines for compromise settlement of chronic NPAs over Rs. 10.00 crore.

As already advised in our earlier circular dated 27th July 2000, CMDs should personally supervise the compromise settlement of chronic NPAs on case to case basis, and the Board of Directors may evolve policy guidelines regarding one time settlement of NPAs not covered under this circular as a part of their loan recovery policy.

#### 4. Deviation only by Board of Directors

Any deviation from the above settlement guidelines for any borrower should be made only by the Board Directors.

5. Please acknowledge receipt.

Yours faithfully, Sd/-(C.R. Muralidharan) Chief General Manager

Telegram : BANKCHALAN, MUMBAI Fax No. 0091-22-22183785, 22188770 E-mail address <rbidboco@bom3.vsnl.net.in> RESERVE BANK OF INDIA CENTRAL OFFICE DEPARTMENT OF BANKING OPERATIONS AND DEVELOPMENT Centre-1, World Trade Centre Cutfe Parade, Colaba, Mumbai-400 005 Telephone No. 22189131-39 Post Box No. 6089 VSAT address <cgmincdbod@rbi.org.ln>

DBOD.BP.BC. 108/2/04.117/2002-2003

Chairmen and Managing Directors of all Public Sector Banks.

Dear Sir,

# Revised guidelines for compromise settlement of chronic Non-Performing Assets (NPAs) of public sector banks

Please refer to our circular DBOD No. BP.BC. 65./21.04.117/2002-2003 dated January 29, 2003 setting out the guidelines for compromise settlements of chronic NPAs up to Rs. 10.00 crore. In terms of paragraph 3 (A) (i) (e) thereof, the last date for receipt of applications from borrowers was as at the close of business on April 30, 2003. The processing under the revised guidelines was required to be completed by October 31, 2003.

2. The Government of India and the Reserve Bank of India have received requests from banks for extending the time limit for operation of the guidelines. In view of the above, it has been decided, in consultation with the Government

May 23, 2003

of India, to extend the time period for receipt of applications under the OTS Scheme from April 30, 2003 to September 30, 2003 and date of processing applications from October 31, 2003 to December 31, 2003.

3. Please acknowledge receipt.

Your faithfully, Sd/-(Dr. N. Krishnamohan) General Manager

#### Performance of NICL

4007. SHRI TUFANI SAROJ: Will the Minister of FINANCE be pleased to state:

(a) whether Kolkata based National Insurance Company Limited has set any target in regard to its performance during the current financial year;

(b) if so, the details thereof;

(c) whether premium income of the said company has registered increase; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) National Insurance Company Limited has set a Gross Direct Premium income target of Rs. 3165 Crores for the financial year 2003-04.

(c) Yes, Sir.

(d) The Gross Direct Premium income of the company, during the first four month's period from 1.4.2003 to 31.7.2003, was Rs. 1126.97 Crores as against Rs. 980.52 Crores during the corresponding period of 2002, registering an increase of 14.94%.

### Appointments in FCI

4008. SHRI RAMJEE MANJHI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether a decision was taken by FCI in May, 1986 not a appoint any person on casual/daily/part-time basis in the offices/depots by any authority;

(b) if so, details thereof;

(c) whether any deviation from the above rule has been noticed; and

(d) if so, the details thereof alongwith the corrective steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) to (d) The Food Corporation of India (FCI) has taken a decision in May, 1986 not to appoint any person on causal/daily/ part-time basis in its offices/depots with effect frm 2.5.1986. However, some daily rated/part-time workers were appointed in some offices of the FCI after 2.5.1986 in deviation of the said decision. Wages amounting to Rs. 48.15 crores (approximately) were paid to these workers during the years 1986-87 to 1999-2000.

These casual workers were engaged for discharging of duties of sweepers, watermen, watch and ward personnel etc. Some of these casual workers also got stay orders from the Courts/Industrial Tribunals for continuance of their services and continued to work till disposal of their cases by the Courts/Tribunals.

The officers of the FCI who found responsible for induction of daily rated/casual workers have been identified and disciplinary action has been initiated against them by the FCI.

#### **Funds from NRIs**

4009. SHRI RAMESH CHENNITHALA: Will the Minister of FINANCE be pleased to state:

(a) whether State Government of Kerala requested for exemption of conditions (ii) and (vii) of schedule 6 and 7 of Reserve Bank of India notification to enable Kerala Power Finance Corporation Limited to mobilise funds from Non-resident Indians; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir. (b) The Matter has been examined in consultation with RBI. In view of the fragile financial position of State Financial Corporations and the inherent exchange risk to be borne by the issuing entities, the State Government has been advised that Kerala Power Finance Corporation Limited should not be allowed to mobilise NRI funds.

## Selection of ST Students for Higher Studies Abroad

4010. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a) whether students belonging to the Scheduled Tribes have been sent to foreign countries for higher studies;

(b) if so, the number of students sent to foreign countries during each of the last three years and the current year, country-wise;

(c) the existing rules regarding selection of students of STs for this purpose;

(d) whether the Government have started any advertisement and incentive scheme for the selection of such students; and

(e) if so, the details thereof?

THE MINISTER OF TRIBAL AFFAIRS (SHRI JUAL ORAM): (a) and (b) Yes, Sir. A scheme of National Overseas Scholarship (NOS) for ST students was being implemented by this Ministry. At present this scheme is not in existence. The selection of the students under this scheme was made upto the year 2000-2001. Out of the selections so made, a total of 5 students have been sent abroad during the last three years including the current year.

Name of Country	2000-01	2001-02	2002-03	2003-03
U.S.A.	Nil	1	Nil	1
U.K.	Nil	1	2	Nit
Total	Nil	2	2	1

(c) At present Scheme is not in existence.

(d) and (e) Do not arise.

### [Translation]

#### **Complaints against Customs Officials**

4011. SHRI RAMDAS ATHAWALE: Will the Minister of FINANCE be pleased to state:

(a) the details of the complaints received particularly from the foreign diplomats against the custom officers posted at domestic and international airports in New Delhi during the last three years;

(b) the action taken by the Government on the complaints; and

(c) the steps taken to check recurrence of such incident in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) (i) Complaint received from the spouse of First Counsellor of European Commission delegation in June, 2003, regarding examination of baggage and a personal search.

Enquiry in the matter revealed that the baggage of the passenger was kept aside by the Airline for further check by the Customs. However, on the passenger's declaration of her status as spouse of a diplomat, no personal passenger's declaration of her status as spouse of diplomat, no personal search was conducted nor her baggage subjected to examination.

(ii) Complaint received by e-mail in April, 2003 from the Ambassador of Luxembourg to India regarding long queue at Customs counter and improper behaviour of a lady supervisor.

The enquiry revealed that no lady Customs supervisor was posted at the Customs counter on the date of the incident.

(c) Diplomats and members of their family enjoying diplomatic status are not subjected to preventive checks by the Customs. The officers are briefed regarding the manner to deal with diplomats. Suitable training is also imparted to them. Strict action is taken against officers and staff whose conduct is found unacceptable. [English]

### **Computerisation Project of FCI**

## 4012. SHRIMATI NIVEDITA MANE: DR. CHARAN DAS MAHANT; SHRI ADHIR CHOWDHARY: SHRIMATI SHYAMA SINGH: SHRI C.N. SINGH;

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Food Corporation of India (FCI) has any proposal for computerisation project of networking all its godowns spread across the country for better inventory management;

(b) if so, the details thereof; and

(c) the time by which the project will be completed including the cost thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) Yes, Sir.

(b) The major objective of the upgradation of the Management Information System is to put in place an online MIS which will give the stock position in any depot at any given point of time. The existing practice of collecting information/data is time consuming and costly. With the introduction of computerization from depot level onwards, the accuracy of relevant data will improve, facilitate quicker analysis and timely reporting etc. This would also assist the management to take correct and appropriate decision. The project shall result in financial savings and better operational efficiency at different levels of the organization.

The project will be implemented in 3 phases commencing from 2003-04 covering all the Depots, District Offices, Regional Offices, Zonal Offices including the Corporation's Headquarters at New Delhi. In the 1st phase 87 Districts and 45 Depots will be covered apart from all the Regional offices, Zonal offices and FCI HQrs, with appropriate number of nodes and configuration.

(c) The project is to be completed by 2005-06. The tentative budget allocation for the project is Rs. 97.66 crores.

### **Customs Duties on Manufactured Products**

4013. SHRI CHANDRA BHUSHAN SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the World Trade Organisation has asked the member countries to reduce customs duties on manufactured products;

(b) if so, the details thereof;

(c) whether the Government have taken up this issue with the WTO; and

(d) if so, the details thereof and the further reaction of WTO in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) to (d) Duty reductions on non-agricultural products, also commonly called industrial goods, is a subject for negotiation mandated by the Doha Ministerial Declaration of the WTO. At this stage, negotiations for finalization of the modalities for the actual tariff negotiations are being conducted. Several WTO members, including India, have submitted proposals on modalities for negotiations.

All proposals, written and oral, have been taken into consideration by the Chairman of the Negotiating Group on Market access who has himself drafted elements of modalities for negotiation by Members and possible agreement thereon. The Chairman's proposal is presently being discussed in the WTO.

### FDI Proposais from China

4014. SHRI K.P. SINGH DEO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Foreign Investment Promotion Board has received number of proposals from China to invest in India;

(b) if so, the details thereof;

(c) whether all the proposals have been cleared by the Government;

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

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) to (e) Consideration of FDI proposals is an ongoing process. Proposals are considered based on their merits and the extant FDI policy including sectoral guidelines. Details of the approvals are published in the monthly "SIA Newsletter" brought out by Department of Industrial Policy & Promotion which is widely circulated to various establishments, including the Parliament Library. The information is also posted on Website (http:/finmin.nic.in.).

#### Jute Packaging Order

4015. SHRIMATI PRABHA RAU: Will the Minister of TEXTILES be pleased to state:

(a) whether the representatives of the domestic jute industry have submitted a representation to the union Government regarding the problems being faced by them;

(b) if so, the details thereof;

(c) whether the jute industry have inter alia urged upon the Government to help them in the matter of dilution of mandatory jute packaging order for foodgrains and sugar which might render large number of workers without work;

(d) if so, whether the Government have reviewed its decision in this regard;

- (e) if so, the outcome thereof; and
- (f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) and (b) Yes, Sir. The government has received representations both from the employees Association as well as the employers of the Jute Industry. The demands of the employees are mainly oriented to increase in wages, DA Bonus etc. and to clear pending dues of PF, Gratuity etc. Whereas the employers' demands vary from providing power, infrastructural facilities, soft loan, reduction in cost factors etc.

(c) to (f) Yes, Sir. The government had earlier issued a notification dated 12th July, 2002 providing gradual dilution under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987. The said notification was challenged by the Indian Jute Mills Association (IJMA) before the single bench of Hon'ble High Court at Kolkata, which dismissed the petition. Later, the IJMA filed two appeal petitions before the Division Bench of the Hon'ble High Court at Kolkata challenging the judgment of the trail Court and praving for guashing the notification dated 12-7-02. Hon'ble Division Bench in their judgment dated 27-6-03 have allowed the petitions of IJMA. The Government has filed an SLP on 13.08.2003 challenging this decision of the Division Bench. In the meanwhile, in compliance of the judgment of the Division Bench, Government has rescind the order dated 12.07.2002 by issuing a fresh notification.

#### State Finances

## 4016. SHRI SADASHIVRAO DADOBA MANDLIK: SHRI C.N. SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the combined debt of all the States is expected to double to Rs. 12,00,000 crore by 2007 from Rs. 5,89,200 crore on March 31, 2002 and the annual debt servicing obligations (debt plus guarantees) will rise to Rs. 63,500 crore in 2007 from an estimated Rs. 25,600 crore in 2002-03, according to a Crisil report on State finances;

(b) if so, the reasons given by the Crisil for the same;

(c) the response of the Government thereon;

(d) whether the aggregate debt of State in 2002 was over 26 percent of the gross domestic product (GDP);

(e) if so, the details of debt and the reasons for the same, state-wise; and

(f) the steps taken/being taken by the Government to check the rising trend of debt?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Yes, Sir. The Crisil forecast is based on the assumption that (1) States' revenue receipts will grow at a lower rate over the next four years (2) lower growth rate for the revenue SRAVANA 31, 1925 (Saka)

expenditure and guarantee levels and (3) expectation that the States would repay a higher 5% of their debt stock by 2006-07 compared to 2002-03.

(c) The mounting debt of State Governments and its impact on the fiscal situation of States has received the attention of the Central Government, and was focussed upon in the meeting of State Finance Ministers and thereafter in the meeting of Chief Ministers on Fiscal Situation of States in 2002.

(d) As per the RBI Report on 'State Finances—A Study of Budgets of 2002-03' the outstanding liabilities of States as on end March, 2002 is estimated at 25.7% of GDP.

(e) State-wise composition of outstanding liabilities as published by the RBI is enclosed as statement.

(f) Government of India has formulated a Debt Swap Scheme which enables States to pre-pay high cost Government of India loans to the State Governments bearing coupons of 13% and above, with low coupon bearing Small Savings and open Market Borrowings, over a three year period ending 2004-05. Further, Government of India has put in pace a framework for Medium Term Fiscal Reforms Programme (MTFRP) in States till 2004-05, which is being implemented by States. The Statewise fiscal reforms programmes aim at bringing down debt to sustainable levels. Government of India has also issued instructions for streamlining of borrowings under Article 293 (3) of the Constitution, within the contours of MTFRP of the States.

#### Statement

## State-wise Composition of Outstanding Liabilities as at end-March, 2003 (BE)

		(Rs. in crores)
SI.No.	State	Total Debt
1	2	3
1.	Andhra Pradesh	50638
2.	Arunachai Pradesh	1,205
З.	Assam	13,252
4.	Bihar*	44,649
5.	Goa	3,060
<b>6</b> .	Gujarat	46,689

1	2	3
7.	Haryana	17,526
<b>3</b> .	Himachal Pradesh	11,101
).	J&K	10,590
0.	Kamataka	32,597
1.	Kerala	30,008
2.	Madhya Pradesh*	34,099
3.	Maharashtra	61,324
4.	Manipur	2,065
5.	Meghalaya	1,538
6.	Mizoram	1, <b>48</b> 8
7.	Nagaland	2,526
8.	Orissa	29.207
9.	Punjab	37,950
0.	Rajasthan	40,890
1.	Sikkim	834
2.	Tamil Nadu	40,947
<b>3</b> .	Tripura	3,330
4.	Uttar Pradesh*	87,106
5.	West Bengal	68,111

"The States of Bihar, Madhya Pradesh and Uttar Pradesh include the liabilities of the newly formed States of Jharkhand, Chhattisgarh and Uttaranchal, respectively.

#### **Capital Support to RRB**

4017. SHRI BASU DEB ACHARIA: Will the Minister of FINANCE be pleased to state:

(a) the amount of capital support so far extended by the Government to the Regional Rural Banks now lying with sponsor banks;

(b) whether the Government have decided to give capital support to the RRBs which have not received any capital support so far; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO AUGUST 22, 2003

VITHOBA ADSUL): (a) Central Government have so far released a total of Rs. 1094.21 crore towards recapitalisation of Regional Rural Banks (RRBs). The Sponsor Banks have also released their proportionate share of 35%. A total amount of Rs. 344.98 crore (including proportionate share of Rs. 142.05 crores of Sponsor Banks) is lying in the Share Capital Deposit Account with Sponsor Banks, as seven State Governments have not released their proportionate share of 15%.

(b) and (c) Out of 196 RRBs, 9 RRBs have not been provided recapitalisation support so far of which two RRBs have already achieved sustainable viability. Due to budgetary constraints, the process of recapitalisation of RRBs could not be continued. In view of the improved financial performance of RRBs it is expected that the RRBs will be able to stand on their own in the near future.

## Cotton/Man-made Fibre Mills

4018. SHRI RAMSHETH THAKUR: SHRI ASHOK N. MOHOL:

Will the Minister of TEXTILES be pleased to state:

(a) the number of cotton/man-made fibre mills in the public/cooperative/private sector in the country as on date;

(b) the details of the additional capacity installed during the Ninth Five Year Plan Period;

(c) whether these mills have not utilised their installed capacity;

(d) if so, the reasons therefor; and

(e) the steps taken by the Government to utilise their full installed capacities during the Tenth Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) The number of cotton/man-made fibre textile mills (Non-SSI) in the country as on 30.06.2003 is as under:

Sr.No.	Sector	No. of mills
1.	Public	191
2.	Go-operative	159
3.	Private	1522
	Total	· 1872

Source: Office of Textile Commissioner, Mumbai.

(b) The details of capacity installed by textile mills during the Ninth Five Year Plan (year-wise) are as under:

			•				
Sr.No	Capacity Installed	Unit	1997-98	1998-99	1999-2000	2000-01	2001-02
1.	Spindles (SSI+Non-SSI)	Mn. no.	35.39	36.67	37.08	37.91	38.33
2.	Rotors (SSI+Non-SSI)	Lakh no.	3.39	4.34	4.44	4.54	4.80
<b>3</b> .	Looms (Organised sector)	Lakh no.	1.40	1.40	1.40	1.40	1.41

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Source: Office of Textile Commissioner, Mumbai.

(c) The mills are utilising their installed capacity for production of yarn and fabrics, depending upon the demand for the same. No Shortage of yarn and fabrics is being reported from anywhere in the country.

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

(e) The Government have taken the following steps for increased growth and thereby increased utilization of installed capacities during Tenth Five Year Plan:

> A growth oriented fiscal duty structure, which primarily entails a non-discriminatory fiscal policy, broadening of the tax net and overall reduction

of excise duty and establishment of CENVAT chain throughout the production chain.

- Freeing the industry from controls and restrictions, which are no longer considered necessary, i.e., de-reservation of woven garment sector and increasing the limit on investment of knitting and knitwear sector and review of the Hank Yarn Obligation Scheme.
- Facilitating large-scale investments in technology and modernisation, principally through the TUF Scheme by need-based, user-friendly modifications therein.

[Translation]

#### Non-Banking Finance Company

4019. SHRI BRAHMA NAND MANDAL: Will the Minister of FINANCE be pleased to state:

(a) the number of non-banking companies functioning in the country;

(b) the number of such non-banking companies which are operating depositing schemes in collaboration with financially weaker sections of the society;

(c) the number of such companies which are operating recurring deposit schemes with them and which are likely to provide soft term loans for housing purposes on the successful completion of these RDs;

(d) whether it is compulsory for these companies to seek approval of National Housing Bank or Reserve Bank of India;

(e) whether the weaker sections are likely to be divided of their hard earned money in case these companies go bankrupt; and

(f) if so, the alternative steps proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank of India (RBI) have reported that they have granted Certificate of Registration to 13880 NBFCs as on date. Of these, only 725 companies have been allowed to accept/hold public deposits.

(b) RBI have further reported that the companies which are allowed to accept deposits are operating Fixed Deposit Schemes for a period ranging between 12 months and 60 months. These are not recurring scheme in collaboration with the financially weaker sections of the society. However, two registered Residuary Non-Banking Companies are accepting deposits, mainly in the form of recurring deposit accounts.

(c) National Housing Bank (NHB) have reported that out of the Housing Finance Companies (HFCs), only one is operating Recurring Deposit Scheme which provides for a Soft term loan for housing purposes on successful completion of the savings period.

### (d) Yes, Sir.

(e) NHB have further reported that public deposits are unsecured in nature and are covered by the contract entered between the company and the Depositors. However, in case of any deficiency of the HFC in servicing its deposits, the depositors may approach various forums available under the Law for relief.

(f) Comprehensive regulatory framework has been put in place which is aimed at protecting the interests of the depositors and ensuring that NBFCs function on sound and healthy lines. The regulatory framework includes, interalia, compulsory registration, maintenance of liquid assets, transfer of at least 20% of net profit to reserve fund and empowering RBI to issue directions to NBFCs. RBI takes various actions against errant NBFCs for various defaults and contravention of provisions of RBI Act and directions issued thereunder. Government has introduced Financial Companies Regulation Bill, 2000 in the Lok Sabha on 13th December, 2000. The Bill was referred to Standing Committee on Finance which gave its report to the Hon'ble Speaker on 30th June, 2003. The Report is under examination of the Government.

(English)

#### Pending Insurance Cases

4020. SHRI V. VETRISELVAN: Will the Minister of FINANCE be pleased to state:

(a) whether presently more than 10 lakh claims are pending with various insurance companies;

(b) if so, the company-wise details of pending cases as on June 30, 2003;

(c) the number of cases out of them are pending for over three years and the reasons for delay in settlement of such cases;

(d) the number of cases out of them pending of Tamil Nadu State;

(e) whether the Government are contemplating to penalise the insurance companies for inordinate to delay in settlement of cases and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (f) The information is being collected and will be laid on the Table of the House.

## Mauritius Treaty

4021. SHRI VINAY KUMAR SORAKE: Will the Minister of FINANCE be pleased to state:

(a) whether India's accord with Mauritius on Doubletax Avoidance is still in force;

(b) if so, whether the Reserve Bank of India is keeping a vigil over inflow of funds from Mauritian OCBs (Overseas Corporate Bodies) reported to be involved in the destabilisation of stock market operations in Indian bourses;

(c) if so, whether it is fact that many of such OCBs from Mauritius have paid up capital of less than US\$ 100.00;

(d) if so, whether many such OCBs manage to repatriate many times their investment on regular basis; and

(e) if so, the details thereof and remedial measures taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) to (e) As per the information supplied by the Reserve Bank of India (RBI), Overseas Corporate Bodies (OCBs) have been prohibited from making fresh purchases under Portfolio Investment Scheme (PIS) in India with effect from 29th November, 2001. RBI is monitoring the aggregate ceilings of overall investments by Non-resident Indians NRIs/OCBs (10% or 24% as applicable) as provided in the Portfolio Investment Scheme.

RBI maintains data about the net investments made in Indian companies by the NBIs/OCBs under Portfolio Investment Scheme. RBI does not have information about OCBs from Mauritius having paid up capital of less than US\$ 100.00. However, in the sample study conducted by RBI in August, 2001, out of 471 OCBs, 99 OCBs had paid up capital of USD 100 or less and 40 OCBs had paid up capital of USD 1 million or more.

Country-wise inflow/outflow data in respect of OCBs is not complied by RBI.

## Tea Board's Offices

4022. SHRI A. BRAHMANAIAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the government propose to set up Tea Board offices in Latin American countries;

(b) if so, the details thereof;

(c) whether there is potential demand for Indian tea in Latin American countries;

(d) if so, whether there have been any promotional activity by the Tea Board in that area;

(e) if so, the details thereof;

(f) the total imports of tea by Latin American countries during 2002-03; and

(g) the steps proposed to increase the Indian tea exports to Latin American countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): (a) No, Sir.

(b) Does not arise.

(c) to (g) The Latin American countries do not constitute a major market for Indian tea as Argentina is the main supplier of tea to this region. The total import of tea by Latin American countries in 2002 was 18.63 million kgs. of which India accounted for only 0.06 million kgs. Considering the shipping distance which makes Indian tea economically unviable and the lack of interest shown by Indian exporters in this market, no large scale promotional activity has been carried out by Tea Board in the Latin American region.

## **Textiles Export Oriented Units**

4023. SHRI T.T.V. DHINAKARAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of Export Oriented Units set up in Textile industry during the last three years state-wise;

(b) the problems being faced by some of these units; and

(c) the steps taken to help these units to survive and compete with other global players in the industry?

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THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) Number of functional Export Oriented Units in the Textiles Industry, zone-wise, during the last three years are as under:

S.No.	Name of the Zones	2000-2001	2001-2002	2002-2003
1.	Santa Cruz Special Economic Zone (Maharashtra, Goa, Daman and Diu, Dadra and Nagar Haveli)	52	72	99
2.	Madras Special Economic Zone (Tamil Nadu, Andaman & Nicobar Islands, Union Territory of Pondicherry, excluding Mahe and Yanam)	85	85	86
3.	Noida Special Economic Zone (Delhi, Uttar Pradesh, Uttaranchal, Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir, Rajasthan, Madhya Pradesh, Chhattisgarh and Chandigarh)	95	110	128
4.	Kandla Special Economic Zone (Gujarat)	85	108	123
5.	Cochin Special Economic Zone (Kerala, Karnataka, Lakshadweep and Mahe)	51	67	62
6.	Falta Special Economic Zone (West Bengal, Orissa, Bihar Jharkhand, Assam, Tripura, Manipur, Meghalaya, Nagaland, Mizoram, Sikkim and Arunachal Pradesh)	18	24	34
7.	Visakhapatnam Special Economic Zone (Andhra Pradesh and Yanam)	22	16	17
	Total	408	482	549

(b) and (c) Problems faced by some of the EOUs include disposal of waste in Domestic Tariff Area (DTA), extension of concessional DTA facility for deemed exports, extension of some of the provisions of Special Economic Zones and DTA Units to EOUs, recession in international market, levy of cess/duty by various states etc. These problems have been attended at appropriate level. To make them competitive with other global players, these units are allowed duty free import of capital goods, raw materials & consumables, concessional DTA Sales, tax benefits.

## [Translation]

## Rashtriya Sam Vikas Yojana

4024. DR. RAGHUVANSH PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have provided funds for Rashtriya Sam Vikas Yojana in the Tenth Five Year Plan;

(b) if so, the year-wise budget any allocation therefor; and

(c) the details of states which benefited by this scheme with the funds earmarked for purpose, Statewise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The Budget provision under Rashtriya Sam Vikas Yojana (RSVY) for 2002-03 and 2003-04 was made Rs. 2500 crores and Rs. 1450 crores respectively.

(c) Funds from the Rashtriya Sam Vikas Yojana have been released to Bihar and Orissa only.

[English]

### FCI/CWC Godowns

4025. SHRI P.S. GADHAVI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the locations of Food Corporation of India and Central Warehousing Corporation offices and godowns in Gujarat with total capacity of godowns;

(b) the actual investments made into the construction of godowns in Gujarat by these organisations and the capacities added during each of the last three years and the current year, location-wise;

(c) whether the implementation of project is slow; and

(d) if so, the corrective steps taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) The Food Corporation of India (FCI) has a Regional Office at Ahmedabad and 4 District Offices located at Baroda, Rajkot. Sabarmati and Kandla.

The Central Warehousing Corporation (CWC) has a Regional Office at Ahmedabad. The location of godowns of the FCI and the CWC in the State of Gujarat are given in the statement.

(b) The storage capacity created and the expenditure incurred by the FCI during each of the last 3 years and the current year in the State of Gujarat is as given below:

Year/Name of the Centre	Capacity added (Figure in MTs)	Expenditure incurred (Rs. in latch)
2000-01		
Rajkot		81.63
2001-02		
Rajkot (Rajkot)	10,000	93.74
2002-03		
Rajkot		9.00
2003-04		
Godhra	10,000	100.00
	(Target)	(Target)

The storage capacity created and the expenditure incurred by the CWC in the State of Gujarat, during each of the last three years is given as below:

Year/Name of the Centre	Capacity added E (Figure in MTs)	xpenditure incurred (Rs. in leikh)
2000-01		
Pipavav Port	۲ 12,500	186.46
Karachia	9,028	
2001-02		
Pipavav Port	25,000	92.60
2002-03		
Kandia-II	9,000 87.	46 (Provisional)
2003-04		
Kandala CFS	87,280	
Kandia-II	9,000	
Kandia-III	27,000	2770 (B.E.)
Pipavav	5,000	

(c) No, Sir.

(d) Question does not arise.

#### Statement

The details of Locations of the Godowns of Food Corporation of India (Owned/Hired/Covered & Cap) in the State of Gujarat as on 30.06.2003

## **Covered Godowns**

### Figures in '000 Tonnes)

Name of the Centre	Capacity
1	2
Bharauch	8.20
Nadiad	5.00
Vadod	_
Anand	4.00
Bhomaiya	30.00
Godhra	23.96
Baroda	14.25
Chhani	11.10
Ranoli	5.00
Dashrath	6.50
Karchiya	0.01
Valsad	10.00
Surat	8.80
Bhav Nagar	20.00
Jamnagar	30.00
Rajkot	-
Wankaner	10.00
Ghatnthenswar	20.00
P. Para	0.70
Wadhwan (S. N <b>agar)</b>	10.00
Thangarh	44.88
Veraval	5.20
Sabarmati	101.62
Traged	-
Traged	

1	2
Viramgam	35.00
Palampur	30.48
Adlaj	106.25
Mehsana	11.12
Gandhidham	50.00
Kandia	93.36
Total	695.43

## Cap (Cover & Plinth) (Owned & Hired)

	Figures in '000 Tonnes
Name of the Centre	Capacity
Baroda	2.00
Godhra	1.83
Bhomaiya	25.00
Karchiya	0.60
Wadhwan (S. Nagar)	4.80
Viramgam	15.12
Sabarmati	3.00
Total	52.35

## The Details of Centre-wise Storage Capacity (Owned/ Hired) available with the Central Warehousing Corporation in the State of Gujarat as on 30.06.2003

## Figures in '000 Tonnes

Name of the Centre	Capacity	
1	2	
Adalaj-CFS	38.916	
Ahmedabad-I	29.193	
Ahmedabad-II	1.939	
Anand	4.820	
Ankleshwar	1.160	

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1	2
Baroda ICD	20.457
Baroda-I	16.650
Baroda-II	.1.100
Bhavnagar	14.250
Hazira	43.040
Ishanpur	8.235
Jamnagar	19.700
Kandla CFS	44.300
Kandia-I	5.000
Kandla-II	18.000
Mundra	3.500
Nadiad	20.365
Pipavav Port	50.000
Rajkot ICD	20.681
Rajkot-I	12.500
Rajkot-II	12.500
Ranoli-I	8.567
Ranoli-II (Dashra)	7.479
Ranoli-III (Karag)	31.528
Surat-I	15.867
Surat-II	5.950
Umbergaon	4.205
Vadod	12.500
Vapi ICD	20.656
Grand Total	493.058

[Translation]

#### Funds for Godowns

4026. SHRI RAJO SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Bihar has submitted any proposal to National Bank for Agriculture and Rural Development seeking funds for construction of godowns in the State under the RIDF schemes; (b) if so, the places where the godowns approved by NABARD would be constructed in the State; and

(c) the time by which funds would be sanctioned for the remaining proposed godowns?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) and (c) Do not arise.

[English]

### Audit of Public Sector Banks Overseas Branches

4027. PROF. UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has asked all the public sector banks to appoint international audit firms to review their overseas branch operations;

(b) whether RBI has banned Indian audit firms from such work overseas; and

(c) the reasons for RBI asking public sector banks to avoid Indian audit firms for this work?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) No, Sir.

(c) Does not arise.

#### Welfare Proposals for Tribals

4028. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a) whether a large number of proposals are pending with the Government for clearance in regard to welfare of tribal;

(b) if so, the details of the pending proposal Statewise and Scheme-wise;

(c) whether a number of States including Andhra Pradesh has not submitted many utilization certificate for the fund released by Union Government;

(d) if so, the details thereof;

(e) the total fund made available to states to run tribal welfare schemes during the last three years, Statewise; and

(f) the efforts made by the Union Government to clear the pending proposals and ensure that State Governments submit utilization certificate in time?

THE MINISTER OF TRIBAL AFFAIRS (SHRI JUAL ORAM): (a) and (b) No, Sir. The receipt and sanction of the proposals for the welfare of the tribals is an on-going process. The proposals submitted by the State Governments under the various schemes of this Ministry are processed and sanctioned when they fulfil the eligibility conditions of the relevant schemes and subject to the availability of funds. For the last 2 years, the Ministry has been utilizing almost all the funds made available to it for implementation of the various schemes.

(c) and (d) The utilization certificates against the funds released by the Ministry are required to be received within 18 months from the date of release. The State Governments are generally submitting utilization certificates later than this period. Further funds are however, released by the Ministry after the receipt of the utilization certificates.

(e) Details of the funds released by the Ministry of States/UTs under the various schemes during the last three years, State-wise, are given in the Statements at Annexure VI to XXI, XXIII, XXIV, XXVI & XXIX of this Ministry's Annual Report for the year 2002-2003, a copy of which is available in the Parliament Library.

(f) As stated above, the proposals submitted by the State Governments are processed and sanctioned when they fulfil the eligibility conditions of the relevant schemes and subject to the availability of funds. Since further funds are released only after the receipt of utilization certificates, the Ministry is writing to the State Governments from time to time for early submission of the utilization certificates and is also impressing upon them the need for expeditious submission of utilization certificates through periodic meetings with the State Secretaries of Tribal Welfare Departments. The officers also visit the state governments to ensure implementation of schemes in the field.

#### Consignment of Raw Diamonds

4029. SHRI KODIKUNNIL SURESH: Will the Minister of FINANCE be pleased to state: (a) whether the Customs/DRI recently intercepted consignments of raw diamonds worth more than Rs. 113 crore near Mumbai which is heavily undervalued;

(b) if so, whether the Government have initiated any probe into the *modus operandi* of the importer, involving import of more than 335 kg. of raw diamonds;

(c) if so, whether the Government have established the identity of parties to whom these imported raw diamonds were sold; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) No Customs field formations including the Directorate of Revenue Intelligence have intercepted any consignment of imported raw diamonds which was heavily under-valued.

### Export of Fresh Fruits/Dry Fruits

4030. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the revenue earned by the country through the export of fresh fruits/dry fruits during each of the last three years;

(b) the steps taken by the Government to promote the export of fresh fruits and dry fruits; and

(c) the details of the subsidy provided to the producers of fresh and dry fruits during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) The total value of exports of fresh fruits and dry fruits during the last three years are as follows:

Period	otal value of exports (Rs. Crores)
2000-01	2737.72
2001-02	2485.34
2002-03 (April to Fe	ruary) 2605.05

(Source: DGCI&S)

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(b) Steps taken by the Government to promote exports of fresh fruits and dry fruits include, interalia, participation in important trade fairs overseas abroad, organizing Buyer-Seller Meets, setting up of Agri Export Zones in various States, setting up pack houses with multiple activities for maintaining the quality and increasing the shelf life during storage and transport, transport by reefer containers for export to Middle East and South East Asian countries and providing financial assistance to exporters under various Plan schemes for export promotion of fruits and vegetables etc.

(c) Total subsidy provided to various exporters under financial assistance schemes of Agricultural and Processed Food Products Export Development Authority (APEDA) during the last three years are as under:

Period	Total subsidy (Rs. Lakhs)
2000-01	646.21
2001-02	011.70
2002-03	878.56

(Source: APEDA)

### **VRS in Spinning Mill Workers**

4031. SHRI PRAVIN RASHTRAPAL: Will the Minister of TEXTILES be pleased to state:

(a) whether the VRS scheme under operation for NTC mill workers does not include spinning mill workers of Gujarat and Maharashtra;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to include them under the VRS Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) No Sir. Voluntary Retirement Scheme (VRS) is made applicable for employees in unviable NTC mills slated for closure depending on the availability of resources.

(b) and (c) Does not arise.

**Technology Upgradation Fund** 

4032. SHRIMATI PRABHA RAU: Will the Minister of TEXTILES be pleased to state:

(a) whether the textiles units have not been getting the loan under the Technology Upgradation Fund during the last few months for modernisation and technology upgradation of their projects;

(b) if so, the reasons therefor;

(c) the allocation made for giving loan to the textile industry under the TUF scheme during the current financial year;

(d) how far the same is sufficient to meet the demand of the textile industry; and

(e) the total amount of loans given to the textile industry and under the scheme till date the number of applications pending for loans with the financial institutions?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) and (b) No Sir, as per the information for the quarter ending June 2003, furnished by the Nodal Agencies (NA)/ co-opted Primary Lending Institutions (PLI) including commercial banks who receive applications and sanction the loan under the Technology Upgradation Fund (TUF) scheme, the number of applications received, sanctioned, disbursed are given below:

(Rs. Crore)

Month	No. of	Total cost	Sanct	ioned	Disb	ursed
	applications received	of project	No. of applications	Amount	No. of applications	Amount
April, 2003	30	418.61	33	126.87	27	93.80
May, 2003	63	115.36	66	27.64	<b>6</b> 5	80.56
June, 2003	65	125.86	65	29.75	69	34.16

(c) and (d) Financial Institutions and Commercial banks extend loans under the scheme to the industry

from their own resources. Government funding is limited to providing 5% interest reimbursement for the loan

availed of under the scheme. During the current financial year, for this purpose their is a budget allocation of Rs. 250 crore, which would be sufficient to meet the demand of the nodal agencies and other coopted PLIs.

(e) As on 30.6.2003, 2250 applications have been received under the TUF Scheme with a project cost of Rs. 16462 crore having a loan requirement of Rs. 9419 crore. 1989 applications have been sanctioned with a loan amount of Rs. 6164 crore. Rs. 4552 crore have been disbursed in respect of 1646 applications. The project cost in respect of sanctioned and disbursed cases are Rs. 12865 crore and 10943 crore respectively. 123 applications (excluding 138 rejected cases) are pending with NAs/PLIs.

[Translation]

## Branches of SBI

4033. SHRI TUFANI SAROJ: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India has decided to develop some of its branches as "Super Branches" in order to sell its financial products;

(b) if so, the details thereof;

(c) whether the SBI has decided to sell products like life insurance, mutual funds and credit cards also; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) State Bank of India (SBI) have reported that with a view to augment fee based income and provide a range of products and services to their customers, a number of branches of SBI would be selling products like credit cards, life insurance and mutual funds.

SBI Cards and Payments Services Private Limited, SBI's Credit Card venture has already been selling SBI Card through their branches. About 350 to 400 branches have been identified through which insurance and mutual fund products would also be sold to customers.

(d) SBI have further reported that the reasons for selling such products are;

(i) To offer their customers the complete range of financial products and investment solutions—both banking and non banking. (ii) To augment their fee income in view of the narrowing interest spreads.

## (English)

### **Transport Assistance for Horticultural Products**

4034. SHRI RAMESH CHENNITHALA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the horticultural products and processed foods by sea and which covered under the Agricultural Export Zone for Kerala and included in MoU signed with Agricultural Products and Economic Development Authority have not been included in the list of items eligible for transport assistance;

(b) if so, the reasons therefor; and

(c) the action taken to rectify the situation?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) The products under the Agricultural Export Zone (AEZ) set up in the State of Kerala which are eligible for Sea Freight Assistance in the present scheme for Transport Assistance are banana and processed pineapple. The other ethnic vegetables like bitter gourd, snake gourd, drumstick, tapioca, cowpea etc. for which AEZ has been launched in Kerala are not included in the list of eligible items.

(b) and (c) The scheme of Transport Assistance under the 10th Plan Scheme has been approved for certain agricultural products keeping in view the disadvantages to the exporters on account of freight cost or non tariff barriers. The present scheme is likely to be reviewed through a study in April-June, 2004.

### **Revamp of FIPB and FIIA**

4035. SHRI V. VETRISELVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to revamp the Foreign Investment Promotion Board and Foreign Investment Implementation Authority;

(b) if so, the details thereof; and

(c) the steps being taken by the Government to remove red tapism, hassles and to attract investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) No, Sir.

(c) With a view to attracting more Foreign Direct Investment, the Government have already put in place a liberal, transparent and investor friendly FDI policy, where most activities fall on automatic route for FDI up to 100% except for a small negative list. Government has also taken various initiatives to step up FDI inflow which include setting up of Foreign Investment Implementation Authority (FIIA) under SIA to act as a single point interface between the foreign investors and various approved agencies to resolve problems relating to implementation of FDI projects.

#### Import of Black Pepper

4036. SHRI VINAY KUMAR SORAKE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether some spice exporters have imported black pepper of other country origin and re-exported the same as Malabar Gold-I quality pepper which commands a high price in international market;

(b) if so, the details thereof and the action taken against the exporters;

(c) whether the French authorities detained a consignment of red chillies from India at Marseilles, which was subjected to analysis and found to contain Sudan-1 a carcinogenic red dye; and

(d) if so, the mechanism available at Indian ports to check the quality of Indian produce before shipment?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING. MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI SATYA BRATA MOOKHERJEE): (a) Yes Sir.

(b) Two exporters had re-exported duty free imported Black Pepper grading them as Malabar Garbled (MG-1) and Tellichery Garbled Extra Bold (TGEB), grade designations applicable to pepper grown in India, while fulfilling their export obligation against import of Black Pepper, Spices Board has since suspended the certificate of registration as exporter of spices of the two concerned exporters.

(c) Yes, Sir.

(d) Whereas inspection of export consignments of spices is not mandatory, exporters desirous of getting their consignments inspected and certified, for purposes of fulfilling importing countries requirements, may avail the services of recognised Government/Private agencies.

#### [Translation]

## Levy Sugar Under PDS

4037. SHRI RAJO SINGH: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the present requirement of levy sugar for distribution under Public Distribution System in the country, State-wise;

(b) whether levy sugar is being supplied as per requirement; and

(c) if not, the remedial measures taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) and (b) The State/UT-wise requirement of levy sugar on the basis of norms fixed by the Government for distribution under the Public Distribution System (PDS) in the country is given in the enclosed statement. The allocations of levy sugar to the States/UTs are made accordingly.

(c) Does not arise.

#### Statement

## Monthly Levy Sugar Quota for the States/UTs (w.e.f. 1.2.2001) onwards

S.No.	State/UTs.	Monthly Levy quota (MTs)	Annual Festiva Quota' (MTs)
1	2	3	4
1.	Andhra Pradesh	9690	7614
2.	Andaman & Nicobar	389	74
3.	Arunachal Pradesh	834	94
4.	Assam	18337	2896
5.	Bihar	20516	10078
6.	Jharkhand	6948	
7.	Chandigarh	62	112
8.	Dadra & <b>Nagar Havel</b> i	48	14
<b>9</b> .	Delhi	<b>26</b> 10	2316
10.	Goa	120	150
11.	Daman & Diu	11	12
12.	Gujarat	5841	4878
13.	Haryana	2485	1924
14.	Himachal Pradesh	4698	608
15.	J&K	6962	868
1 <del>6</del> .	Karnataka	8636	5350
17.	Kerala	4103	3600
18.	Lakshadweep	115	22
19.	Madhya Pradesh	12441	7536
20.	Chhattisgarh	4512	
21.	Maharashtra	16792	9014
22.	Manipur	1763	208
23.	Meghalaya	1704	200
24.	Mizoram	666	78
25.	Nagaland	1179	128
<b>26</b> .	Orissa	8707	3730
<b>27</b> .	Pondicherry	243	88

1	2	3	4
28.	Punjab	1385	2392
<b>29</b> .	Rajasthan	7342	5092
30.	Sikkim	391	50
31.	Tamil Nadu	10820	67 <del>9</del> 0
32.	Tripura	2647	302
33.	Uttar Pradesh	33013	159 <b>36</b>
34.	Uttaranchal	6033	
35.	West Bengai	14087	7796
	Total	216130	99950

## [English]

#### **Plan for Capital Market Development**

4038. PROF. UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be pleased to state:

(a) whether the SEBI has drawn up a Strategic Action Plan (SAP) for 2003-04 to make India the benchmark in the terms of capital market development for the rest of the world;

(b) if so, the details thereof;

(c) whether the reform proposed by SEBI will be implemented in all the seven market jurisdiction of SEBI;

(d) if so, the extent in which the SEBI focus on corporate governance in SAP; and

(e) the details of plans effecting the risk management procedures in the stock markets of India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) The Strategic Action Plan has been designed to address major issues segregated into (a) Structural issues, (b) Systemic issues, (c) Operational issues and cover the different segments viz. investors, market, intermediaries and the regulator. The theme is 'India-A benchmark for the globe'. The objective is to upgrade our Securities Markets and enhance investor protection and to set standards for other Securities Markets.

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(c) SEBI has studied seven jurisdictions to find out the practices in their securities markets and to compare our position with that of these markets. The plan is meant for implementation in the securities markets in India but the objective is to set standards for others markets.

(d) The SAP covers Corporate Governance of intermediaries and listed companies and proposes to use regulatory tools like the listing conditions and not statutory tools like amendments to statutes.

(e) The SAP proposes enhancing risk management through strengthening of surveillance, inspections, market wide straight through processing, consolidation of brokers, enhanced disclosures to investors by Stock Exchanges and intermediaries by brokers; enhanced standards on clearing and settlement corporations,

## **Outstanding Taxes**

4039. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of FINANCE be pleased to state:

(a) whether as on December 30, 2002 the outstanding demand worth Rs. 15,090 crore were locked up on 3358 cases having outstanding tax payment of Rs. one crore and above;

(b) if so, the recovery made by the Government from December, 2002 to July, 2003;

(c) the total outstanding at present;

(d) the number of cases pending in different appellate bodies and total amount involved in it; and

(e) the efforts made or being made by the Government to recover its dues?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (e) The information is being collected and will be laid on the Table of the House.

#### **Functioning of ICAI**

4040. SHRI KODIKUNNIL SURESH: SHRI RAM MOHAN GADDE: SHRI G. PUTTA SWAMY GOWDA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Department of Company Affairs has received any complaints regarding financial irregularities

committed in the functioning of Institute of Chartered accountants of India (ICAI) by its council members;

(b) if so, the details thereof;

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

(d) if so, the details thereof and the outcome thereof?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) No specific complaint as such has been received. However, one member of the Council has written to the President, ICAI raising some alleged irregularities.

(c) No, Sir.

(d) Does not arise.

### Loan by Nationalised Banks

4041. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether there is a decline in the loans being given to the commercial sector by the nationalised banks;

(b) if so, the reasons therefor;

(c) whether any specific measures are being taken to increase the loans being given to the commercial sector by the nationalised banks; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) to (d) Do not arise.

[Translation]

## Merger of Assets Management Company

4042. SHRI TUFANI SAROJ: Will the Minister of FINANCE be pleased to state:

(a) whether the Punjab National Bank (PNB) has taken a decision to merge its Assets Management Company (AMC) into a new company;

(b) if so, the details of the new company;

(c) the details of the partnership of PNB in that company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Punjab National Bank's Board of Directors has approved merger of PNB Asset Management Company (PNB AMC) with Punjab National Bank (PNB). No new company is being established separately for the purpose. However, Bank is considering transferring its Mutual Fund Schemes to Principal—PNB Asset Management Company which will be a joint venture company with 30% equity participation by PNB.

[English]

### Widening of Tax Net

4043. SHRI RAMESH CHENNITHALA: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Board of Direct Taxes is preparing to widen tax net by making service providers to compulsorily inform income-tax department in case of hefty bills on purchases;

(b) if so, the details thereof; and

(c) the manner in which it would be ensured to protect genuine persons?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Finance Act, 2003 has inserted a new section 285BA in the Income-tax Act providing that any assessee, who enters into any prescribed financial transaction with any other person, shall furnish an Annual Information Return in respect of such financial transactions entered into by him during the financial year. The above section shall be applicable from the assessment year 2004-2005.

(b) and (c) The format of the Annual Information Return and the details of the financial transaction are yet to be prescribed.

#### Expenditure on Social Sector

4044. SHRI V. VETRISELVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government expenditure on social sector has increased during the Ninth Five Year Plan;

(b) if so, the details thereof;

(c) how it compares with the other Asian countries;

(d) whether our Government expenditure on social sector is much low;

(e) if so, the reasons therefor; and

(f) the corrective steps being taken by the Government in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) The Central Government Plan expenditure and Non-Plan expenditure on social services showed an increasing trend during the Ninth Plan period 1997-2002 as indicated in the Statement I.

(c) Central Government expenditure on major social sectors as percentage of total expenditure in selected Asian countries are indicated in the statement II.

(d) to (f) Growth with social justice has been one of the basic objectives of Indian planning since 1951. Several poverty alleviation and employment generation programmes have been in operation for decades focusing on the poor, weaker and vulnerable sections of the community as target groups. Ongoing economic reforms also have a human face. The total expenditure on the social services of the Central Government as percentage of total expenditure increased from 6.9 percent in 1997-98 to 8.5 percent in 2001-02. Expressed as percentage of GDP at current market price, the expenditure on social services on Central Government increased from 1.0 percent in 1997-98 to 1.3 percent in 2001-02.

						(Rs. Crore)
	Social Service	1997-98	1 <b>998</b> -99	1 <b>999-0</b> 0	2000-01	2001-02
	1	2	3	4	5	6
1.	Education Art & Culture	3502	4268	4692	5175	5977
<b>2</b> .	Health & Family Welfare	2579	3213	4106	4322	4737

## **Statement I** Plan Expenditure on Social Services

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	1	2	3	4	5	6
3.	Water Supply, Housing etc.	3086	3819	4196	4654	5530
<b>)</b> .	Information & Broadcasting	82	84	182	251	248
<b>.</b>	Welfare of SC/ST and OBC	715	906	941	959	1119
ò.	Labour & Labour Welfare	46	67	82	95	119
<b>7</b> .	Social Welfare & Nutrition	1570	2020	2251	2409	2624
	Total	11580	14377	16450	17865	20354

Non-Plan Revenue Expenditure on Social Services

						(Rs. Crore)
	Social Service	1997-98	1998-99	1999-00	2000-01	2001-02
1.	Education, Sports, Youth Affairs	1510	2336	2389	2521	2676
<b>2</b> .	Health & Family Welfare	595	780	906	969	907
<b>3</b> .	Water Supply, Housing etc.	218	254	269	278	• 307
4.	Information & Broadcasting	816	957	987	1066	1031
5.	Welfare of SC/ST and OBC	10	10	10	9	10
6.	Labour & Employment	516	641	763	799	737
7.	Other Social Services	649	395	1632	1715	2139
	Total	4314	5373	6956	7357	7807

## Statement II

## Central Government: Expenditures by Function (Percentage of Total Expenditure)

Countries	Year	Education	Health	Social Security and Welfare	Housing and Community Amenities
1	2	3	4	5	6
China	1999	1.7	0.3	3.8	0.2
India	2001	2.2f	1.8f	NA	4.5f
Indonesia	2001	3.7p	1. <b>3</b> p	8. <b>8</b> p	1.3p
Korea	1997	20.5	0.8	10.8	2.3
Malaysia	1997	22.8f	6.3f	7.21	7.3f
Pakistan	2002	1.3p	. <b>8</b> p	. <b>9</b> p	1.9p

1	2	3	4	5	6
Sri Lanka	2001	7.7p	5.1p	12.3p	2.8p
Thailand	2001	19.9	7.1	6	5.1

f: Forecasted or projected data. p: Preliminary or provisional. Source: IMF Government Finance Statistics 2002

### **Rating by Standard and Poor**

4045. SHRI VINAY KUMAR SORAKE: Will the Minister of FINANCE be pleased to state:

(a) whether the international rating agency Standard and Poor has retained India's sovereign rating at junk grade for the current year;

(b) if so, whether the report called for curbing the borrowings of both the Central and State Governments which equal almost entire financial savings of the country;

(c) if so, whether an upgradation in the rating would call for implementation of VAT, better cost recovery in public utilities like power and a host of other measures; and

(d) if so, the Government's response thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) In June, 2003, Standard and Poors' (S&P) affirmed its 'BB/B' foreign currency and 'BB+/ B' local currency sovereign ratings on the Republic of India with negative outlook.

(b) and (c) While undertaking the review of ratings for the sovereign, the Agency, inter-alia, considers issues relating to external liquidity, structural strength, fiscal deficit, status of public debt and public finances etc.

(d) Government is confident of the robustness of the economy. Government's view is based on factors which, inter-alia, include declining average cost of market borrowings, better industrial and export performance, higher gross tax receipts, and record level of foreign exchange reserves.

#### **Cooperative Banks**

4046. PROF. UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has given notice to four cooperative banks in the capital that their performance was below par and that they have to improve their performance by the end of this financial year;

(b) if so, the details thereof; and

(c) to what extent the RBI will help these four cooperative banks to improve their performance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Reserve Bank of India (RBI) has reported that no such notice has been issued to any co-operative bank in the capital. However, it has identified four banks in the National Capital Territory of Delhi on the basis of their financial indicators/inspection reports and classified them as weak and sick. These banks have been advised to formulate revival plans and to strive to achieve the targets of financial indicators in a time-bound manner viz. reduction in Non-Performing Assets (NPAs), achieve Capital to Risk Asset Ratio (CRAR) norms, reduce expenditure and to keep RBI appraised of the progress on monthly basis. These banks have also been advised not to declare dividend without prior approval of RBI, not to acquire/dispose of the immovable property, renew those account only which have been classified as "Standard Assets", step up the recovery efforts and maintain credit-deposit ratio, etc.

(c) RBI has advised the weak co-operative banks to draw up action plans for their revival, which, inter-alia, emphasise reduction and prevention of NPAs, augmentation of share capital, mobilization of resources in a cost effective manner, minimization of expenditure, increase in yield on assets, etc. The progress achieved in the revival of these banks is also reviewed in the State Level Review Committee.

#### New Guidelines by SEBI

4047. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of FINANCE be pleased to refer to the Unstarred Question No. 5738 answered on 2nd May, 2003 regarding New Guidelines by SEBI and state:

(a) whether the information has since been collected;

(b) if so, the details thereof;

(c) whether these guidelines are being followed meticulously; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) SEBI has intimated that it has not formulated the guidelines for search and seizure but is in the final stage of formulating the guidelines and the same will be put in place shortly. In the meanwhile, the procedure as prescribed under the Code of Criminal Procedure, 1973 for search and seizure is being followed as provided in sub-section 11 of section 11C of the SEBI Act, 1992 as inserted by the SEBI (Amendment) Act, 2002.

### **Revival of Sick Units**

4048. SHRI PARSURAM MAJHI: Will the Minister of FINANCE be pleased to state:

(a) the number of industrial units closed by Board for Industrial and Financial Reconstruction (BIFR) during each of the last three years, State-wise;

(b) the number of cases of sick industrial units pending for revival with BIFR as on date; State-wise; (c) the time by which the pending proposals are likely to be cleared;

 (d) whether the Government propose to formulate a comprehensive policy to revive the sick industrial units; and

(e) if so, the details thereof and the time by which it is likely to be given a final touch?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The details regarding State-wise number of industrial units recommended for winding up u/s 20 (1) of Sick Industrial Companies (Special Provisions) Act, (SICA) 1985 by the Board for Industrial and Financial Reconstruction (BIFR) during each of the last three years are given in the enclosed statement I.

(b) The State-wise details of cases of sick industrial units pending for revival with BIFR as on 30th June, 2003 are given in the enclosed statement II.

(c) The proposals for revival or to otherwise of the cases registered with BIFR are decided by it in accordance with the provisions of SICA, 1985 after hearing the parties concerned.

(d) and (e) In order to overcome the deficiencies noticed in the operation of SICA, the Government has amended the Companies Amendment Act in 2002 to provide, inter-alia, for the setting up of National Company Law Tribunal (NCLT), which shall exercise the existing powers and jurisdiction of the Company Law Board and the BIFR, followed by appeals to an Appellate Tribunal and the Supreme Court. A Bill to repeal the SICA, 1985 is presently pending in Lok Sabha for consideration.

#### Statement I

The details regarding State-wise number of industrial units recommended for winding up u/s 20 (1) of Sick Industrial Companies (Special Provisions) Act, (SICA) 1985 by the Board for Industrial and Financial Reconstruction (BIFR) during each of the last three years and upto 30th June, 2003.

State/UT	2000	2001	2002	2003 (30th June)
1	2	3	4	5
Andhra Pradesh	17	18	10	03
Bihar	01	02	07	00
Goa	01	00	00	00
Dadra and Nagar Haveli	00	01 -	. 00	00

317 Written Answers

1	2	3	4	5
Gujarat	17	11	11	11
Chandigarh	00	00	02	00
Haryana	09	03	06	00
Himachal Pradesh	04	02	01	00
Jammu & Kashmir	00	00	01	00
Jharkhand	00	00	00	00
Kerala	01	04	07	00
Karnataka	11	06	10	05
Madhya Pradesh	10	11	08	02
Maharashtra	21	25	20	17
Manipur	00	00	00	00
Meghalaya	00	00	02	00
NCT of Delhi	06	02	08	07
Orissa	04	05	06	05
Pondicherry	00	00	00	00
Punjab	10	06	05	03
Rajasthan	11	01	04	05
Tamil Nadu	12	19	08	18
Uttar Pradesh	09	06	07	05
Uttaranchal	01	00	00	00
West Bengal	07	10	17	08
Assam	00	00	02	01
Total	152	132	142	90

## Statement II

State-wise number cases of industrial units pending for revival with Board for Industrial and Financial Reconstruction (BIFR) as on 30th June, 2003

State/UT	No. of cases pending for revival with BIFR				
1	2				
Andhra Pradesh	134				

1	2	
Bihar	20	
Goa	13	
Dadra and Nagar Haveli	05	
Gujarat	168	
Chandigarh	06	

\* ;

319 Written Answers

1	2	
Haryana	43	
Himachal Pradesh	07	
Jammu & Kashmir	01	
Jharkhand	00	
Kerala	38	
Karnataka	85	
Madhya Pradesh	88	
Maharashtra	416	
Manipur	00	
Meghalaya	02	
NCT of Delhi	153	
Orissa	19	
Nagaland	02	
Pondicherry	05	
Punjab	96	
Rajasthan	65	
Tamil N <b>adu</b>	210	
Uttar Pradesh	107	
Uttaranch <b>a</b> l	15	
West Bengal	125	
Assam	07	
Total	1830*	

\*This includes cases of 247 sick industries where rehabilitation schemes sanctioned by the Board are at various stages of implementation.

#### Import of Silk

4049. SHRI RAMSHETH THAKUR: Will the Minister of TEXTILES be pleased to state:

(a) the details of the quantum and value of slik imported during the Ninth Five Year Plan period, countrywise;

(b) whether the import of silk had adversely effected the domestic silk growers;

(c) if so, the steps taken by the Government to promote the domestic silk; and

(d) the facilities being provided by the Government to the domestic silk growers?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES [SHRI BASANGOUDA R. PATIL (YATNAL)]: (a) The details of the quantum and value of silk imported during the Ninth Five Year Plan period, country-wise are given in the enclosed statement.

(b) The prices at which the import of Chines raw silk took place in 2001-2002 and 2002-2003 adversely affected the domestic silk growers and reelers.

(c) Steps taken for promotion of domestic silk industry are:

- Central and Centrally sponsored schemes are being implemented by Central Silk Board (CSB) for Research & Development, providing critical inputs for food plant cultivation, silkworm rearing, disease management, reeling, spinning, weaving etc., technology upgradation, enterprise development, awareness generation etc. An enhanced outlay of Rs. 450 crores has been earmarked for these schemes during X Plan.
- Through Research & Development improved hybrid silkworm breeds and bivoltine breeds have been developed that are capable of producing raw silk upto international standards, as also low cost reeling and spinning machines that considerably improve the productivity of the cottage industry.
- For technology upgradation of the indigenous silk industry loan at 5% point less than applicable rate, under the Technological Upgradation Fund Scheme (TUFS) for the textile sector is available inter alia to silk sector.

(d) Following assistance is being provided by the Government to the domestic silk growers:

- Under the Centrally sponsored Catalytic Development Programme financial and technological support is being provided to the beneficiaries;
- CSB operates Raw Material Banks and provides Margin Money Loan to the State Marketing
   Agencies to ensure fair price to primary farmers.

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Besides, in the major markets, State Government Agencies such as the Karnataka Silk Marketing Board pay a stabilizing role by their presence in the Market;

 The Government of India vide Customs' Notification No. 106/2003 dated 10.7.2003 has provided conditions for a stable market by imposing antidumping duty equivalent to the difference between the amount of US \$ 27.97 per kg and the landed value of imported mulberry raw silk (not thrown), 2A grade and below, originating in, or exported from, Peoples' Republic of China, with effect from 2nd January, 2003.

## Statement

		1997-98			1998-99			1 <b>999-200</b> 0		
SI.No.	Country	Qty Value		Qty Value		City	Value			
		(M. Tons)	Crore Rs.	Mn. US\$	(M. Tons)	Crore Rs.	Mn. US\$	(M. Tons)	Crore Rs.	Mn. US\$
1.	China P. Republic	1795	169.33	45.56	2203	203.27	48.28	4581	378.42	87.29
<b>2</b> .	China Taipei (Taiwan)	61	5.36	1.44	94	7.86	1.87	24	1.93	0.45
<b>3</b> .	Brazil	71	7.77	2.09	170	17.37	4.13	107	9.67	2.23
4.	Korea Republic	45	3.48	0. <del>94</del>	102	8.10	1.92	46	3.46	0.80
5.	Hongkong	180	14.92	4.01	144	13.19	3.13	202	14.68	3.39
6.	Switzerland		_	_			_	2	0.17	0.04
7.	Uzbekistan	62	4.57	1.23	21	1.41	0.33	11	0.78	0.18
<b>8</b> .	USA	8	0.50	0.13	12	1.15	0.27	18	1.46	0.34
<b>9</b> .	Singapore	31	2.95	0. <b>79</b>	28	2.74	0. <b>65</b>	4	0.37	0.09
10.	Russia	21	1.70	0.46	5	0.45	0.11	3	0.27	0.06
	Others	72	7.75	2.09	45	3.82	0.91	20	1.53	0.35
	Total	2346	218.33	58.74	2824	259.36	61.61	- 50.18	412.74	95.21
	an fa tra an		2000-01		2001-02			200	02-03 (P)	
SI.No.	Country	Qty	Va	lue	City	Qty Value		Qty Value		0
		(M. Tons)	Crore Rs.	Mn. US\$	(M. Tons)	Crore Rs.	Mn. US\$	(M. Tons)	Crore Rs.	Mn. US\$
1	2	3	4	5	6	7	8	9	10	11
1.	China P. Republic	4333	438.18	95.92	6317	584.13	122.61	7048	503.63	104.08
<b>2</b> .	China Taipei (Taiwan)	144	14.59	3.19	64	6.67	1.40	70	5.34	1.10
3.	Brazil	23	2. <b>28</b>	0.50	63	6.82	1.43	148	7.69	1.59
4.	Korea <b>Republi</b> c	28	2.63	0.58	13	1.31	0.27	16	1.11	0.23

## Countrywise Import of Raw Silk into India

323 Motion for appointment of a joint committee AUGUST 22, 2003

on safety standards in soft 324 drinks etc.

1	2	3	4	5	6	7	8	9	10	
5.	Hongkong	105	9.42	2.06	28	2.59	0.54	5	0.26	0.05
<b>6</b> .	Switzerland	1	0.10	0.02	79	7.22	1.52	1498	109.77	22.68
7.	Uzbekistan	3	0.36	0.08	117	7.84	1. <b>65</b>	32	2.00	0.41
8.	USA	17	1.55	0.34	3	0.31	0.07	4	0.35	0.07
9.	Singapore	3	0.34	0.07	1	0.07	0.01	104	0.23	0.05
10.	Russia	1	0.04	0.01	3	0.21	0.04		_	_
	Others	55	5.65	1.24	120	7.56	1.59	62	2.75	0.57
	Total	4713	475.14	104.01	6808	624.73	131.14	8987	633.13	130.84

P: Provisional.

Source: Directorate General of Commercial Intelligence & Statistics, Kolkata SS: 12.08.2003.

### 12.19 hrs.

# MOTION FOR APPOINTMENT OF A JOINT COMMITTEE ON SAFETY STANDARDS IN SOFT DRINKS ETC.

## [English]

MR. SPEAKER: Yesterday, a question came up regarding appointment of a Joint Parliamentary Committee on one issue, and I had given my ruling that a Joint Parliamentary Committee will be formed.

Now, the hon. Minister of Parliamentary Affairs would like to move a monition to that effect.

THE MINISTER OF HEALTH AND FAMILY WELFARE AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRIMATI SUSHMA SWARAJ): Mr. Speaker, Sir, I beg to move:

"That a Joint Committee of both Houses consisting of 15 Members—10 from Lok Sabha and five from Rajya be appointed to report:

- (i) Whether the recent findings of Centre of Science and Environment (CSE) regarding pesticide residues in soft drinks are correct or not.
- To suggest criteria for evolving suitable safety standards for soft drinks, fruit juice and other beverages where water is the main constituent.

That the Committee shall have the following 10 Members of the Lok Sabha as its Members:

- 1. Shri Shard Pawar
- 2. Shri Ananth Kumar
- 3. Dr. (Shrimati) Sudha Yadav
- 4. Shri Ramesh Chennithala
- 5. Shri Avtar Singh Bhadana
- 6. Shri K. Yerrannaidu
- 7. Shri E. Ahamed
- 8. Dr. Ranjit Kumar Panja
- 9. Shri Akhilesh Yadav
- 10. Shri Anil Basu

That the Speaker shall nominate one of the Members of the Committee to be its Chairman.

That the Committee shall start functioning from the day it is duly constituted.

That the Committee shall be provided all assistance by the Government and its agencies.

That in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of Members of the Joint Committee. 325 Motion for appointment of a joint SRAVANA 31, 1925 (Saka) committee on safety standards in soft drinks etc.

That the Joint Committee shall make a report to the House by the beginning of the next Session of the Parliament.

That the Rules of Procedure of the House relating to Parliamentary Committees shall apply.

That the Committee may, if the need arises, in certain matters, adopt a different procedure with the concurrence of the Speaker.

That this House recommends to Rajya Sabha that the Rajya Sabha do join the Committee and communicate to this House the name of the Members appointed from amongst the members of the Rajya Sabha to the Committee as mentioned above."

MR. SPEAKER: The question is:

"That a Joint Committee of both Houses consisting of 15 Members—10 from Lok Sabha and five from Rajya be appointed to report:

- Whether the recent findings of Centre of Science and Environment (CSE) regarding pesticide residues in soft drinks are correct or not.
- to suggest criteria for evolving suitable safety standards for soft drinks, fruit juice and other beverages where water is the main constituent.

That the Committee shall have the following 10 Members of the Lok Sabha as its Members:

- 1. Shri Sharad Pawar
- 2. Shri Ananth Kumar
- 3. Dr. (Shrimati) Sudha Yadav
- 4. Shri Ramesh Chennithala
- 5. Shri Avtar Singh Bhadana
- 6. Shri K. Yerrannaidu
- 7. Shri E. Ahamed
- 8. Dr. Ranjit Kumar Panja
- 9. Shri Akhilesh Yadav
- 10. Shri Anil Basu

That the Speaker shall nominate one of the Members of the Committee to be its Chairman. That the Committee shall start functioning from the day it is duly constituted.

That the Committee shall be provided all assistance by the Government and its agencies.

That in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of Members of the Joint Committee.

That the Joint Committee shall make a report to the House by the beginning of the next Session of the Parliament.

That the Rules of Procedure of the House relating to Parliamentary Committees shall apply.

That the Committee may, if the need arises, in certain matters, adopt a different procedure with the concurrence of the Speaker.

That this House recommends to Rajya Sabha that the Rajya Sabha do join the Committee and communicate to this House the name of the Members appointed from amongst the members of the Rajya Sabha to the Committee as mentioned above."

The motion was adopted.

12.21 hrs.

## PAPERS LAID ON THE TABLE

#### [English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): On behalf of Shri Jaswant Singh, I beg to lay on the Table a copy of the Producer Companies (General Reserves) Rules, 2003 (Hindi and English versions) published in Notification No. G.S.R. 641(E) in Gazette of India dated the 7th August, 2003 under sub-section (3) of section 642 of the companies Act, 1956.

[Placed in Library. See No. LT. 8001/2003]

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD YADAV): I beg to lay on the Table a copy of the Notification No. G.S.R. 559 (E) Ess. Com./Sugarcane (Hindi and English versions) published in Gazette of India dated the 22nd July, 2003 containing Order notifying the minimum price of sugarcane for 2002-2003 sugar season, under subsection (6) of section 3 of the Essential Commodities Act, 1955.

[Placed in Library. See No. LT. 8002/2003]

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): I beg to lay on the Table a copy of the Conduct of Elections (Amendment) Rules, 2003 (Hindi and English versions) published in Notification No. S.O. 903(E) in Gazette of India dated the 5th August, 2003 under sub-section (3) of section 169 of the Representation of the People Act, 1951.

[Placed in Library. See No. LT. 8003/2003]

### [Translation]

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR): I beg to lay on the Table—

- (1) (i) A copy of the annual Report (Hindi and English versions) of the Indian Institute of Technology, Guwahati, for the year 2001-2002.
  - (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Indian Institute of Technology, Guwahati, for the year 2001-2002.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT. 8004/2003]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Regional Engineering College, Hazratbal, Srinagar, for the year 2001-2002 alongwith Audited Accounts.
  - (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Regional Engineering College, Hazratbal, Srinagar, for the year 2001-2002.
- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT. 8005/2003]

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- (i) A copy of the Annual Report (Hindi and English versions) of the Visvesvaraya Regional College of Engineering, Nagpur, for the year 2001-2002 alongwith Audited Accounts.
  - (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Visvesvaraya Regional College of Engineering, Nagpur, for the year 2001-2002.
- (6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library. See No. LT. 8006/2003]

- (7) (i) A copy of the Annual Report (Hindi and English versions) of the Nagaland University, Kohima, for the year 2001-2002.
  - (ii) A copy of the Review (Hindi and English versions) by the Government of the working of Nagaland University, Kohima, for the year 2001-2002.
- (8) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (7) above.

[Placed in Library. See No. LT. 8007/2003]

- (9) (i) A copy of the Annual Report (Hindi and English versions) of the Assam University, Silchar, for the year 2001-2002.
  - (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Assam University, Silchar, for the year 2001-2002.
- (10) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (9) above.

[Placed in Library. See No. LT. 8006/2003]

(11) A copy of the annual Report (Hindi and English versions) of the Aligarh Muslim University, Aligarh, for the year 2001-2002 together with Audit Report <sup>5</sup> thereon. (12) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (11) above.

[Placed in Library. See No. LT. 8009/2003]

- (13) (i) A copy of the Annual Report (Hindi and English versions) of the Jamia Millia Islamia, New Delhi, for the year 2001-2002.
  - (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Jamia Millia Islamia, New Delhi, for the year 2001-2002.
- (14) Statement (Hindi and English versions) showing reason for delay in laying the papers mentioned at (13) above.

[Placed in Library. See No. LT. 8010/2003]

## [English]

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): I beg to lay on the Table---

- (1) A copy each of the following Notifications (Hindi and English versions) under section 56 of the Electricity Regulatory Commissions Act, 1998:
  - (i) The Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2003 published in Notification No. L-7/25 (1)/2001-CERC in Gazette of India dated the 2nd May, 2003.
  - (ii) The Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (First Amendment) Regulations, 2003 published in Notification No. L-7/25 (1)/2001-CERC in Gazette of India dated the 2nd May, 2003.
  - (iii) The Central Electricity Regulatory Commission (Terms and Conditions of Tariff) (Second Amendment) Regulations, 2003 published in Notification No. L-7/25 (2)/2001-CERC in Gazette of India dated the 2nd June, 2003.
- (2) A copy of the Notification No. L-7/25 (2)/2001-CERC (Hindi and English versions) published in Gazette of India dated the 9th April, 2003 notifying the continuation of billing charges for further period

of 6 months beyond the 31st March, 2003, issued under the Electricity Regulatory Commissions Act, 1998.

[Placed in Library. See No. LT. 8011/2003]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO): I beg to lay on the Table---

(1) A copy of the Notification No. S.O. 871 (E) (Hindi and English versions) published in Gazette of India dated the 31st July, 2003 notifying the Rolex Paper Mills Limited, 4-96, Chintaparru, Palakol Mandal, West Godavari district in the State of Andhra Pradesh as a mill producing newsprint under sub-section (6) of section 3 of the Essential Commodities Act, 1955.

[Placed in Library. See No. LT. 8012/2003]

(2) A copy of the Patent Rules, 2003 (Hindi and English versions) published in Notification No. S.O. 493(E) in Gazette of India dated the 2nd May, 2003 under section 160 of the Patents Act, 1970.

[Placed in Library. See No. LT. 8013/2003]

- (3) A copy of the Annual Report (Hindi and English versions) of the Controller General of Patents, Designs and Trade Marks for the year 2001-2002 under section 126 of the Trade and Merchandise Marks Act, 1958.
- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT. 8030/2003]

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR): On behalf of Shri V. Srinivas Prasad I beg to lay on the Table---

 A copy of the Sugar (Price Determination for 2002-2003 Production) Order, 2003 published in Notification No. G.S.R. 21(E) (Hindi and English versions) in Gazette of India dated the 10th January, 2003 under sub-section (6) of section 3 of the Essential Commodities Act, 1955.

[Placed in Library. See No. LT. 8014/2003]

- 331 Papers Laid
- A copy of the Sugar Development Fund (Second Amendment) Rules, 2003 (Hindi and English versions) published in Notification No. G.S.R. 241
   (E) in Gazette of India dated the 25th March, 2003 under sub-section (3) of section 9 of the Sugar Development Fund Act, 1982 together with a Corrigendum thereto published in Notification No. G.S.R. 344 (E) dated the 22nd April, 2003.
- (3) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT. 8015/2003]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): I beg to lay on the Table—

(1) A copy Notification No. G.S.R. 625 (E) Hindi and English versions) published in Gazette of India dated the 1st August, 2003 together with an explanatory memorandum seeking to amend Notification No. 23/2002-Cus., dated the 1st March, 2002 under sub-section (7) of section 9A of the Customs Tariff Act, 1975.

[Placed in Library. See No. LT. 8016/2003]

- (2) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excise Act, 1944:
  - (i) G.S.R. 325(E) published in Gazette of India the 9th April, 2003 together with an explanatory memorandum seeking to amend Notification No. 14/2002-CE (NT), dated the 8th March, 2002.
  - (ii) G.S.R. 326(E) published in Gazette of India the 9th April, 2003 together with an explanatory memorandum seeking to amend Notification No. 44/2001-CE (NT), dated the 26th June, 2001.
  - (iii) G.S.R. 491(E) published in Gazette of India the 17th June, 2003 together with an explanatory memorandum seeking to amend Notification No. 42/2001-CE (NT), dated the 26th June, 2001.
  - (iv) G.S.R. 616(E) published in Gazette of India the 31st July, 2003 together with an explanatory memorandum seeking to amend Notification No. 43/2000-CE, dated the 18 August, 2000.

- (v) G.S.R. 617(E) published in Gazette of India the 31st July, 2003 together with an explanatory memorandum seeking to amend Notification No. 63/1995-CE, dated the 16th March 2002.
- (vi) G.S.R. 618(E) published in Gazette of India the 31st July, 2003 together with an explanatory memorandum seeking to amend Notification No. 6/2002-CE, dated the 1st March 2002.
- (vii) G.S.R. 560(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum seeking to being into the force the amendments made in the Central Excise Act, 1944 with effect from the 15th August, 2003.
- (viii) G.S.R. 575(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum seeking to exempt excisable goods produced and manufactured by any unit in domestic tariff area and supplied to special economic zone from the whole of the basic and additional duties of excise leviable thereon.
- (ix) G.S.R. 576(E) published in Gazette of India dated the 22nd July, 2003 together with an explanatory memorandum seeking to rescind certain Notifications mentioned therein.
- (x) G.S.R. 318(E) published in Gazette of India the 4th April, 2003 together with an explanatory memorandum seeking to amend Notification No. 46/2001-CE (NT), dated the 26th June, 2001.
  - (xi) The Central Excise (Removal of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) (Amendment) Rules, 2003 published in Notification No. G.S.R. 339(E) in Gazette of India dated the 17th April, 2003 together with an explanatory memorandum.
- (xii) G.S.R. 347(E) published in Gazette of India the 22nd April, 2003 together with an explanatory memorandum seeking to amend Notification No. 35/2001-CE (NT), dated the 26th June, 2001.
- (xiii) The Central Excise (Advance Rulings) Amendment Rules, 2003 published in Notification No. G.S.R. 577(E) in Gazette of India dated the 23rd July, 2003 together with an explanatory memorandum.
- (3) A copy each of the following Notifications (Hindi and English versions) under section 159 of the
   s <sup>7</sup> Customs Act, 1962:

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- (i) G.S.R. 535(E) published in Gazette of India dated the 10th June, 2003 together with an explanatory memorandum seeking to rescind Notification No. 117/94-Cus., dated the 27th April, 1994.
- (ii) G.S.R. 561(E) published in Gazette of India dated the 22nd July, 2003 together with an explanatory memorandum seeking to appoint 15th August, 2003 as the date on which Chapter XA shall be inserted in the Customs Act, 1962.
- (iii) G.S.R. 562(E) published in Gazette of India dated the 22nd July, 2003 together with an explanatory memorandum specifying the Madras Special Economic Zone as Special Economic Zone.
- (iv) G.S.R. 563(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum specifying the Visakhapatnam Special Economic Zone as Special Economic Zone.
- (v) G.S.R. 564(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum specifying the FALTA Special Economic Zone as Special Economic Zone.
- (vi) G.S.R. 565(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum specifying the SEEPZ Special Economic Zone Mumbai, as Special Economic Zone.
- (vii) G.S.R. 566(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum specifying the Cochin Special Economic Zone as Special Economic Zone.
- (viii) G.S.R. 567(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum specifying the Noida Special Economic Zone as Special Economic Zone.
- (ix) G.S.R. 568(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum specifying the Kandla Special Economic Zone as Special Economic Zone.
- (x) G.S.R. 569(E) published in Gazette of India the 22nd July, 2003 together with an explanatory memorandum specifying the Surat Special Economic Zone as Special Economic Zone.
- (xi) The Special Economic Zones Rules, 2003 published in Notification No. G.S.R. 570(E) in

Gazette of India dated the 22nd July, 2003 together with an explanatory memorandum.

- (xii) The Special Economic Zones (Customs Procedures) Regulations, 2003 published in Notification No. G.S.R. 571(E) in Gazette of India dated the 22nd July, 2003 together with an explanatory memorandum.
- (xiii) G.S.R. 572(E) published in Gazette of India dated the 22nd July, 2003 together with a explanatory memorandum seeking to exempt castor oil cake, when manufactured from indigenous castor oil seeds on indigenous plant and machinery by a unit in special economic zone from the whole of the basic and additional duties of Customs leviable thereon.
- (xiv) G.S.R. 573(E) published in Gazette of India dated the 22nd July, 2003 together with an explanatory memorandum seeking to exempt goods produced or manufactured by a unit in special economic zone and sold into domestic tariff area from the payment of special additional duty of Customs leviable thereon.
- (xv) G.S.R. 574(E) published in Gazette of India dated the 22nd July, 2003 together with an explanatory memorandum seeking to rescind two Notifications mentioned therein.
- (xvi) G.S.R. 626(E) published in Gazette of India dated the 1st August, 2003 together with an explanatory memorandum specifying the Sitapur Special Economic Zone as Special Economic Zone.
- (xvii) G.S.R. 627(E) published in Gazette of India dated the 1st August, 2003 together with an explanatory memorandum specifying the Indore Special Economic Zone as Special Economic Zone.
- (xviii) G.S.R. 631(E) published in Gazette of India dated the 4th August, 2003 containing corrigendum to the Notification No. 46/2003-Cus. (NT) dated the 22nd July, 2003.
- (xix) S.O. 473(E) published in Gazette of India dated the 25th April, 2003 together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of import.

- (xx) S.O. 474(E) published in Gazette of India dated the 25th April, 2003 together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of export.
- (xxi) S.O. 841(E) published in Gazette of India dated the 24th July, 2003 together with an explanatory memorandum regarding revised rate of Norvegian Kroner currency downwards, for the purpose of assessment of import.
- (xxii) S.O. 842(E) published in Gazette of India dated the 24th July, 2003 together with an explanatory memorandum regarding revised rate of Norvegian Kroner currency downwards, for the purpose of assessment of export.
- (xxiii) S.O. 862(E) published in Gazette of India dated the 28th July, 2003 together with an explanatory regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of import.
- (xxiv) S.O. 863(E) published in Gazette of India dated the 28th July, 2003 together with an explanatory regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of export.
- (xxv) G.S.R. 622(E) published in Gazette of India dated the 1st August, 2003 together with an explanatory memorandum seeking to amend Notification No. 21/2002-Cus., dated the 1st March, 2002.
- (xxvi) G.S.R. 623(E) published in Gazette of India dated the 1st August, 2003 together with an explanatory memorandum providing exemption to equipment consumable samples imported by the Organisation of Prohibition of Chemical Weapons under the Chemical Weapons Convention.
- (xvii) G.S.R. 624(E) published in Gazette of India dated the 1st August, 2003 together with an explanatory memorandum seeking to amend Notification No. 49/96/Cus., dated the 23rd July, 1996.
- (xviii) The Customs and Central Excise Duties Drawback (Amendment) Rules, 2003 published in Notification No. G.S.R. 185(E) in Gazette of

India dated the 3rd March, 2003 together with an explanatory memorandum.

- (xxix) The Customs and Central Excise Duties Drawback (Amendment No. 2) Rules, 2003 published in Notification No. G.S.R. 186(E) in Gazette of India dated the 3rd March, 2003 together with an explanatory memorandum.
- (xxx) G.S.R. 230(E) published in Gazette of India dated the 21st March, 2003 together with an explanatory memorandum seeking to amend five Notifications mentioned therein.
- (xxxi) G.S.R. 277(E) published in Gazette of India dated the 1st April, 2003 together with an explanatory memorandum seeking to exempt goods when imported into India against a duty free entitlement credit certificate of the Export and Import policy from the whole of the basic, additional and special additional duties of Customs leviable thereon.
- (xxxii) G.S.R. 278(E) published in Gazette of India dated the 1st April, 2003 together with an explanatory memorandum seeking to exempt spares, office equipments and furniture, professional equipments and consumables when imported into India against a duty free entitlement credit certificate of the Export and Import policy from the whole of the basic, additional and special additional duties of customs leviable thereon subject to certain conditions.
- (xxxiii) G.S.R. 279(E) published in Gazette of India dated the 1st April, 2003 together with an explanatory memorandum seeking to exempt goods specified in the notifications from so much of the duty of Customs as is in excess of the amount calculated at the rate of five percent *ad-valorem* and from the whole of the additional and special duties of customs leviable thereon.
- (xxxiv) G.S.R. 280(E) published in Gazette of India dated the 1st April, 2003 together with an explanatory memorandum seeking to exempt materials imported into India against an Advance License for Annual Requirement with actual users of the Export and Import policy from the whole of the basic and additional duties of customs leviable thereon subject to certain conditions.

- (xxxv) G.S.R. 281(E) published in Gazette of India dated the 1st April, 2003 together with an explanatory memorandum seeking to amend four notifications mentioned therein.
- (xxxvi) G.S.R. 437(E) published in Gazette of India dated the 27th May, 2003 together with an explanatory memorandum seeking to amend certain notifications mentioned therein.
- (xxxvii) G.S.R. 515(E) published in Gazette of India dated the 25th June, 2003 together with an explanatory memorandum seeking to amend certain notifications mentioned therein.
- (xxxviii) G.S.R. 538(E) published in Gazette of India dated the 10th July, 2003 together with an explanatory memorandum seeking to amend Notification No. 32/97-Cus., dated the 1st April, 1997.
- (xxxix) G.S.R. 551(E) published in Gazette of India dated the 17th July, 2003 together with an explanatory memorandum seeking to amend Notification No. 21/2002-Cus., dated the 1st March, 2002.
  - (xi) The Customs (Advance Rulings) Amendment Rules, 2003 published in Notification No. G.S.R. 578(E) in Gazette of India dated the 23rd July, 2003 together with an explanatory memorandum.
- (4) A copy each of the following Notifications (Hindi and English versions) under of section 296 of the Income Tax Act, 1961:
  - (i) S.O. 844(E) published in Gazette of India dated the 24th July, 2003 together with an explanatory memorandum seeking to amend Notification No. S.O. 709(E) dated the 20th August, 1998.
  - (ii) The Electronic Furnishing of Returns of Income Scheme, 2003 published in Notification No. S.O. 856(E) in Gazette of India dated the 25th July, 2003 together with an explanatory memorandum.
  - (iii) The Income-tax (Eleventh Amendment) Rules, 2003 published in Notification No. S.O. 877(E) in Gazette of India dated the 31st July, 2003 together with an explanatory memorandum.

- (iv) The Income-tax (Twelfth Amendment) Rules, 2003 published in Notification No. S.O. 878(E) in Gazette of India dated the 31st July, 2003 together with an explanatory memorandum.
- (v) The Income-tax (Thirteenth Amendment) Rules, 2003 published in Notification No. S.O. 879(E) in Gazette of India dated the 31st July, 2003 together with an explanatory memorandum.
- (vi) The Income-tax (Fourteenth Amendment) Rules, 2003 published in Notification No. S.O. 886(E) in Gazette of India dated the 1st August, 2003 together with an explanatory memorandum.
- (5) A copy of the Central Sales Tax (Registration and Turnover) Second Amendment Rules, 2003 (Hindi and English versions) published in Notification No. G.S.R. 431(E) in Gazette of India dated the 23rd May, 2003 under sub-section (2) of section 13 of the Central Sales Tax Act, 1956 together with an explanatory memorandum.
- (6) A copy of each of the following Notifications (Hindi and English versions) under sub-section (4) of section 94 of the Finance Act, 1994:
  - (i) G.S.R. 536(E) published in Gazette of India dated the 10th July, 2003 together with an explanatory memorandum seeking to amend Notification No. 17/2002-Service Tax, dated the 21st November, 2002.
  - (ii) G.S.R. 542(E) published in Gazette of India dated the 11th July, 2003 together with an explanatory memorandum seeking to exempt the taxable service provided by an insurer carrying on General Insurance business to a policy holder in relation the Central Insurance Business from the whole of the service tax leviable thereon.
  - (iii) The Service Tax (Advance Ruling) Rules, 2003 published in Notification No. G.S.R. 579(E) in Gazette of India dated the 23rd July, 2003 together with an explanatory memorandum.
- (7) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980:
  - (i) The Bank of Maharashtra (Employees') Pension (Amendment) Regulations, 2003 published in Notification No. AX-1/ST/OSR/1539 in Gazette of India dated the 14th June, 2003.

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- (ii) The Indian Bank Officers Service (Amendment) Regulations, 2003 published in Notification No. 223 in Gazette of India dated the 17th May, 2003.
- (iii) The Bank of India (Officers) Service (Amendment) Regulations, 2002 published in Notification No. HO:P:IR:RS: 1843 in Gazette of India dated the 24th May, 2003.
- (iv) The Corporation Bank Officers' Service (Amendment) Regulations, 2003 published in Notification No. PAD:IR:OSR Amendt: 47:03-04 in Gazette of India dated the 14th June, 2003.
- (v) The Punjab and Sind Bank Officers' Service (Amendment) Regulations, 2003 published in Notification No. PSB/OSR/2003 in Gazette of India dated the 28th June, 2003.
- (vi) The United Bank India Officer Employee's (Discipline and Appeal) (Amendment) Regulations, 2003 published in Notification No. 1/2003 in Gazette of India dated the 3rd May, 2003.

[Place in Library. See No. LT. 8017/2003]

- (8) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 30 of the Regional Rural Banks Act, 1976:-
  - (i) The Sultanpur Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. H.O./25/Karmik/IR/ 471 in Gazette of India dated the 19th February, 2001.
  - (ii) The Jhabuadhar Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. Pub/Pers. Admn./ 21/1019 in Gazette of India dated the 26th February, 2001.
  - (iii) The Marudhar Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. H.O./23/01 Karmik/ 5828 in Gazette of India dated the 11th June, 2001 together with a corrigendum thereto (in Hindi version only) published in Notification No. H.O./23/01/Karmik dated the 26th November, 2001.
  - (iv) The Panchmahal Vadodara Gramin Bank (Officers and Employees) Service Regulations,

2000 published in Notification No. HO/20/Stt/321/ 2001-2002 in Gazette of India dated the 18th July, 2001.

- (v) The Sangameshwara Grameena Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. PER/135/01-02 in Gazette of India dated the 3rd August, 2001.
- (vi) The Pravatiya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. Lekha/307 in Gazette of India dated the 25th September, 2001.
- (vii) The Aurangabad Jalna Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. H.O./Personnel/927/ 2001 in Gazette of India dated the 29th October, 2001.
- (viii) The Bhilwara-Ajmer Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2002 published in Notification No. B-21/2151 in Gazette of India dated the 5th September, 2002.
- (ix) The Koraput Panchabati Gramya Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. Staff General-727/ 2002-2003 in Gazette of India dated the 21 March, 2003.
- (x) The Vidisha Bhopal Regional Rural Bank (Officers and Employees) Service Regulations, 2003 published in Notification No. H.O./Pers./ 00075/2003-2004 in Gazette of India dated the 6th May, 2003.
- (xi) The Kalahandi Anchalik Gramya Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. Per/1278 in Gazette of India dated the 12th May, 2003.
- (xii) The Ka Bank Nongkyndong Ri Khasi Jaintia (Officers and Employees) Service Regulations, 2000 published in Notification No. 23/Prs./73 In Gazette of India dated the 29th May, 2003.

[Placed in Library. See LT. No. 8018/2003]

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- (9) Eight statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at item No. (i to viii) of (8) above.
- A copy of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets)

Regulations, 2003 (Hindi and English versions) published in Notification No. S.O. 816(E) in Gazette of India dated the 17th July, 2003 under section 31 of the Securities and Exchange Board of India Act, 1992.

[Placed in Library. See No. LT 8019/2003]

- (11) A copy each of the following Annual Reports and Accounts (Hindi and English versions) of the Regional Rural Banks for the year ended the 31st March, 2003, together with Auditor's Report thereon:
  - (i) Ambala Kurukshetra Gramin Bank, Ambala.
  - (ii) Baitarani Gramya Bank, Baripada.
  - (iii) Balasore Gramya Bank, Balasore.
  - (iv) Banaskantha Mehsana Gramin Bank, Patan.
  - (v) Bijapur Grameena Bank; Bijapur.
  - (vi) Bundelkhand Kshetriy Gramin Bank, Tikamgarh.
  - (vii) Chambal Kshetriya Gramin Bank, Morena.
  - (viii) Dehenkanal Gramya Bank, Dhenkanal.
  - (ix) Farrukhabad Gramin Bank, Farrukhabad.
  - (x) Golconda Grameena Bank, Hyderabad.
  - (xi) Gorakhpur Kshetriya Gramin Bank, Gorkhpur.
  - (xii) Gurgaon Gramin Bank, Gurgaon.
  - (xiii) Hissar-Sirsa Kshetriya Gramin Bank, Hissar.
  - (xiv) Krishan Grammena Bank, Gulberga.
  - (xv) Manjira Grameena Bank, Sangareddy.
  - (xvi) Monghyr Kshetriya Gramin Bank, Monthyr.
  - (xvii) Nimar Kshetriya Gramin Bank, Khargone.
  - (xviii) Panchamahal Vadodara Gramin Bank, Godhara.
  - (xix) Puri Gramya Bank, Puri.
  - (xx) Sagar Gramin Bank, Kolkata.
  - (xxi) Saryu Gramin Bank, Lakhimpur Kheri.
  - (xxii) Sri Visakha Grameena Bank, Srikakulam.
  - (xxiii) Vaishali Kshetriya Gramin Bank, Muzaffarpur.
  - (xxiv) Varada Grameena Bank, Kunta.
  - (xxv) Vidur Gramin Bank, Bijnor.

[Placed in Library. See No. LT. 8020/2003]

(12) A copy of the Results of the Thirty-third Valuation Report (Hindi and English versions) of the Life Insurance Corporation of India as on 31st March, 2003 under section 29 of the Life Insurance Corporation Act, 1956.

[Placed in Library. See No. LT. 8021/2003]

- (13) (i) A copy of the Annual Report (Hindi and English versions) of the Securities and Exchange Board of India for the year 2002-2003 under sub-section (3) of section 18 of the Securities and Exchange Board of India Act, 1992.
  - (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Securities and Exchange Board of India for the year 2002-2003.

[Placed in Library. See No. LT. 8022/2003]

(14) A copy of the Specified Undertaking of the Unit Trust of India (Management of schemes, Assets, Investment, term of office, fees, allowances and conditions of appointment of Advisers and Miscellaneous Provisions) Scheme, 2003 (Hindi and English versions) published in the Notification No. S.O. 854(E) in Gazette of India dated the 25th July, 2003 under sub-section (3) of section 9 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002.

[Placed in Library. See No. LT. 8023/2003]

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI SHRIPAD YESSO NAIK): I beg to lay on the Table---

- A copy each of the following Notifications (Hindi and English versions) under section 10 of the National Highways Act, 1956:
  - (i) S.O. 465(E) published in Gazette of India dated the 24th April, 2003 regarding collection of toll from the users near Dera Bassi on Ambala-Kalka road on National Highway No. 22.
  - (ii) S.O. 837(E) published in Gazette of India dated the 23rd July, 2003 regarding

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acquisition of land for widening of National Highway No. 5 (Chennai-Vijayawada section) in Prakasam district in the State of Andhra Pradesh.

- (iii) S.O. 805(E) published in Gazette of India dated the 16th July, 2003 regarding authorisation of Tahasildar, Darpan, Jajpur to acquire land on National Highway No. 5A and 5 from Chandikhole to Paradip In the State of Orissa.
- (iv) S.O. 753(E) published in Gazette of India dated the 3rd July, 2003 seeking to amend Notification No. S.O. 194(E) dated the 2nd March, 2001.
- (v) S.O. 834(E) published in Gazete of India dated the 23rd July, 2003 regarding acquisition of land for four laning of National Highway No. 76 (Chittorgarh By-pass) in the State of Rajasthan.
- (vi) S.O. 835(E) published in Gazette of India dated the 23rd July, 2003 regarding acquisition of land for four laning of National Highway No. 8 (Surat-Manore Tollway Project) in Valsad district in the State of Gujarat.
- (2) A copy of the National Highways Authority of India (the term of office and other conditions of Service of members) Rules, 2003 published in Notification No. G.S.R. 507(E) in Gazette of India dated the 23rd June, 2003 under section 37 of the National Highways Authority of India Act, 1988.

[Placed in Library. See No. LT. 8024/2003]

## [Translation]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CULTURE (SHRIMATI BHAVNABEN DEVRAJBHAI CHIKHALIA): Sir, on behalf of Dr. Sanjay Paswan, I beg to lay on the Table—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Rajasthan Council of Primary Education, Jaipur, for the year 2001-2002 alongwith Audited Accounts.
  - (ii) Statement regarding Review (Hindi and English versions) by the Government of the

working of the Rajasthan Council of Primary Education, Jaipur, for the year 2001-2002.

[Placed in Library. See No. LT. 8025/2003]

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.
- (i) A copy of the annual Report (Hindi and English versions) of the Jharkhand Education Project Council, Ranchi, for the year 2001-2002 alongwith Audited Accounts.
  - (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Jharkhand Education Project Council, Ranchi, for the year 2001-2002.
- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT. 8026/2003]

- (5) (i) A copy of the Annual Report (Hindi and English versions) of the Himachal Pradesh Primary Education Society, Shimla, for the year 2001-2002 alongwith Audited accounts.
  - (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Himachal Pradesh Primary Education Society, Shimla, for the year 2001-2002.
- (6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library. See No. LT. 8027/2003]

(7) A copy of the National Council for Teacher Education (Determination of Minimum Qualifications for Recruitment of Teachers in Schools) Amendment) Regulations, 2003 (Hindi and English versions) published in Notification No. F. No. 9-2-2001/NCTE in Gazette of India dated the 29th May, 2003 under section 33 of the National Council for Teacher Education Act, 1993.

[Placed in Library. See No. LT. 8028/2003]

A THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE

IN THE MINISTRY OF TOURISM AND CULTURE (SHRIMATI BHAVNABEN DEVRAJBHAI CHIKHALIA): Sir, on behalf of Shri Dilip Kumar Mansukhlal Gandhi, I beg to lay on the Table a copy of the Notification No. G.S.R. 628(E) Hindi and English versions) published in Gazette of India dated the 2nd August, 2003 approving the Mumbai Port Trust Employees (Leave Travel Concession) Amendment Regulations, 2003 under sub-section (4) of section 124 of the Major Port Trust Act, 1963.

[Placed in Library. See No. LT. 8029/2003]

#### 12.23 hrs.

## MESSAGES FROM RAJYA SABHA

[English]

SECRETARY-GENERAL: Sir, I have to report the following messages received from the Secretary-General of Rajya Sabha:

- (i) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on the 19th August, 2003 agreed without any amendment to the Sixth Schedule to the Constitution (Amendment) Bill, 2003 which was passed by the Lok Sabha at its sitting held on the 6th August, 2003."
- (ii) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 19th August, 2003, passed, in accordance with the provisions of article 368 of the Constitution of India, without any amendment, the Constitution (Ninety-fourth Amendment) Bill, 2002, which was passed by the Lok Sabha at its sitting held on the 8th August, 2003."
- (iii) "In accordance with the provisions of rule 127 of the rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 19th August, 2003, passed, in accordance with the provisions of article 368 of the Constitution of India, without any amendment, the Constitution (Ninety-ninth Amendment) Bill, 2003, which was passed by the Lok Sabha at its sitting held on the 8th August, 2003."

- (iv) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on the 21st August, 2003 agreed without any amendment to the Constitution (Scheduled Tribes) Order (Amendment) Bill, 2003 which was passed by the Lok Sabha at its sitting held on the 18th August, 2003."
- (v) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on the 21st August, 2003 agreed without any amendment to the National Bank for Agriculture and Rural Development (Amendment) Bill, 2003 which was passed by the Lok Sabha at its sitting held on the 18th August, 2003."
- (vi) "In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (No. 4) Bill, 2003, which was passed by the Lok Sabha at its sitting held on the 18th August, 2003 and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."
- (vii) "In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (Railways) No. 4 Bill, 2003, which was passed by the Lok Sabha at its sitting held on the 18th August, 2003 and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

12.25 hrs.

## COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

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### Minutes

## [English]

SHRI P.M. SAYEED (Lakshadweep): I beg to lay on the Table the Minutes Hindi and English versions) of the Thirty-fourth to Thirty-sixth sitting of the Committee on Private Members' Bills and Resolutions held during the current Session.

12.251/2 hrs.

# COMMITTEE ON PETITIONS

# **Thirty-third Report**

# [English]

SHRI A. BRAHMANAIAH (Machilipatnam): I beg to present the Thirty-third Report (Hindi and English versions) of the Committee on Petitions.

12.26 hrs.

[Translation]

# STANDING COMMITTEE ON PETROLEUM AND CHEMICALS

# Forty-Fifth to Fifty First Reports

SHRI MULAYAM SINGH YADAV (Sambhal): Sir, I beg to present the following Reports (Hindi and English versions) of the Standing Committee on Petroleum and Chemicals:---

- (1) Forty-fifth Report on 'Parallel Marketing in Petroleum Products';
- (2) Forty-sixth Report on 'Marketing Plans of Public Sector Oil Companies and their implementation';
- (3) Forty-seventh Report on action taken by Government on the recommendations contained in the Twenty-third Report (13th Lok Sabha) of the Standing Committee on Petroleum & Chemicals (2001) on 'Marketing and Distribution of Petroleum Products with special reference to Rural and Hilly Areas;
- (4) Forty-eighth Report on action taken by Government on the recommendations contained in the Thirty-seventh Report (13th Lok Sabha) of the Standing Committee on Petroleum & Chemicals (2002) on 'Production and Availability of Pesticides';

- (5) Forty-ninth Report on action taken by the Government on the recommendations contained in the Thirty-eighth Report (Thirteenth Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on 'Non-observation of Guidelines laid down by the Government in allotting Retail Outlets and LPG Distributorships by Dealer Selection Boards'.
- (6) Fiftieth Report on action taken by Government on the recommendations contained in the Thirtyninth Report (13th Lok Sabha) of the Standing Committee on Petroleum & Chemicals (2003) on 'Demands for Grants of Ministry of Petroleum & Natural Gas for the year 2003-2004; and
- (7) Fifty-first Report on action taken by Government on the recommendations contained in the Fortieth Report (13th Lok Sabha) of the Standing Committee on Petroleum & Chemicals (2003) on 'Demands for Grants of Ministry of Chemicals & Fertilisers (Department of Chemicals & Petrochemicals for the year 2003-2004).

12.27 hrs.

# STANDING COMMITTEE ON PETROLEUM AND CHEMICALS

# Action Taken Statement

# [Translation]

SHRI MULAYAM SINGH YADAV (Sambhal): Sir, I beg to lay on the Table following statements (Hindi and English versions) of the Standing Committee on Petroleum and Chemicals:—

- (1) Statement on Action Taken by the Government on the recommendations contained in the 16th Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2001) on action taken by the Government on the recommendations contained in the 9th Report (13th Lok Sabha) on 'Krishak Bharati Cooperative Limited (KRIBHCO).
- (2) Statement on Action Taken by the Government on the recommendations contained in the 18th Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2001) on action taken by the Government on the recommendations contained in the 13th Report

(13th Lok Sabha) on 'Demands for Grants 2001-2002 of the Ministry of Chemicals and Fertilisers, Department of Chemicals and Petrochemicals';

- (3) Statement on Action Taken by the Government on the recommendations contained in the 29th Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on action taken by the Government on the recommendations contained in the 15th Report (13th Lok Sabha) on 'Pricing and Availability of Drugs/Pharmaceuticals';
- (4) Statement on Action Taken by the Government on the recommendations contained in the 30th Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on action taken by the Government on the recommendations contained in the 21st Report (13th Lok Sabha) on 'Production of Oil and Gas';
- (5) Statement on Action Taken by the Government on the recommendations contained in the 31st Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on action taken by the Government on the recommendations contained in the 22nd Report (13th Lok Sabha) on "Evaluation of Guidelines of dealer Selection Boards (DSBs)';
- (6) Statement on Action Taken by the Government on the recommendations contained in the 32nd Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on action taken by the Government on the recommendations contained in the 24th Report (13th Lok Sabha) on 'Indian Farmers Fertillsers Cooperative Limited (IFFCO)';
- (7) Statement on Action Taken by the Government on the recommendations contained in the 33rd Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on action taken by the Government on the recommendations contained in the 25th Report (13th Lok Sabha) on 'Demands for Grants (2002-03) relating to the Ministry of Chemicals and Fertilisers, Department of Chemicals and Petrochemicals';
- (8) Statement on Action Taken by the Government on the recommendations contained in the 35th Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on action taken by the Government on the

recommendations contained in the 27th Report (13th Lok Sabha) on 'Demands for Grants-(2002-03) relating to the Ministry of Petroleum and Natural Gas;

(9) Statement on Action Taken by the Government on the recommendations contained in the 36th Report (13th Lok Sabha) of the Standing Committee on Petroleum and Chemicals (2002) on action taken by the Government on the recommendations contained in the 28th Report (13th Lok Sabha) on 'Disinvestment in Petroleum and Petrochemicals Sector'.

12.28 hrs.

# STANDING COMMITTEE ON INDUSTRY

# One hundred twenty-seventh to one hundred twenty-ninth Reports

# [English]

SHRI V. VETRISELVAN (Krishnagiri): I beg to lay on the table the following Reports (Hindi and English versions) of the Standing Committee on Industry:

- (1) 127th Report on MoU performance in respect of PSUs of Shipping Industry (Ministry of Heavy Industries and Public Enterprises);
- (2) 128th Report on Provisions and Prospects of Auto Policy as announced by the Government of India (Ministry of Heavy Industries and Public Enterprises); and
- (3) 129th Report on Credit Flow to SSI Sector in the Regions of Delhi, Noida and Ghaziabad (Ministry of Small Scale Industries).

# [English]

MR. SPEAKER: If the House agrees, we will take up Calling Attention now. The 'Zero Hour' submissions can be taken up after the Calling Attention.

But before all this, the hon. Home Minister wants to reply to the Discussion under Rule 193 now. So, we can take it up now.

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12.29 hrs.

# **DISCUSSION UNDER RULE 193**

# Atrocities on Dalits in various parts of the Country-contd.

#### [Translation]

THE DEPUTY PRIME MINISTER AND INCHARGE OF THE MINISTRY OF HOME AFFAIRS AND MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI L.K. ADVANI): Mr. Speaker, Sir, first of all, I would like to apologize to the House for not remaining present here during yesterday night after the evening programme. My colleagues were present and they gave me detailed information that the discussion went on this important topic till late night.

SHRI RAM VILAS PASWAN (Hajipur): Discussion continued upto 1.00 a.m.

SHRI L.K. ADVANI: I know. I would like to thank Ram Vilas Paswan ji and Basu Deb Acharia ji for holding a discussion with request on this very important and serious issue. Though earlier the discussion on this issue was postponed once or twice. If the discussion would have been held earlier then more Members could have listened and took part in it. I am happy that my friends dealing with the subjects of social justice were present here. They also took part in the discussion. They apprised the House of whatever information they had in this regard. As the topic of discussion is atrocities on Dalits. Therefore, this task has been assigned to the Ministry of Home Affairs because atrocities and all types of crimes fall within the purview of the Ministry of Home Affairs. Otherwise, there should not be injustice with Dalits in the society, justice should be meted out to them. The department accountable for it has also expressed its views during the discussion.

I listened the speech delivered by Pravin Rashtrapal ji, who is present here. I understood his resentment. If he expressed his anguish on anything, I understood that. He stressed on this point that there is no question to blame any government or any party for it. He said that it would have been accepted that it is an age old problem. It is continuing since centuries Mahatma Gandhi, Dr. Ambedkar, Jyoti Ba Phule and Vivekandnad ji made efforts to solve the problem and it has been tackled to some extent. I suppose that some more names could be counted. I accept that even after attaining independence after enacting constitution and various laws we have not found total solution to the problem. I believe one of the reasons is that over the years campaign of socialism has lost ground. I do not want to repeat the words he has said but in a way he has justified untouchability. I do not know whom he was mentioning. It has been my experience that people active in the field of religion give this kind of statements. There were many such persons in our country who accorded a high place to religion. Here we have such an example of Shri Bal Gangadhar Tilak but he also said that he was not ready to accept the God who could bear untouchability. Lots of such examples can be lifted from Gandhiji's life. North India too can boast of one such towering personality--Swami Davanand Saraswati. He did not confine himself only to giving lectures but also changed the lives of lakhs of people. He could not even think of untouchability and his philosophy influenced the lives of lakhs of people. He said that untouchability should be looked upon as a crime. I remember there was a time when it was considered necessary to take bath after meeting somebody from a particular caste. In the field of politics, I have taken lessons and inspiration from Pandit Deen Dayal Upadhyayji. He told me that once when he was visiting Kerala, he noticed that the person who used to come to clean the lavatory was told to wear the cross that was hanging on a nail before entering the house. He said that in the Hindu society where this kind of thoughts prevail, the person who cleans the lavatory would definitely think that if I can wear this cross for five minutes in a day, why shouldn't. I wear it for all my life. This thought would not be unnatural on his part. Pandit Deen Dayal Upadhavayii told me this. The region where I spent my childhood was dominated by sikhs or the Arya Samaj of Swami Dayanand Saraswati or the RSS. ... (Interruptions)

SHRI SHRIPRAKASH JAISWAL (Kanpur): Hon. Advaniji, RSS had no role in this. You can give this message to your workers. You can tell your workers the reasons for conversion. ... (Interruptions)

SHRI L.K. ADVANI: I will make no comments on this. I know only this much that in 1934, Mahatmaji visited a camp of RSS near Wardha and he was quite impressed by what he saw. I remember when I came from Sindh on 17th September, 1947, Gandhiji addressed an RSS Shakha in a harijan settlement and mentioned his experience of 1934. He said that the discipline and absence of the sense of untouchability among the volunteers were the two factors which influenced him the most. It appeared in 'The Hindustan Times' of 17 September, 1947. I hold myself fortunate enough in

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the sense of having its influence upon my conscience also. While I was involved in Rajasthan politics, at some stage there arose an issue of merger between the Bhartiya Jan Sangh and Ram Rajya Parishad but could not materialise because it was argued by Ram Rajya Parishad that the people affiliated to the Bhartiya Jan Sangh being RSS volunteers eat in the same plate like dogs and don't believe in untouchability. We said that we do not believe in untouchability. Well, there would be no merger. You may criticize the Sangh on the other counts, I'll tolerate it but at least in terms of untouchability, discrimination on the basis of castes. ... (Interruptions)

SHRI SHRIPRAKASH JAISWAL: I agree with you what you said about Swami Dayanandji but as far as the Bhartiya Jan Sangh is concerned, you may refer to their 1947 manifesto. They have no role in abolition of untouchability.

SHRI L.K. ADVANI: I don't blame you. If you don't agree due to your ignorance, I don't have any objection.

SHRI SHRIPRAKASH JAISWAL: May be, RSS would have all the knowledge.

MR. SPEAKER: One must not deviate from the issue. I would like to know the efforts being made by the Government for abolishing untouchability.

SHRI RAMJI LAL SUMAN (Firozabad): Mr. Speaker, Sir, we are deviating from the issue. It would be better if they do not deviate from the issue.

Sir, through you, I would like to submit to the Deputy Prime Minister that he is deviating from the issue. We shall be thankful if he doesn't deviate from the issue. I would like to know the meaningful action being undertaken by the Government to check atrocities over Dalits. It would be better if he limits himself to this extent only. ... (Interruptions)

MR. SPEAKER: Please take your seat. Hon'ble Minister is replying.

#### ... (Interruptions)

SHRI BASU DEB ACHARIA (Bankura): Sir, please tell us about yesterday's proceedings of the house and the suggestions advanced therein. ... (Interruptions)

MR. SPEAKER: Mr. Minister, please give your reply.

... (Interruptions)

MR. SPEAKER: Please listen to the reply. Ramdasji, the discussion on an important issue is going on in the House, please sit down.

## ... (Interruptions)

SHRI RAMDAS ATHAWALE (Pandharpur): When you had come from Pakistan, Karachi, here, these people were used to be served water from above at that time. We have the experience of this. We need to take a resolve to end this untouchability. ... (Interruptions)

SHRI SHANKAR PRASAD JAISWAL (Varanasi): Sir, I am on 'a point of order'. Why Shri Athawale ji stands up unauthorisedly. ... (Interruptions)

SHRI SHRIPRAKASH JAISWAL: In the same way as Shri Prabhunath Singh stands up from your side. ... (Interruptions)

SHRI L.K. ADVANI: Sir, as far as the question of atrocities is concerned, many and naturally it is the responsibility of every state to see that there are no crimes in that state. There are no atrocities on weaker sections in that state and the 'Dalits' are most prominent among them. It is, therefore the responsibility of the Central Government to advise and instruct all the State Governments from time to time in this matter and if any matter comes to light then it should get further information about that and direct them what they should do and what they should not. We have consistently been advising the State Governments that the atrocities-prone areas should be identified and particularly take care of those areas where the tendency of committing atrocities on Dalits is greater. The cases relating to crimes committed against them should be decided expeditiously by the courts and for that special courts should be set up. The Special Courts should be set up to see what crimes are committed against the Scheduled Castes and the Scheduled Tribes. I can give this much information to this House that recently such special cells have been set up in 17 states and one Union Territory. In this way 137 Special Courts have been set up by 10 states for this purpose. There are some states where the number of people belonging to the Scheduled Tribes is higher and even if special Courts have been set up there, those states have decided that all the crimes which are committed against the Scheduled Tribes would be heard by the Session Courts. In the same way 12 States have determined atrocities-prone areas and have intimated to the centre that they have selected such and such type of centres and areas whom they consider atrocities-prone.

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SHRI BASU DEB ACHARIA: Which are those 12 States?

SHRI L.K. ADVANI: The twelve states are Andhra Pradesh, Bihar, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh.

SHRI RAGHUNATH JHA (Gopalganj): It does not include West Bengal as no case is allowed to be registered there. ... (Interruptions)

SHRI BASU DEB ACHARIA: Such incidents do not occur in West Bengal. Lands are allotted to the Harijans there. ... (Interruptions)

MR. SPEAKER: Please listen to the reply.

## ... (Interruptions)

MR. SPEAKER: There will be no 'Zero Hour' and 'Calling Attention' if you will continue to do so. Why are you interrupting. ... (Interruptions)

SHRI L.K. ADVANI: Mr. Speaker, Sir, yesterday, Ramvilasji talked about temples and said that the DDA had demolished the Guru Ravidas Temple at Ramkrishanpuram. He also made a mention of the temples at Chandigarh and Tughlakabad. I thought that the DDA keeps demolishing unauthorised construction and the action would have been taken as a part of that exercise but when he pointed out that there were many unauthorised temples but they chose the Guru Ravidas Temple alone for demolition, then, I realised that a blunder has been committed. I looked into that. On hearing this our Minister who is incharge of Urban Development Department himself discussed it with Shri Ramvilasii and tried to inform him in this regard. He had no information regarding Chandigarh. Therefore, he also assured him that he would seek information regarding Chandigarh and pass it onto him. The Department of Urban Development have informed me that last year action has been taken against 29 such unauthorised religious places in all. I also talked to them about the Guru Ravidas Temple at Ramakrishnapuram. They have told me that the Temple was not touched but there were squatters beside the temple which were touched. I shall seek further information in this regard but they certainly told me that the Guru Ravidas Temple was not touched. They also informed me that the Old Committee of the temple had particularly complained why action was not being taken against such encroaches and squatters? Perhaps it may be true but since this matter has been raised in the House, I will seek further information in this regard. I do understand that a body like the DDA may naturally be worried about unauthorised construction but it is a serious crime if only the Guru Ravidas Temple is deliberately picked up for demolition and the rest of the temples, Gurudwaras or any other religious places which are unauthorised are not touched.

Mr. Speaker, Sir, I am of the view that there are two causes of this problem in our country. As I have stated earlier that the sort of movements which were spearheaded at the social level in the past for equality and social harmony and participated not only by the politicians but also by the social and religious leaders are waning. Secondly, the leaders of various walks of life whether they are in politics, education, or bureaucracy have got some grudges, or prejudices in their mind against the Dalits and the same are manifested many a times. This leads to several injustices, murders and such type of excesses on dalits. We cannot deny that. We also disrupt the social harmony as a result of this. I would like to say that this is an issue where if we do not properly implement the law and the constitution, we shall not succeed and the country earns a bad name in the world. I happened to read the National Geographic Magazine in the month of June. It is rated as a highly objective magazine. This magazine carried an article spread over many pages describing what sort of treatment is meted out to the Dalits in India. It was a lengthy article. In the same National Georgraphic Magazine there was yet another article describing how justice was given to the Blacks in America during the past centuries and how they were brought at par with the whites which we all know how much complicated the problem is there. We have this problem in India which we cannot deny and we accept that. We discuss this subject in the House past midnight and accept the fact on behalf of the Government that we have not been able to fully control that problem inspite of the laws in this respect but it is a matter of concern for us if our country earns a bad name on account of this in the world. In order to eliminate this problem. We shall have to take utmost care for making the bureaucracy, ourselves and the education which leads the society, prejudice free. We fully accept that untouchability in the name of religion an caste is exercised and casteism is given protection.

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, I am thankful to those hon'ble Members who participated in

the discussion yesterday and expressed their views rising above party politics. There is no problem if the policy is even handed but it should not be selective. In my view the Deputy Prime Minister Sahib has little knowledge about it. Shri Khanduri Sahib is sitting here who deals the temple matters. I would like to say whatever may be the reasons, temple was not built by paying money or by purchasing the land. At present there are 37 temples in R.K. Puram. Why only one temple was demolished? Every temple has got land, 'lunger' (kitchen). Having left all temples untouched only one temple was demolished. Shri Bansalji is from Chandibarh. They have got 7 temples there. Hari Mandir, Gurudwara, Church are nearby but none was touched.

None but only Ravidas Mandir has been subjected to damage. There can be communal riots, if other temples are damaged. But it is a temple of the poor. There is also a road after the name of saint Ravidas within the three kilometer area of Tuglakabad. Babu Jagjivan Ramji had also visited that area in 1959. I do not say that this case pertains to the time when the Government of your party was in power. The Government means Government. Therefore, you should not go in the technicalities of law and an excuse of encroachment. Hon. Deputy Prime Minister is aware that Choudhary Sahib used to reside in 12, Tuglak Road. Shri Sharad Yadav had been there in 1977. Earlier there was nothing. Someone laid foundation there. Thereafter, a large building cropped up there. Can anybody demolish that building. No one can dare.

MR. SPEAKER: Paswanji, you know that today is the last day of this session of Parliament. Please take your seat.

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS AND MINISTER OF URBAN DEVELOPMENT AND POVERTY ALLEVIATION [MAJ. GEN. (RETD.) B.C. KHANDURI]: Mr. Speaker, Sir, what Shri Paswan ji has said. ... (Interruptions)

SHRI RAMVILAS PASWAN: I thanked the hon. Minister for immediately calling all of us and taking seriously the issue by calling the concerned officer. I urge upon Shri Khanduri ji that he should take this issue as humanitarian issue rather than going into its technicality and legality. ... (Interruptions)

MR. SPEAKER: Paswanji, we are having very short time. Please take your seat.

SHRI PAWAN KUMAR BANSAL (Chandigarh): Hon. Speaker, Sir, about a fortnight ago the Minister of Health and the Minister of Parliamentary Affairs had said, as the PGI is under her, so far as the Chandigarh is concerned, she would inform the Parliament after looking into it. Today is the last day of the session. Even in a fortnight the Parliament has not been informed, whereas this issue directly comes under her jurisdiction. ... (Interruptions)

SHRI RAM VILAS PASWAN: He kept on asking for information, but he was not given report even. ... (Interruptions)

MAJ. GEN. (RETD) B.C. KHANDURI: I would like to inform that we have obtained information now. The new temple was being constructed there. Ram Vilas Paswanji that temple has not been demolished. ... (Interruptions)

SHRI RAM VILAS PASWAN: I am saying with challenge that the building was already there. I have photographs with me. ... (Interruptions)

MR. SPEAKER: How it would go, if you will not allow the Minister to complete his reply. Let me hear the Minister's reply.

MAJ. GEN. (RETD.) B.C. KHANDURI: We were told that the temple was under construction and the structure around that temple were removed. The action has been stopped after your visit and after our investigations. But the temple was under construction. ... (Interruptions)

SHRI PAWAN KUMAR BANSAL: Why the action was stopped. That has been demolished ... (Interruptions). You were admitting that it has been demolished. Then, how are you denying today.

SHRI RAMJI LAL SUMAN: Mr. Speaker, Sir, I, through you, want to request humbly that Advaniji and Khandurlji, please find out a practical solution of this problem. For the last forty-five years they have been occupying the Ravidas temple. What message goes from it. It conveys only this message that there are thirtyseven temples in R.K. Puram. It strengthen their belief that their temple has been demolished only. they have been removed from that place, as it is a temple of poor people, the weaker section. I do not want to go into technical and legal aspect of this issue. Advaniji, I request you to please find out a proper solution of this problem, it is not justifiable at any cost that those who are manipulators and influential can make encroachment over the land of anyone and demolish the temple of those who have been residing there for the last 45 years. Please do not go into its technology, as it would create further complications. Please find out a proper solution of this problem.

SHRI L.K. ADVANI: All are equal before law. If someone is discriminated against law on the basis of being influential or weak, then it means the law is not being adhered to properly. Therefore, I am fully agree that there should be proper implementation. One question has been asked. ... (Interruptions)

SHRI RAM VILAS PASWAN: The Minister of Home Affairs should took it at his own level. We would not be having any objection, if the Minister of Home Affairs demolish it by issuing an order. But till then step any further action and nobody should do any work of destruction in between. We would agree to your orders in this regard and you will be held responsible for that. ... (Interruptions)

SHRI RAMJI LAL SUMAN: Sir, please comply with the legal aspect in this regard and get them possession on easy terms. There will be no use of beating about the bush.

MR. SPEAKER: I have given you opportunity for asking question time and again, but it does not mean that you would not listen to the Minister's reply and would not allow to proceed further.

# ... (Interruptions)

MR. SPEAKER: Paswan ji, the Minister has heard your views and he has said that he will thoroughly look into this matter.

SHRI L.K. ADVANI: Shri Shivraj ji has asked a question that the tribals, who are residing in Lakshdweep. ... (Interruptions)

MR. SPEAKER: The question is the same.

SHRI SHIVRAJ V. PATIL (Latur): I would seek your cooperation after a little bit explanation thereof when your speech is over.

SHRI L.K. ADVANI: I would let you know.

MR. SPEAKER: Please ask your question for the moment. Hon. Minister are concluding.

SHRI RAM VILAS PASWAN: How he could conclude just now. The issues of atrocity has not been taken up as yet. Even the issue pertaining to Jhajhar, Bihar and Uttar Pradesh have not yet been taken up. Then how could he conclude. [English]

SHRI SHIVRAJ V. PATIL: The inhabitants of Lakshadweep, Minicoy and Amandivi islands are tribals According to the original order issued by the Government of India, under the Constitution, a person who is born or who is living in the island is a tribal. One officer has interpreted this order of the Government of India and in his interpretation he has said that a person who is born in the mainland to the inhabitants of the island shall not be treated as a tribal. So, if he is born in a hospital on the advice given by a medico, even that child will not be treated as a tribal. Therefore, the Government of India is coming out with a new order and according to the new order, the Government of India proposes to give the status of a tribal to a child born to the inhabitants of the Island in the hospital on the mainland. This is a good order. We appreciate it. And this is being done in order to remove the difficulty which is faced by the inhabitants of this Island.

But one more difficulty also arises out of this order. Now, if the inhabitants of the Island are living on the mainland and a child is born on the mainland, then he would not be treated as a tribal. In order to give him the status of a tribal, the lady would be required to go back to the Island, give birth to the child and only then the status of a tribal will be given to that child. It also creates difficulty.

Our hon. Deputy-Speaker also comes from those Islands and the Leader of Opposition had written a letter to the Prime Minister suggesting one point. Any person who is living on the mainland, who is originally from the Island, if his child is born on the mainland, if that child is born not only on the advice given by a Medical Officer. a doctor, but the one who is also serving on the mainland, one who is studying on the mainland and one who is doing something on the mainland, and any child born to the inhabitants of the Island should get the status of a tribal. If this is done, all the difficulties can be removed. So, I thought that we can suggest this point in the course of the debate to get an authentic reply from the hon. Home Minister. This issue is such that it should be looked into. Our brothers and sisters who are living on those Islands should not face any difficulty in getting the privileges and rights which are given to the tribals coming from that area.

SHRI L.K. ADVANI: Shri Shivraj Patil has raised an issue which directly relates to Lakshadweep. But you are aware that today, the classification of people, which rincludes Tribes or Scheduled Castes, varies from State

to State and, very often, it happens that a community which is described as a Scheduled Caste in one State is not a Scheduled Caste in another State or a Scheduled Tribe in one State is an OBC in another State. These things happen.

Last year, when I went to Lakshadweep, it was then I discovered that they have this problem that if a child is born in a hospital in Cochin or Ernakulam, then he is not recognised as a tribal. I felt that this needs to be corrected. This has been going on for so many years. I thought that it must be corrected. Therefore, this was undertaken. Then, it has been pointed out again that there are other problems that arise from that, though this is a welcome step. When your slip came, I was asking whether the Law Minister is still here or not. If he were here, I would have certainly consulted him and given a final reply. Otherwise, on this point, I can only say that I will examine the problems that you have raised. But so far as we are concerned, we are committed to seeing that a child who is born on the mainland in Cochin. Ernakulam or Trivandrum, on that account, he does not lose his tribal character.

SHRI RAM VILAS PASWAN: There are service holders.

# [Translation]

People of Lakshdweep are also working in Delhi and if a child is born here then there is no logic in this argument that he/she should not be given status of a tribal. Therefore, a Law should be enacted to ensure that a person belonging to the scheduled Caste and Scheduled Tribes should be treated SC or ST in each and every part of the country. If this amendment is made then the entire problem would be solved.

#### [English]

MR. SPEAKER: I think the attention of the hon. Minister is drawn.

#### [Translation]

SHRI L.K. ADVANI: I have already mentioned about this problem before giving my answer because lists of Scheduled Castes and Scheduled Tribes differs from state to state as per the present practice.

# 13.00 hrs.

Mr. Speaker, Sir, this is not the practice at present that a Scheduled Tribe of a particular place is treated as Scheduled Tribe all over the country. There might be some problems but the Government would consider your suggestion and take the appropriate measures in this regard.

SHRI RAM VILAS PASWAN: Please tell us about Jhajhar.

SHRI L.K. ADVANI: Mr. Speaker, Sir, I have been told it has been mentioned too much here.

# [English]

SHRI RAM VILAS PASWAN: Not a single Minister has touched that point.

# [Translation]

No one has given any answer in this regard. Dr. Satyanarayan Jatiya ji said that he looks after welfare. That is not my work. We are raising this question everyday and not a single minister is giving reply to it. Yesterday he said that.

# [English]

That is the job of the Home Minister and he did not reply to it.

#### [Translation]

DR. SUSHIL KUMAR INDORA (Sirsa): Mr. Speaker, Sir, the Jhajhar episode is discussed here everyday. There is nothing like that, as hon. Member is saying. Sir, we already had a wide ranging discussion in regard to this episode in this House.

MR. SPEAKER: I have not allowed anyone to speak in this regard. I just want to listen the Mr. Minister's reply.

DR. SUSHIL KUMAR INDORA: Sir, it has already been investigated by an officer of the rank of Divisional Commission. This officer, who has investigated, also belongs to the Dalit community. The Government has accepted the investigation report without any charge. There is nothing in this, which may be discussed here. ... (Interruptions)

SHRI L.K. ADVANI: Mr. Ram Vilas, you would be aware of the fact that there are several questions particularly related to the crime, in which the Central Government would provide only that information to the House, which State Government has given to them. No information other than that can be provided.

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SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, I want to bring the same thing to the notice of the Minister that the information which he is giving to the House is not based on the information made available by the State Government. In reply to the calling attention whatever you told in the House was based on the information received from the State Government. You said that legal action has been taken against the criminals. I just want to say in this regard that you please tell the House that if any person, any officer or any culprit is in the jail as on date in the murder case of five dalits?

SHRI L.K. ADVANI: It may be possible that someone might have got bail.

SHRI AJAY SINGH CHAUTALA (Bhiwani): Mr. Speaker, Sir, many people have been imprisoned in this case.

SHRI RAM VILAS PASWAN: Mr. Speaker, Sir, I do not want to listen this thing from Mr. Ajay Singh Chautala. Hon. Home Minister should provide details in this regard and also about the number of people put behind the bars in this case as on date alongwith the names of those persons?

SHRI L.K. ADVANI: Mr. Speaker, Sir, I want to inform the House on the basis of the information received from the Haryana Government on 18th August, 2003.

# [English]

Departmental inquiry was ordered against one Nayab Tehsildar and 13 police officers including Shri Narendra Singh, the then DSP of Jajjhar. Major punishment of stoppage of two future increments with permanent effect has been given to each of them. The inquiry against the DSP, one Nayab Tehsildar and one Head Constable is under process.

SHRI RAM VILAS PASWAN: Nobody is in jail.

# [Translation]

Sir, five persons have been killed.

# [English]

Not a single person is in jail.

# [Translation]

You are a Home Minister and you are accountable.

SHRI BASU DEB ACHARIA: Mr. Speaker, Sir, five dalits have been killed and only two increments have been withheld. Whether it is a major punishment? ... (Interruptions)

MR. SPEAKER: You please sit down. I do not want to listen to you, but I want to listen to Mr. Minister. You please sit down.

DR. SUSHIL KUMAR INDORA: Mr. Speaker, Sir, when this incident took place, the District Collector of Jhajhar was a Dalit, SDM and S.P. were also of the Dalit community. The officer concerned did not fire any bullet, from his pistol but the investigation was done and the persons found guilty were given punishment.

MR. SPEAKER: Mr. Indora please sit down. Mr. Ramdas Athawale, you also please sit down.

SHRI L.K. ADVANI: Mr. Basu Deb Acharia, you are aware of the fact that the charges were being levelled against the Government of West Bengal regarding crimes but we have never shared our informations, I never shared those information which I had. I gave the same reply in the House, which the West Bengal Government has given. I myself try to maintain the decorum. Therefore, I have never shared the information received from the I.B. I shared only that information which the West Bengal Government had provided to me.

# [English]

And that applies to the Haryana Government also. ... (Interruptions)

SHRI BASU DEB ACHARIA: Are you satisfied with the punishment given to the police officers?

# [Translation]

Five Dalits were murdered and only two increments have been stopped. Are you satisfied with this punishment?

MR. SPEAKER: Mr. Basu Deb Achariaji, please sit down. I will allow you to speak later on.

# [English]

MR. SPEAKER: Shri Basu Deb Acharia, I am disallowing your question. I am not allowing your question.

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... (Interruptions)

[Translation]

MR. SPEAKER: Mr. Ramdas, please sit down.

... (Interruptions)

MR. SPEAKER: What is going on in the House?

## [English]

SHRI PRAVIN RASHTRAPAL (Patan): The question is that adequate punishment has not been given to those who have killed five dailits. Just stopping two increments is not sufficient for a Government officer. For killing a person, the punishment is capital punishment, that is, hanging. Here five dalits have been killed, but none has been arrested. The Central Government cannot run away from its responsibility of taking action against them under the Central Act, that is under the Prevention of Atrocities against the scheduled Castes/Scheduled Tribes Act. ... (Interruptions)

MR. SPEAKER: It seems the House does not want a reply from the Minister. This was a special arrangement made that the hon. Minister will give the reply to the House. If Members do not want to listen to the hon. Minister, he will conclude his speech. Let him speak. Why do you not allow him to speak?

SHRI L.K. ADVANI: These are the limitations of the Constitution and the parliamentary practice. This has been the general practice always that

#### [Translation]

If there is any issue regarding the law and order situation of a State, we get the information and furnish the same whatever information is furnished by the State-be it the Government of Bihar, the Government of West Bengal or the Government of Haryana. ... (Interruptions)

# [English]

SHRI RAM VILAS PASWAN: This is not the question of Haryana.

# [Translation]

Whichever party is in power, be it the Congress Government, BJP Government, RJD Government or Chautalaji's Government, if there are cases of atrocities on scheduled Castes and Scheduled Tribes, it is your responsibility to provide protection to SCs and STs and to ask for the report in this regard. This is what I want to submit to you in this regard.

# (English)

It is not the question of Haryana only.

# [Translation]

SHRI L.K. ADVANI: It is our responsibility and not only for Dalits but if there is any case of atrocity on anyone else, the responsibility fails on us.

# [English]

Internal security is our responsibility. It is the responsibility of the Central Government.

# [Translation]

The responsibility which we have today as per our constitution speaks a lot about our limitations and the "Lakshman Rekha" drawn between the powers conferred on the State Government as well as the powers of the Central Government should be allowed in true spirit. Sir, there was a stage when the State Government objected to our decision of delegating powers to the State. There were persons who raised such an objection. However, despite all these issues, the efforts have been made to see if there is any. ... (Interruptions)

SHRI RAM VILAS PASWAN: Sir, for the first time, I notice that the Deputy Prime Minister is looking so helpless in the House on the issue of Scheduled Castes.

# [English]

Do not be so helpless.

(Translation)

Please do not be helpless.

## (English)

SHRI L.K. ADVANI: I am not pleading helplessness. In fact, in all the meetings of DGPs, Chief Secretaries and sometimes in the meetings of even the Home Ministers, this issue of limitation of the Central Government was raised. It is because of these limitations, though the Central Government would like to act on some issues, it does not have the authority to act under the present Constitution.

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# [Translation]

SHRI RAM VILAS PASWAN: You impose POTA. ... (Interruptions)

SHRI L.K. ADVANI: We have no power to impose POTA also.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CULTURE (SHRIMATI BHAVNABEN DEVRAJBHAI CHIKHALIA): Mr. Speaker, Sir, how will the reply be over if he continues to interrupt like this? He stands to speak time and again. ... (Interruptions)

MR. SPEAKER: Please take your seats.

... (Interruptions)

# [English]

MR. SPEAKER: Shri Ram Vilas Paswan, you want a reply from the Minister. Let the hon. Minister complete the reply.

# [Translation]

If you do not want to listen to the reply, then the Hon'ble Minister will not reply. This is not the question hour during which you will ask questions. Please take you seat.

... (Interruptions)

# [English]

MR. SPEAKER: Mr. Minister, you can conclude now.

... (Interruptions)

# [Translation]

MR. SPEAKER: Please take your seat. Hon'ble Minister, now you may give reply whatever you want to reply.

... (Interruptions)

# [English]

MR. SPEAKER: Mr. Minister, you need not answer the questions which are raised here.

... (Interruptions)

# [Translation]

MR. SPEAKER: Please take your seats.

... (Interruptions)

[English]

MR. SPEAKER: I have told the hon. Minister not to reply to the questions which are asked without my permission. He would reply only to questions which are asked with the permission of the Chair.

# ... (Interruptions)

SHRI L.K. ADVANI: I have just been informed that charge-sheets have been filed in the court against all the accused persons and trial is on. ... (Interruptions)

# [Translation]

The families of all the Dalit people who were killed, have been given Rs. Five lakh each and the Government of Haryana have accepted all the recommendations made by the Commission of enquiry. ... (Interruptions)

DR. SUSHIL KUMAR INDORA: Sir, will he ask questions repeatedly? ... (Interruptions)

MR. SPEAKER: He has the right to ask questions because he has raised the question but I have warned him not to ask questions time and again. Hon'ble Minister, please speak.

... (Interruptions)

# [English]

MR. SPEAKER: Shri Ramdas Athawale, please sit down.

... (Interruptions)

# [Translation]

MR. SPEAKER: Paswanji, please take your seat. I have not allowed you to speak.

... (Interruptions)

MR. SPEAKER: Please sit down. Indoraji, please take your seat. Why are you doing so? I have not allowed you to speak.

.

\* ... (Interruptions)

## [English]

MR. SPEAKER: Only the hon. Minister's speech will go on record. Nothing else will go on record.

... (Interruptions)\*

# [Translation]

SHRI L.K. ADVANI: Mr. Speaker Sir, I feel that I do not have to say anything more except the debate which took place yesterday. If we are able to bring about changes to ensure that those who are playing the role of leaders in various fields of society, should commit themselves against the practice of untouchability without any prejudice. This is to be noticed that the dalits, as was termed by Gandhiji, if I am saying anything correct or incorrect, this may be decided on the ground as to what will be its effect on weakest people whom you consider the weakest. The more we could adopt this touchstone given by him will in turn provide more solutions of this problem. ... (Interruptions)

# [English]

MR. SPEAKER: Hon. Members, there are two Calling Attention Notices.

... (Interruptions)

# [Translation]

MR. SPEAKER: No questions can be asked on calling Attention Notices.

... (Interruptions)

#### [English]

MR. SPEAKER: The hon. Finance Minister has requested that the IDBI Bill be considered today. if you all agree, we can skip lunch hour and take up the IDBI Bill and other business of the House. If you do not agree, then I feel I can keep the lunch on. After lunch, we can meet and start with the Calling Attention notices.

... (Interruptions)

DR. SUSHIL KUMAR INDORA: What about 'Zero Hour'? ... (Interruptions)

"Not recorded.

MR. SPEAKER: 'Zero Hour' will be taken up after Calling Attention notices, if time permits.

I adjourn the House to meet again at 2 p.m. as usual.

13.14 hrs.

The Lok Sabha then adjourned for Lunch till Fourteen of the Clock.

14.04 hrs.

The Lok Sabha re-assembled after Lunch at four minutes past Fourteen of the Clock.

[SHRI P.H. PANDIAN in the Chair]

#### [English]

MR. CHAIRMAN: The House will now take up Calling Attention. Shri Ram Vilas Paswan.

... (Interruptions)

SHRI G.S. BASAVARAJ (Tumkur): I have given notice. Kindly allow me at least one minute for raising some important problems. ... (Interruptions)

MR. CHAIRMAN: It is not the 'Zero Hour'.

SHRI RAMESH CHENNITHALA (Mavelikara): Sir, since it is the last day of this Session, please give him a chance to raise the issue. ... (Interruptions)

SHRI G.S. BASAVARAJ: Sir, please give me at least half-a-minute. ... (Interruptions)

MR. CHAIRMAN: Let it be any day. There is a procedure. Shri Ram Vilas Paswan to call the attention of the hon. Deputy Prime Minister.

## ... (Interruptions)

SHRI G.S. BASAVARAJ: Your discretion is there. As a special case, please give me at least half a minute. ... (Interruptions) Everyday, farmers are dying in Karnataka. There is no fodder, no food and there is nothing. ... (Interruptions) They are not giving rice. The State is being discriminated.

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SHRI RAMESH CHENNITHALA: The farmers of Karnataka are suffering. ... (Interruptions)

MR. CHAIRMAN: I cannot allow you. It should be in the List of Business. it is not in the List of Business. Please sit down.

... (Interruptions)

SHRI G.S. BASAVARAJ: Please give me two minutes time to raise it. ... (Interruptions)

SHRI RAMESH CHENNITHALA: Sir, I would request you that after the Calling Attention, please allow him to raise it.

MR. CHAIRMAN: We cannot re-list the business. Already, the listed business is there.

SHRI G.S. BASAVARAJ: At least, give me one minute. ... (Interruptions)

14.05 hrs.

# CALLING ATTENTION TO THE MATTER OF URGENT PUBLIC IMPORTANCE

(i) Situation arising due to floods in Bihar and steps taken by the Government in regard thereto.

# [Translation]

SHRI RAM VILAS PASWAN (Hajipur): Honourable Chairman, Sir, I draw the attention of the hon. Deputy Prime Minister to the following matter of urgent public importance and request that he may make a statement in this regard.

"Situation arising due to floods in Bihar and step taken by the Government in regard thereto."

THE DEPUTY PRIME MINISTER AND INCHARGE OF THE MINISTRY OF HOME AFFAIRS AND MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI L.K. ADVANI): Mr. Chairman, Sir, Hon'ble Members Shri Ram Vilas Paswan, Shri Ramchandra Paswan and Shri Rajesh Ranjan have raised the issue regarding the situation arising due to floods in Bihar and steps taken by the Government in regard thereto. The Government of Bihar have reported that 18 out of 38 districts were affected by floods in varying degrees during the current monsoon. The State Government of Bihar have reported that 79 lives have been lost, 2.87 lakh hectares of cropped area have been affected and 12860 houses damaged due to the floods.

The State Government have issued instructions to Collectors of all flood prone districts for taking necessary measures to provide relief to the affected people. Adequate funds have been allotted to the district authorities for undertaking rescue and relief measures in the affected areas including ex-gratia payment to the kin of the deceased. The Government of Bihar have deployed 2757 boats for rescue and relief operations. The State Government have reported that 32 relief camps have been established. In addition, 185 relief distribution centres, 358 health centres and 151 veterinary centres have been set up. Gratuitous relief distributed till the 21st of August was as follows:

Wheat		30707 quintals
Readymade food		1940 quintais
Salt		4.62 quintals
Jaggery		221.094 quintals
Polythene sheets		45024 metres
Cash doles	_	Rs.108.74 lakhs

The responsibility of providing relief in the wake of natural calamities including floods primarily rests with the concerned State Governments. The Government of India supplements the efforts of the State Governments where necessary by providing logistic and financial support. For this purpose, the State Governments are allocated Calamity Relief Fund (CRF), which is contributed by Government of India and the State Government in the ratio of 3:1. Additional assistance is also provided to the State Government in the event of a calamity of severe nature from National Calamity Contingency Fund (NCCF) after following the laid down procedure.

As per the reports received from the State Government on the 18th of August, 2003, a balance of Rs. 105.7654 crores was available in the CRF with the State as on the 1st of April, 2003. the Central Government has been in constant touch with the State and as on date the State still has adequate balance available in the CRF.

The Ministry of Home Affairs is constantly monitoring the situation caused by floods in various parts of the country including Bihar.

I would like to assure the Hon'ble Members that all possible assistance sought by the Government of Bihar will be provided in accordance with the norms and procedure prescribed for CRF/NCCF.

... (Interruptions)

SHRI RAGHUNATH JHA (Gopalganj): Mr. Chairman, Sir, the Bihar issue has many dimensions. ... (Interruptions)

# [English]

MR. CHAIRMAN: Please sit down. You have not given notice.

#### [Translation]

SHRI RAMVILAS PASWAN: Mr. Chairman, Sir, I would like to thank the Speaker for allowing discussion on this issue in this House. As you know that not only in Bihar but also in many parts of our country flood causes large scale loss of life and property. As far as severity of devastation in Bihar is concerned, earlier the level of flood water started reducing in three to four days but now it remains for long. Even the river has become shallow. As a result, the water starts spreading quickly on the surface of plain area.

According to the National Commission for irrigation total 450 lakh hectare of land is affected by flood in the entire country, out of which 78 lakh hectare of land is in Bihar only. The main reason behind this is all river which are originated from Nepal and mountain ranges of Himalayas i.e. Kosi, Gandak, Budhi Gandak, Ghaghariya and Bagmati flows down from Nepal to Bihar and then merges into Ganga.

Mr. Chairman, Sir, the construction of dam in Bihar was started in 1953 and total 3,454 km. Long dam have been constructed on Kosi, Gandak, Brahmanand, Bagmati and Soan rivers but security dam has been built on 28.53 lakh hectare of land only out of the 8 lakh hectare of land of Bihar but no security arrangement has been made so far in the remaining area. At the time of construction of dam it was assured that it will control flood, provide proper irrigation facilities, generate electricity and spread the network of industries but nothing could be achieved.

# 14.12 hrs.

# [MR. DEPUTY SPEAKER in the Chair]

I myself visited the flood affected areas on foot or by other means of transport as boat, train and motor for almost two and half month. There was not a single district which I did not visit. The condition of people in the area was pathetic. Shri Ramchandra Paswan and other friends were with me. There was no boat arrangement. People of the area were suffering from diarrhoea which claimed hundreds of lives. The routes are blocked completely and somewhere in National Highways are also get disconnect. The Minister from Centre as well as Minister of State conducted aireal survey. The State Government's Minister has also done aired survey but every year such devastation takes place in the state. We have to cross three rivers to reach our home. My house in located 15 kilometer away from Gilagharia river but it takes seven hours to cover this 15 kilometer. Therefore, I want to say that during the flood time the life of the people becomes so miserable which can not be assumed. There are two ways to solve this problem-first is to provide immediate relief work and the second is to provide some permanent solution. As I told earlier there are many rivers which originated from Nepal and the only permanent solution is to build dam on all these rivers so that the water may be stored as per requirement and we can also generate electricity.

Wavel Committee was constituted during the time of British rule which gave a suggestion but we do not have any idea about the present status of the same. I would like to urge upon the Government that there is not a matter of Kosi river only, Kosi was a different matter. Kosi, Kamla, Bagmati and Gandak are four international rivers, unless we sign any agreement with the Nepal Government in this regard, there would not be any permanent solution of the problem. Whether any bilateral talks have been held or is in progress with the Government of Nepal in this regard. If so, the progress made thereto?

Secondly, as far as the question of sending the Central team is concerned, you have mentioned that you have got the dates, please give us dates for the last three years? While replying to a question you have mentioned the funds demanded by the Government of Bihar and the funds released by the NCCF and CRF sparately. During the last two years no funds have been released by NCCF and it was mentioned that since the funds were available under CRF, therefore no financial assistance has been approved by NCCF. I would like to \*

# [Shri Ramvilas Paswan]

know that whether any Central team was deputed to assess the situation of flood, and the amount of funds released to the Bihar Government under NCCF, National Calamity contingency fund and calamity relief fund during the last three years and the amount spent out of it.

In our state, one problem is of flood and another is of drought and apart from these two there is problem of water-logging which remains throughout the year. In my constituency water logging remains forever in lakhs of acres of land and there is no way to pump out the water. There is 9 lakh hectare of land in North Bihar only where water-logging remains forever and there is water logging in one lakh hectare of land in Mokama only which is the constituency of Nitish Kumar ii. The problem of water logging remains in overall 25 lakh acres of land. I would like to know from the Government that what are the steps being taken by the Government to solve the problem of water logging? Whether State Government have submitted any propusal in this regard and if not whether the Union Government can take any measures at his own and the details of the proposals, if any, submitted by the State Government.

#### [Translation]

I would like to have the response of the Government on two-three points. ... (Interruptions) The first member gets the reply but what happens thereafter. ... (Interruptions)

MR. DEPUTY-SPEAKER: Do you know what does the Calling Altention mean?

#### ... (Interruptions)

SHRI 'RAM VILAS PASWAN: Earlier it used to be like that well it is O.K. ... (Interruptions)

MR. DEPUTY-SPEAKER: Each Member is allowed to seek one clarification only. There are two more Members who want clarifications on certain point. Besides, additionally as a special case, I shall allow you. You must restrain yourself from causing obstruction.

#### ... (Interruptions)

SHRI RAMCHANDRA PASWAN (Rosera): Mr. Deputy-Speaker, Sir, I thank you for allowing me to speak. Right now, as Shri Ram Vilas Paswan said, this is a very serious matter. Most parts of Bihar are reeling under floods. The areas which are not affected by floods are experiencing drought. Thus, many people are affected by floods and drought. Through you, I want to know from

the Government as to how many people have suffered losses of lives and properties during the last three years? I would like to tell you that my constituency covers parts of districts of Darbhanga and Samastipur and my area is surrounded by Koshikalan and Balan river which remain full of by water for 8-9 months in the year. Least year, the floods submerged everything including roads and houses. Such problems continues even today in our area. Through you, I would like to tell the Government that there is no embankment along a stretch of 14 Kms. at Puhiadarza due to which this area remains inundated with water throughout the year. I have raised this issue twice in this august House during the 'Zero Hour'. I had said that the dam should be constructed in the rest of 14 Kms. stretch, so that lakhs of acres of land submerged by water could be saved. I want to know from the hon. Minister of Home Affairs as to how many acres of land are affected by water-logging and what sort of relief he would like to provide to the farmers of that area? Besides. the people there are facing the problem of agricultureloan. On the one hand there is drought, and on the other there are floods. On the one hand, the State Government neglects them. On the other, the Union Government doing justice to farmers. Therefore, the farmers should be given relief by waiving off their loan. I had raised the issue vociferously yesterday in the House in respect of flood affected area in my Constituency. But while viewing the National Channel of Doordarshan, controlled by the Government under the aegis of Information and Broadcasting Ministry, I observed that my name was not mentioned in their programme Parliament News, yesterday.

MR. DEPUTY-SPEAKER: You ask specific questions, otherwise I shall call Shri Rajesh Ranjanji.

SHRI R.<sup>1</sup> CHANDRA PASWAN: You seldom give me time and the moment I start speaking, you ask me to conclude soon.

MR. DEPUTY-SPEAKER: The Calling Attention means that you seek one clarification only.

SHRI RAMCHANDRA PASWAN: I would like to say that either the telecast of the Parliament-News be stopped or if any member makes a statement in the House, he must find a mention in that News. Besides, I would like to say that the fee of the school children belonging to the flood affected areas be waived off.

SHRI RAJESH RANJAN ALIAS PAPPU YADAV (Purnéa): Mr. Deputy-Speaker, Sir, I would like to thank you that you allowed me to speak on the Calling Attention Monition. I stand under your protection. Here the Deputy Prime Minister is also present. Not only for the last 56 vears, but hundreds of years 18 districts of Bihar are perennially affected by floods. Many a time schemes were chalked out but so long as High dam or National dams are not constructed or proper steps taken in consultation with Nepal, the people of North Bihar cannot heave a sigh of relief from the scourge of floods. I am surprised to glance through the information of relief given by the Bihar Government as submitted to the Union Government. I would like to quote the allocation of last year. Guidelines of the Government of India say that one quintal of wheat or other type of foodgrains be given to people of flood affected areas but only 25 kgs of foodgrains have been given per family there. Likewise, according to the guidelines of the Government of India Rs. 200/-per family would have to be given and for that the Union Government released 74 crores to the State. But out of that amount only Rs. 14 crore have been disbursed there. Nobody knows about rest of the money.

The Bihar Government has informed that about 79 people were killed while the fact is that as many as 450 people were killed there. Besides, only 300 people have been provided Rs. 50,000 each as compensation while the guidelines of the Government of India say that one lakh should be provided. It has been given in writing that 300 people have been given money. The Government asked to verify distribution on fertilisers and seeds. Right now Ram Vilas Paswanji was saying that no repair work was done on the ring dam that stretch for 34,000 km. for the last 13 years, leave aside the construction of new embankments. It was the same place this year being affected where last year flood occurred. Due to this the embankments were seriously affected and collapsed. Just now, Sitamarhi and Siwan was under discussion. Yesterday, I talked to Shri Madan Prasad Jaiswal. I come to know from him that Bettiah and Motihari were also affected by flooding of many rivers besides Kamla-Balan, Gandak, Mahananda etc. The half of the populace of Bihar comprising four crore people are affected by floods every year. The money given for the resettlement of one and a half crore families has not been utilised at all. If you look from this angle, you would observe the deviation from guidelines in to report sent by the State Government. The Central Government released about Rs. 70 crore for them but out of it only Rs. 14 crores have been spent so far.

MR. DEPUTY-SPEAKER: Now, please conclude.

SHRI RAJESH RANJAN ALIAS PAPPU YADAV: Mr. Deputy Speaker, Sir, I am not delivering any speech. I

am only seeking clarification. Mr. Deputy Prime Minister you know the topography of the whole country very well. There is no need to say anything in this regard. What has happened to the plan for the construction of High Dam which is under consideration since the time of many PMs likewise, what happened to the talks with Nepal for the purpose. We have not reached any agreement with Nepal in this regard. Therefore, the dam was not built there, as a result of which sand and soil entered the canals and water-level rose up. Due to this water inundated the whole area because desilting could not be done. Therefore, a permanent solution of Bihar should be thought over. Every year we should not try to gain political mileage out of it and we have to speak on flood time and again here. The problem should be solved once for all by constructing High Dams. False certificate and report are being given by the Bihar Government. It should be enquired into by a Parliamentary Committee. Besides, the loans of the farmers affected by floods should be waived off. The Government of India should show some generosity. Loans of the farmers of Bihar should be waived because farmers are being ruined by floods and drought. With these words, I conclude and request again to find some permanent solution to the problem of that region.

MR. DEPUTY SPEAKER: Though as per the provisions relating to the Calling Attention Motion, the names of only three Members are allowed yet today being the last day I am giving you an opportunity as a special case. You seek one clarification only.

SHRI PRABHUNATH SINGH: Please allow me also to ask a question.

MR. DEPUTY-SPEAKER: Now, there can be no debate on it.

SHRI DEVENDRA PRASAD YADAV (Jhanjharpur): Mr. Deputy-Speaker, Sir, I thank you for giving opportunity to me to speak. I would like to remind you that lakhs of farmers marched to Parliament on 9th September, 2002. The Minister of Home Affairs is also present here. A discussion was held on this very issue. In Bihar there is flood for six months while for six months there is drought. So, this has become the destiny of North Bihar. I would not like to discuss relief and assistance provided in Bihar as has been mentioned in the report from the State. The hon. Deputy Prime Minister has informed the House in this regard. Hon'ble Ram Vilas Paswan and Rajesh ji have told you as to what is the crisis and I would like to discuss not on the crisis but the causes of these crisis. The hon. Minister of Water Resources is also

#### [Shri Devendra Prasad Yadav]

present here. He has written me a letter that the Government has provided Rs. 30 crore to prepare a D.P.R. for construction of high-level dams for permanent solution to the problem. I received a letter of Government of India vide D.O. No. 26-93-2002 E.R. The letter mentions the problem caused by rivers Kosi, Bagmati, Gandak in the Saptkosi area affecting about three and a half crore people of 18 districts of entire North-Bihar. Just now the hon'ble Minister in his reply about Kosi said that a joint project office would be opened for Saptkosi High-level Dam and Multi Purpose Project, Sapta Kosi Storage and diversion scheme.

Mr. Deputy-Speaker, Sir, I would like to know whether the joint survey report on Saptkosi high-level Multi purpose project and Sapt Kosi Storage and diversion scheme was finalised in the four meetings of joint expert group of Nepal and India held in October, 2001. Is it also true that a decision was taken, inter alla, to set up a joint project office to start regional exploration work and joint comprehensive project and to open seven joint offices on the Nepal side where water catchment area existed. He was referring to talks held between Nepal and India. I would like to say that the decisions taken in that discussion are not being implemented. Is it true that a decision was taken to open divisional office at Virat Nagar and Liaison Offices at Chatra, Janakpur, Barai, Kurel, Lahan and Kathmandu in Nepal? I would like to know whether the Government have made an allocation of Rs. 30 crore in the Tenth Plan for conducting study to prepare a joint comprehensive project on high level dams on Kosi and multi purpose dams on Sapta Kosi, highlevel dams and Saptkosi Storage and diversion? By when this office would be opened as 8 months time has since been passed. Why delay is being caused in opening this office. Whether funds for preparing J.P.O. and D.P.R. for a permanent solution have since been released. I would like to know this.

SHRI RAGHUNATH JHA (Gopalganj): Mr. Deputy Speaker, Sir, Bihar, and specially North-Bihar, has been suffering losses due to flood every year. About this calamity, Jananayak Karpuri Thakur, who was leader of opposition and who also became the Chief Minister of Bihar, used to say that unless the Government of India together with Governments of Nepal and Bihar do not find any solution to flood problem, the poverty and misfortune of Bihar will not be removed. The Government may develop the land, construct roads, bridges and schools and agriculture but all will be ruined every year if all these three do not prepare any scheme jointly. Sir, Nepal is a country of international importance and is a friend of ours. The rivers coming from Nepal causes losses to land in Bihar, Uttar Pradesh and West Bengal. The Government of India provide assistance in case of cyclone and earthquake in other places. If the Government of Bihar spend all its entire budget on this problem it will not be successful in finding out a solution to this problem. Will the Government of India continue to compensate the losses caused to Bihar due to this problem till the Government talks to Nepal Government to find out a permanent solution to this problem.

Secondly, last year the Chief Minister of Bihar alongwith leaders of all parties met the Prime Minister. Out friend Shri Devendra Prasad Yadavji raised a question specifically about Kosi river but in North Bihar, there is not a single river embankment from Gopalgani to Kishanganj along rivers Burhi Gandak, Bagmati, Adwara, Kamalabalan, Fareha, Mahananda, Koshi which has not been damaged. Therefore, till the problem is not discussed with the Government of Nepal at high-levels for constructing a dam, this problem cannot be solved. I am also a member of the Standing Committee on Agriculture and this issue is also discussed there time and again. The Prime Minister had assured that delegation that a Liaison Office would be opened in Kathmandu. I would like to know about the progress made in this regard. We raise this flood problem in the House and we also stalled - the proceedings of the House on this issue but no concrete result is visible in this regard. It is a matter of chance that both Hon. Deputy Prime Minister and Hon. Minister of Water Resources are present in the House. We want that a concrete assurance be given to the people of Bihar in this regard. I also thank Shri Ram Vilas Paswan who raised the issue in the House.

#### [English]

SHRI ADHIR CHOWDHARY (Berhampore, West Bengal): Sir, geographically, West Bengal is adjacent to Bihar. Bihar is our immediate neighbour. Therefore, their spill-over effect, originating in Bihar, has to be faced by us. Sir, West Bengal is very much destined to face, on the one hand onslaught of flood and, on the other hand erosion. Bhagirathi River is the only discharge channel which receives entire water from Chotanagpur plateau. On the other side, such additional water from Farakka used to get discharged through this channel also. Therefore, Sir, the district Murshidabad, Nadia and Maldah are under the spincer attack of flood and erosion. Here, the Deputy Prime Minister is available. So, seizing the opportunity I would like to draw his attention to the fact

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river Pagla and Mahananda. That means, in the near future, the main flow of river Ganga will be merged with Pagla only to flow to Bangladesh by circumventing the Farakka Barrage project. So, Sir, in the near future, we will see that Farakka Barrage will stand on barren land. on dry bed. The West Bengal Government is always resorting to the plea that the Central Government is showing step-motherly treatment to that particular State Government. Whenever we rise some questions regarding flood, regarding erosion, they always blame the Central Government for not having the required fund. So, I would lie to ask the hon. Minister how much fund he has allotted to the State Government last year in regard to flood management and also for erosion. The property worth Rs. 4,000 crore has been devoured by the fierce erosion of River Padma and Ganga.

Now, at present, every day one after another village is being wiped out by erosion. It has already assumed not only national proportion but also international proportion. Both the State Government and the Central Government are totally indifferent to the perennial problem of West Bengal, Bihar and other States. ... (Interruptions)

# MR. DEPUTY-SPEAKER: What is your clarification?

SHRI ADHIR CHOWDHARY: I would like to know how much fund has been allotted to the State Government of West Bengal in regard to flood management and erosion; also how much fund the State Government has proposed to the Central Government. That is all.

#### [Translation]

DR. RAGHUVANSH PRASAD SINGH (Vaishali): Mr. Deputy-Speaker, Sir, Hon. Member Shri Ram Vilas Paswan and other Hon. Members of Bihar raised the issue of flood. It is a good chance that all members are raising the issue of Bihar unanimously otherwise one group was saying one thing while other group was saying another. Every year floods occur there and it has become a permanent problem of people there. If a permanent solution is found out, the expectations of people living there could be fulfilled. The Kunwar Sen Committee of RBI sent there to investigate it. After investigation the committee said that the losses are caused by international rivers, this problem is beyond the capability of the Government of Bihar to solve. What action will the Government of India take alongwith agreement between India and Nepal to find out a permanent solution to this problem? The Government are engaged in inter-linking of rivers. The Government are linking the rivers of the

country. Whether the Government have any details of surplus water in the rivers; the losses caused by floods in the whole country. The Government know that 10 lakh hectares of land remain inundated by water in Bihar. The people are clamouring for a solution. The land remains submerged under water. No crop can be grown there. Fishes are not seen there. What arrangements have been made by the Government? What kind of help the Government give to the State Government in this regard. Floods cause havoc to infrastructure, national highways, communication in Bihar is disrupted, the roads of Sitamarhi, Sheohar, Muzaffarpur and the bridges get damaged. What arrangements have been made by the Government for rehabilitation of those poor people who lost their houses in floods? I would like to ask this small question to the hon. Minister.

SHRI PRABHUNATH SINGH (Maharajganj, Bihar): Mr. Deputy Speaker, Sir, the hon. Members have expressed their concern over problems caused by floods every year in Bihar, Whenever Monsoon Session of Parliament starts not only Members of Bihar but also Members of other States like West Bengal where this problem erupts, express their concern on this problem. What kind of problem they face during that period they have explained. A very ludicrous situation comes to fore when people on the land suffer due to floods and the State Government and Central Government make an aerial survey by helicopter to show sympathy with affected people. People say that those flying in the helicopter do not know the agony of the people on the land. The people are in troubles while they are enjoying flight in helicopter. Through you, I would like to request the Government to take steps to prevent floods. What plans have been prepared by the Government to find a permanent solution to the problem of floods?

Mr. Deputy Speaker, Sir, my second question is whether talks have been held with Nepal in this connection as the Hon'ble Member has asked? Narayani river which flows swiftly causes soil erosion at several places. During floods, the water level increases and the people living on the banks get cut off. Several districts are affected by floods. ... (Interruptions)

# MR. DEPUTY-SPEAKER: You ask your question.

SHRI PRABHUNATH SINGH: Mr. Deputy Speaker, Sir, I am asking the question only. I will ask the question only in one minute. It is the duty of the State Government to protect the people from floods. In such a situation whether the Central Government will find a formula for

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#### [Shri Prabhunath Singh]

the safety of the dams in consultation with the State Government? Another problem is the seepage from the dams. Whether the Bihar Government has sent any proposal for the repairs of such dams, to the Central Government or is any scheme pending with the Planning Commission? Whether the Central Government will provide funds to the Bihar Government? I thank you for giving me an opportunity to speak.

SHRIMATI RENU KUMARI (Khagaria): Mr. Deputy Speaker. Sir, associating myself with the issue raised by my colleagues, through you, I would like to draw the attention of the Government towards the main issue. Each year north Bihar faces floods and the State suffers losses worth crores of rupees. Bihar Government is unable to help the flood affected people. The flood victims do not receive the relief package meant for them. Take the example of plastic sheets. The rules in this regard are so cumbersome that people do not get it. I would like to know from the Government, the steps taken by it for a permanent solution to the problem of floods. Every year Burhi Gandak and Kosi rivers cause soil erosion. The agricultural lands get eroded. What steps are the Government going to take to check this?

Whether our Government will hold talks with Nepal? During floods the loans given to the farmers should be waived. This is not being done at present. We all know that Bihar faces drought each year. North Bihar suffers from floods while Central Bihar is affected with drought. I would like to know from the Deputy Prime Minister as to what plans he has prepared for the solution to these problems? Just now Raghuvansh Babu was saying that each year 10 lakh hectares of land is inundated. Bihar is a backward state. Whether the Government would try to give a economic package quickly to overcome these problems of Bihar?

# [English]

MR. DEPUTY-SPEAKER: Dr. Nitish Sengupta, do you also want to associate with this?

DR. NITISH SENGUPTA (Contai): Yes, Sir.

MR. DEPUTY-SPEAKER: You have to ask a very short clarification.

DR. NITISH SENGUPTA: It will be very short.

Mr. Deputy-Speaker, Sir, I thank you for giving me this opportunity. I simply wish to say that this problem of water logging and flooding, affecting Bihar, parts of Uttar Pradesh and parts of West Bengal, is part of a big hydrological and geological phenomenon. You know that till the 18th century, the river Kosi was actually flowing into Brahmaputra.

During floods, River Kosi abandoned its course and started flowing into the River Ganga. Similarly, River Teesta was flowing into River Ganges but now it is flowing into River Brahmaputra. We need to have a comprehensive plan with the help of hydrologists, geologists and other expects from India, Nepal and Bangladesh to find a permanent solution because piecemeal solutions will not help us.

#### [Translation]

KUNWAR AKHILESH SINGH (Maharajganj, U.P.): Mr. Deputy Speaker, Sir, Uttar Pradesh and Bihar have been suffering heavy loss of lives and properties alongwith the lakhs of hectares of land every year due to devastation caused by the floods of rivers entering into India from Nepal. The hon'ble Minister of Water Resources during the Thirteenth Lok Sabha in his reply en discussion on floods had said India and Nepal would constitute a joint working group to make efforts to prevent losses due to floods caused by rivers entering into India from Nepal. I would like to know the outcome of the decision taken by the joint working group. Whether Government have chalked out any action plan?

I would like to draw your attention towards another point also. In 1998 when Gorakhpur faced unprecedented floods, the Hon. Prime Minister, Shri Atal Bihari Vajpayee visited Gorakhpur and promised the people that concrete efforts would be made to protect eastern Uttar Pradesh and Bihar from he havoc of floods. Whether the Government have prepared any action plan to fulfil the promise made by the hon'ble Prime Minister to the people?

SHRI DINESH CHANDRA YADAV (Saharsa): Mr. Deputy Speaker, Sir, I thank Shri Ram Vilas Paswan for bringing Calling Attention Motion regarding the problem of floods. I also want to associate myself with the clarifications sought by the hon'ble Members from the hon'ble Deputy Prime Minister on the problem of floods. My problem is that my region is a flood prone area. Kosi river originating from Nepal passes through my constituency Supaul and Saharsa before merging into the Ganga river and thereafter into the sea. Whenever a discussion takes places here on seeking a solution to the problem of floods, the Government lists various steps statem by it. But the decisions taken are not implemented. hence my request is that a high dam be constructed on

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Saptkosi. I would like to know from the hon'ble Deputy Prime Minister, the steps being taken by the Government in this direction and the time by which this problem will be solved? I would like to know whether the Government have taken any concrete decision in this regard?

# [English]

MR. DEPUTY SPEAKER: Shri Nikhil Kumar Choudhary will be the last hon. Member to speak on this issue.

SHRI SANSUMA KHUNGGUR BWISWMUTHIARY (Kokrajhar): Sir, I will be the last to speak.

# [Translation]

SHRI NIKHIL KUMAR CHOUDHARY (Katihar): Mr. Deputy Speaker, Sir, I thank you for giving me opportunity to speak on the issue of floods. I also congratulate Shri Ram Vilas Paswan for raising this serious issue in the House. The region, which I belong to, is flood prone area. Each year Bihar faces the fury of floods caused by Ganga, Kosi, Kamla, Mahananda and Gandak rivers. But the people do not get all the relief provided by the Government. I would like to know whether the Central Government have formulated any plan so that the flood affected people receive all the relief provided by the Government?

Another point I would like to raise is that these rivers cause soil erosion which is causing lot of problems to the people. The situation is such that those who were well off till yesterday are now leading he lives of penury. Money is being spent to check soil erosion but the Government is not making any efforts to find a permanent solution.

MR. DEPUTY SPEAKER: Ask the question, do not make a speech.

SHRI DINESH CHANDRA YADAV: I would like to know from the honourable Minister whether the State Government has issued any direction in this regard or efforts are being made to find an appropriate solution through talks with them? Whether the amount that is being given to check the soil erosion will help in checking anti-erosion works expeditiously? This is my question.

SHRI SANSUMA KHUNGGUR BWISWMUTHIARY: It would have been better had I also been given opportunity to speak.

# [English]

MR. DEPUTY SPEAKER: Shri Bwiswmuthlary, this is a calling attention on floods in Bihar. Please try to understand.

SHRI SANSUMA KHUNGGUR BWISWMUTHIARY: Sir, hon. Members from outside the State of Bihar have also spoken on the issue.

#### [Translation]

SHRI RAJESH RANJAN ALIAS PAPPU YADAV: This is today's newspaper which says that red alert has been declared in Gopalganj and Madhubani. This situation prevails in the home district of Chief Minister.

# [English]

MR. DEPUTY SPEAKER: Shri Rajesh Ranjan alias Pappu Yadav, please hear the hon. Deputy Prime Minister.

# ... (Interruptions)

# [Translation]

SHRI L.K. ADVANI: Mr. Deputy Speaker, Sir, the House will be obliged for your recognising the severity of the problem and deviating from tradition in allowing many other hon. Members to express their concern besides the three members who had given the Calling Attention Notice. All of them have expressed concern. Out of the 12 Members who spoke, two were from Wast Bengal, one was from Uttar Pradesh and rest were from Bihar. One hon. Member from Assam wanted to speak, but could not do so. Bihar and Assam are two States of India, which are worst affected by flood.

# (English)

SHRI ADHIR CHOWDHARY: Including West Bengal. ... (Interruptions)

SHRI L.K. ADVANI: I know that. I am only talking of those States which are affected the most. ... (Interruptions)

SHRI ADHIR CHOWDHARY: It is a perennial problem. ... (Interruptions)

MR. DEPUTY SPEAKER: Please listen to the hon. Deputy Prime Minister.

... (Interruptions)

# [Translation]

SHRI L.K. ADVANI: Everyone was concerned about finding a permanent solution to the flood problem. Flood relief measures are provided by the Union Government and the State Government every year. I have provided the figures received from the State Government. Those figures have also been challenged. Hon. Pappuji said that the figures are doctored. I am afraid that it is not so especially, the number of people dying. Nobody would be so heartless as to say that only 79 have died whereas in reality 300-400 have died. It seems improbable. Many persons died last year. I have figures for four years and as per it. 79 died in the year 2003 while the year 2002. Bihar Government have informed that 451 have died. There may be different perceptions and it might be that those whom he considers dead in this year, were actually dead in the previous year. Therefore, the figures that have been submitted by them and those I have laid on the table are basically correct. But the concern to find a permanent solution to the problem is genuine.

SHRI RAJESH RANJAN ALIAS PAPPU YADAV: I would like to tell you one small thing for information. ... (Interruptions)

MR. DEPUTY SPEAKER: Rajesh Ranjanji, you please sit down.

... (Interruptions)

# [English]

MR. DEPUTY SPEAKER: You have all raised very serious questions. The hon. Deputy Prime Minister is answering. Please listen to him.

# ... (Interruptions)

# [Translation]

SHRI RAJESH RANJAN ALIAS PAPPU YADAV: The figures are inflated and less funds have been allocated than stated. It may be inquired ... (Interruptions)

SHRI L.K. ADVANI: I will try to ascertain its genuiness. I will try to gather information on it but I know that about 30 years ago, in the year 1974, National Commission on Flood was constituted which gave a number of recommendation. Those recommendations were sent to each State. It is correct that the Ministry of Water Resources is the nodal agency for flood related works but wherever calamity occurs, relief is provided from Calamity Relief Fund. Earlier the work of disaster management, be it drought, flood or earthquake was entrusted to Ministry of Agriculture, but after two years of concern and deliberations it was decided to make some permanent arrangement and entrust the work of disaster management to Home Ministry. That is why I am replying for the first time to the issue related to floods because

# [English]

Disaster Management has shifted to the Ministry of Home Affairs ... (Interruptions).

# 15.00 hrs.

# [Translation]

Mr. Deputy Speaker, Sir, for this purpose, we have constituted a full fledged department and within that, our effort is to couple relief measures after the calamity has occurred with anticipatory measures even before calamity has struck. Our effort is to create a permanent mechanism for it. We felt its need, especially after the occurrence of Gujarat guake. We were not fully prepared. That is why the relief work could not be conducted in an efficient manner. Our dogs were trained only to locate drugs such as Ganja, Cannabis and hashish and they were not trained to locate surviving men in the debris. We had to bring such sniffer dogs from Switzerland. They were trained to find surviving men in the debris. Snow fall is quite heavy in Switzerland and so the dogs are trained to find surviving men buried in snow. We have also started imparting a similar training to our dogs. We are taking other measures also as part of disaster management.

Mr. Deputy Speaker, Sir, when I was informed of the Calling Attention yesterday, I requested my colleague, who is in-charge of the Minister of Water Resources to be present in the House as questions are likely to be asked about the talks held with Nepal and the future course of action we propose to take on the basis of those talks. Sir, with your permission and leave of the House, I request him to provide the information in this regard.

## [English]

THE MINISTER OF WATER RESOURCES (SHRI ARJUN CHARAN SETHI): Mr. Deputy-Speaker, Sir, some hon. Members, especially Shri Ram Vilas Paswan, have raised the problem of flood in Bihar and other hon. Members have raised the problem of flood in other different States like West Bengal, Uttar Pradesh etc. I would like to remind, and especially the hon. Members hailing from Uttar Pradesh, Uttaranchal, Bihar, West Bengal, that I have addressed a letter to each of the hon. Members hailing from these States giving the details of the specific measures that the Ministry of Water Resources have taken to mitigate the sufferings of the people in these States. I am sure, all of them must have received the letter. In this letter I have mentioned the details about the steps we have taken to mitigate the sufferings due to floods and river bank erosions.

Hon. Members, Shri Ram Vilas Paswan, Shri Rajesh Ranjan alias Pappu Yadav, Shri Devendra Prasad Yadav, Shri Ram Chandra Paswan and other Members who have participated in this debate have raised about specific measures the Government has taken and how to find a permanent solution to this problem of flood as well as drought in this country.

I would like to just remind the hon. Members that our hon. Prime Minister as well as hon. Deputy Prime Minister and also the hon. President of India have taken keen interest in the scheme of inter-linking of rivers. Our friend, Dr. Raghuvansh Prasad Singh, in a sarcastic manner said---- 'you are thinking of inter-linking of rivers and you are not doing anything so far as the flood and drought in Bihar and other parts are concerned'. As has already stated by the hon. Prime Minister not once but many times, and also by the hon. President of India and the hon. Deputy Prime Minister who have stated it on a number of items that unless we have this kind of a project---it may take a number of years in getting it implemented and may require very large sums of moneybut no flood or no drought problem can be mitigated in the country without this project.

SHRI ADHIR CHOWDHARY: Still it is controversial. Furthermore, States are not agreeing to your proposal. In all the States, whatever is being done, you are doing it in pursuance of the Supreme Court directions.

SHRI ARJUN CHARAN SETHI: Please listen to me. You have mentioned that the hon. Supreme Court has intervened, yes they have also directed the Government of India.

SHRI ADHIR CHOWDHARY: But, the States are not agreeing to it.

SHRI ARJUN CHARAN SETHI: So, for permanent solution, the Government as a whole; my Ministry, as well as the other Ministries are co-ordinating these schemes so that this can be implemented soon, so that this problem can be mitigated.

SHRI ADHIR CHOWDHARY: It is a utopia.

SHRI ARJUN CHARAN SETHI: You may say that it is a utopia.

SHRI ADHIR CHOWDHARY: I am not saying, but many experts are saying so.

MR. DEPUTY-SPEAKER: Please, Shri Adhir Chowdhary. Another Celling Attention is also there to be taken up.

SHRI ARJUN CHARAN SETHI: If we are serious in dealing with this kind of problems then we should be serious in our approach, and we should be serious in consideration on this aspect. I do not say that it can be implemented in a very short period of time. But, ultimately, it is the only solution before us.

Sir, so far as Bihar is concerned, Shri Paswan has raised a couple of queries. He asked as to what you have done about Mokama Taal, and how you are going to solve the drainage problem of Mokama Taal in Bihar? Similarly, he has raised what are the permanent measures that the Government has taken to control the floods of Sun Kosi, Gandak, Kamla, Bagmati, etc.?

Sir, as I have stated earlier, we are having constant interaction with the Government of Nepal because we all know these rivers originate from Nepal. So, unless we have co-ordination, and unless we have any kind of agreement with Nepal, this problem cannot be solved. ... (Interruptions)

## [Translation]

Please listen to me first.

# [English]

MR. DEPUTY-SPEAKER: That is why I say that you must have patience.

SHRI ARJUN CHARAN SETHI: He is very keen. He has asked me a question. I have all the details with me. I will certainly reply to all the queries.

# [Translation]

MR. DEPUTY SPEAKER: Please do not interrupt.

#### [English]

Another Calling Attention is also there. I have to take up that Calling Attention also.

SHRI ARJUN CHARAN SETHI: Sir with your permission, I would like to read the measures that we have taken so far as having a permanent kind of solution in Bihar is concerned.

Sir, about Sapta Kosi High Dam Multipurpose project, and Sun Kosi Storage-cum-Diversion Scheme, he has asked whether the Liaison Office has been opened in Nepal or not. I would like to answer that question.

The proposal for setting up of the Joint Project Office in Nepal for taking up field investigations and preparation of Detailed Project Report, estimated to cost Rs. 29.34 crore, as considered and recommended for approval by the Committee of PIB in its meeting held on 3rd February 2003, has since been approved.

The administrative approval and financial sanction for the subject scheme was issued vide this Ministry's order dated 7th March 2003. The sanction for redeployment of Indian personnel in the JPO, that is, Joint Project Office, and for pay and allowance has been issued vide order dated 24th April 2003 and 1st July 2003.

The Joint Project Office (JPO) on Sun Kosi and Sapta Kosi at Biratnagar and Liaison Office at Kathmandu would be in operation for a period of 30 months from the date of its opening or until the completion of the DPR, whichever is earlier. The Divisional Offices at Dharan and Janakpur and Sub-Divisional Offices at Biratnagar, Chatara, Kurule and Lahan would be in operation for a period of 24 months and 18 months respectively, from the dates of their opening.

These are the specific steps that we have taken, and from these you can imagine in what speedler manner we are taking steps to open these offices, and to have the Data Project Report also on Sapta Kosi High Dam Multipurpose Project.

Similarly, the staff requirement—as was jointly agreed—comprises of a total of 142 officials, out of which 100 officials are from Nepal, and 42 officials are from India who are to carry out field investigations and studies.

The project, as per the feasibility report prepared by CWC in 1981, will *inter alia* have 269 metres high dam with an installed capacity of 3,300 MW and irrigation benefits accruing both to India and Nepal. The project which was estimated to cost Rs. 4,074 crore at 1981 price level is now estimated to cost Rs. 24,600 crore which, in addition to *Kosi* Multipurpose Project, will also include *Sun Kosi* Diversion scheme as well.

The fifth meeting of the Joint Team of Experts on Sapta Kosi was held during 24th-27th June, 2003 in which it was agreed to set up the JPC by August, 2003. An amount of one crore rupees has been provided in the budget estimate for the year 2003-04.

These are the specific steps we have taken in respect of these two rivers, that is, *Sapta Kosi* and *Sun Kosi*. Similarly, we are taking specific measures in respect of *Kamla-Bagmati.* ... (Interruptions)

SHRI RAGHUNATH JHA: What about Bagmati?

MR. DEPUTY-SPEAKER: Shri Jha, I have got another Calling Attention Notice to be taken up after this. Why do you hear him?

SHRI RAM VILAS PASWAN: Sir, his reply is very important.

MR. DEPUTY-SPEAKER: That is true, but let him complete his reply.

# [Translation]

SHRI PRABHUNATH SINGH: Mr. Deputy Speaker, Sir, this is the basic question and it should be replied.

MR. DEPUTY SPEAKER: Please let the hon. Minister complete his reply. Questions can be asked later.

#### [English]

SHRI RAGHUNATH JHA: What about Gandak and Bagmat?

MR. DEPUTY-SPEAKER: There is one more Calling Attention Notice to be taken up after this.

SHRI ARJUN CHARAN SETHI: So far as Burhi Gandak is concerned, the talks are on with Nepal. A Joint Team has been constituted which will shortly visit Nepal for discussions and for preparing a Detailed Project Report.

# [Translation]

SHRI PRABHUNATH SINGH: Mr. Deputy Speaker, Sir, the talks are on since long but whether anyone can say that when the talks would result in anything substantial. Talks have been going on since independence, but when can we expect result of it?

# [English]

DR. NITISH SENGUPTA: There is a very good Hydrological Simulation Centre at Pune.

MR. DEPUTY-SPEAKER: Dr. Sengupta, this is a Calling Attention Notice and it cannot be converted into a discussion under Rule 193. There is a limitation in terms of time. There is one more Calling Attention Notice that is slated for today. How do I take it up. Today being the last day, I would request the hon. Minister to give in writing whatever details the Members have asked for, that is, what action you have taken on this issue. Otherwise, I will not be in a position to complete this discussion on this Calling Attention Notice. There is one more Calling Attention Notice to be taken up today.

SHRI ARJUN CHARAN SETHI: To arrive at a consensus between different States within the country, it takes not months but a number of years. Here, we are having discussions with another country, that is, Nepal. Therefore, to arrive at a consensus, it will certainly take time. When we are finding it difficult to arrive at a consensus between different States within the country, it will certainly take more time, where it pertains to another country.

One hon. Member asked, "What about Kamla and Bagmat?" As I have already stated, talks are going on with the Nepal Government. Though they have certain reservations, we are still having discussions with them. However, no definite conclusion has yet been reached.

SHRI RAM VILAS PASWAN: What about waterlogging?

SHRI ARJUN CHARAN SETHI: Hon. Members, you are all senior Members. Primarily, this subject is in the State List.

SHRI RAM VILAS PASWAN: But you are my friend.

SHRI ARJUN CHARAN SETHI: I might be your friend, but it is the State Government which has to initiate the proposal. Unless they initiate the proposal I cannot impose anything on them. SHRI RAM VILAS PASWAN: Have they not sent the proposal?

SHRI ARJUN CHARAN SETHI: Especially for Mokama Taal. ... (Interruptions)

SHRI RAM VILAS PASWAN: I am not talking about the waterlogging in one lakh hectares in *Mokama Tala*, *which* falls within the constituency of Shri Nitish Kumar, but I am talking about the waterlogging in nine lakh hectares.

SHRI ARJUN CHARAN SETHI: They have not submitted any scheme yet. Only one proposal has come to us from the Bihar Government and that is for *Mokama Taal*.

MR. DEPUTY-SPEAKER: Mr. Minister, whatever details that the Members have asked for, you may please send them in writing later.

# [Translation]

DR. RAGHUVANSH PRASAD SINGH: Mr. Deputy Speaker, Sir, whether he has any scheme to solve the problem of water logging? ... (Interruptions)

# [English]

SHRI ARJUN CHARAN SETHI: I have already stated that it is up to the State Governments. They have to initiate the proposal; they have to make the estimate. If they do not submit a proposal, I cannot do anything.

# [Translation]

DR. RAGHUVANSH PRASAD SINGH: State Government does not have funds. ... (Interruptions)

#### [English]

MR. DEPUTY-SPEAKER: Hon. Minister, you can send in writing to the hon. Members the details they have asked for.

SHRI ARJUN CHARAN SETHI: I will take only one minute, Sir.

So far as erosion of river banks in West Bengal, Bihar, Uttar Pradesh and Uttaranchal is concerned, we have the office of Ganga Flood Control Commission (GFCC) situated at Patna. They are having constant monitoring. ... (Interruptions)

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SHRI ADHIR CHOWDHARY: What is the quantum of money earmarked for West Bengal on this issue?

MR. DEPUTY-SPEAKER: He will send the information to you in writing.

SHRI ADHIR CHOWDHARY: Sir, please ask him to do so. ... (Interruptions)

MR. DEPUTY-SPEAKER: I have already asked him to do that. Mr. Minister, send the details the hon. Members have asked for, in writing.

SHRI ARJUN CHARAN SETHI: Sir, this is a Calling Attention on Bihar only. However, many Members have raised other issues.

MR. DEPUTY-SPEAKER: Not many, only four-five Members have raised their issues.

SHRI ADHIR CHOWDHARY: Sir, the problem of rivers is not confined only to Bihar. It is an all-pervading issue. ... (Interruptions)

SHRI ARJUN CHARAN SETHI: You had better approach your State Government. ... (Interruptions)

# [Translation]

MR. DEPUTY SPEAKER: Ram Vilas Paswan ji, why are you rising when your question has been answered.

... (Interruptions)

SHRI RAM VILAS PASWAN: Mr. Deputy Speaker, Sir, hon. Minister has not replied about Phulya-Darajia. ... (Interruptions)

MR. DEPUTY-SPEAKER: Rest of your queries will be replied in writing.

... (Interruptions)

[English]

MR. DEPUTY-SPEAKER: Item No. 22-Shri Chandrakant Khaire.

... (Interruptions)

MR. DEPUTY-SPEAKER: Nothing will go on record except Shri Khaire now.

15.18 hrs.

(II) Situation arising out of huge amount of bank dues outstanding against Fateja Forging and Auto Parts Company, Aurangabad and steps taken by the Government in regard thereto.

# [Translation]

SHRI CHANDRAKANT KHAIRE (Aurangabad, Maharashtra): Mr. Chairman, Sir, I draw the attention of the hon'ble Finance Minister towards the following matter of urgent public importance and request him to make a statement in this regard:

"Situation arising out of huge amount of bank dues outstanding against Fateja Forging and Auto Parts Company, Aurangabad and steps taken by the Government in regard thereto"

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): Mr. Deputy Speaker, Sir, my colleague Shri Chandrakant Khaire of Shiv Sena Party has given notice for calling attention motion, I rise to reply in this regard.

Hon'ble Khaireji always remains vigilant of his Parliamentary constituency. He has asked about the action proposed to be taken by the Government against Fateja Group of Company located in his Parliamentary constituency for its wrong deeds and the present situation of the company arose out of it. Fateja Groups of Company, Fateja Brothers and Forging and Stamping Ltd. And Fateja Forging and Auto Parts manufacturing Ltd. Companies are manufacturing spare parts of two and four wheeler vehicles. This company was established is 1968 and became public limited company in 1980. Initially, under the leadership of Punjab National Bank. ... (Interruptions)

THE MINISTER OF STATE IN THE MINISTRY OF YOUTH AFFAIRS AND SPORTS (SHRI VIJAY GOEL): Parliament is discussing an individual company. ... (Interruptions)

SHRI ANANDRAO VITHOBA ADSUL: It has to be taken up once it is admitted. ... (Interruptions)

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KUNWAR AKHILESH SINGH (Maharajganj, UP): Mr. Deputy Speaker, Sir, scam has taken place. ... (Interruptions)

SHRI ANANDRAO VITHOBA ADSUL: It is true that scam has taken place. ... (Interruptions)

SHRI CHANDRAKANT KHAIRE: A bungling of Rs. 850-crores has been committed. ... (Interruptions)

SHRI ANANDRAO VITHOBA ADSUL: Government is ready to give reply. ... (Interruptions)

MR. DEPUTY SPEAKER: What is this?

... (Interruptions)

[English]

MR. DEPUTY-SPEAKER: The hon. Minister is replying, you should not interrupt.

... (Interruptions)

#### [Translation]

SHRI CHANDRAKANT KHAIRE: I have the information regarding bungling of crore of rupees. ... (Interruptions)

MR. DEPUTY-SPEAKER: That's why notice for calling attention motion has been admitted.

... (Interruptions)

SHRI CHANDRAKANT KHAIRE: Mr. Deputy Speaker, Sir, only 10 minutes have left and I have not raised my guestions till now. ... (Interruptions)

MR. DEPUTY SPEAKER: You would be able to raise questions. That's why it has been taken up.

... (Interruptions)

SHRI VIJAY GOEL: Mr. Deputy Speaker, Sir, can Parliament discuss an individual company. ... (Interruptions)

SHRI CHANDRAKANT KHAIRE: Why are you disturbing? You are not a Member rather you are a Minister. ... (Interruptions)

MR. DEPUTY-SPEAKER: Khaireji, you yourself are wasting your time. You please be calm and quite.

... (Interruptions)

[English]

MR. DEPUTY SPEAKER: Hon'ble Minister, please give the reply.

... (Interruptions)

# [Translation]

SHRI ANANDRAO VITHOBA ADSUL: They got loan as working capital from the banks and infrastructure companies set up under the leadership of Punjab National Bank. This company was doing well till 1995-96, they gave dividend also. But later on in the name of organisation and expansion, they took loan through shares, promoter's funds and on the basis of turnover of some organisations, they even received loan from the non-banking Financial institutions at higher rate of interest. Since then, company's condition started deteriorating. Alongwith the higher rate of interest, they had to pay higher rates for the borrowings from Private Financial companies. Consequently, mismanagement started and the company began to make losses. I have mentioned 206.30, the company spent this entire amount at that time. Unfortunately, at that time automobile industry was passing through the recession. This affected the company adversely and in 1996-97, the company suffered a loss of Rs. 167.30 crore. The company continued to suffer losses for many years. In 1999 the company was closed down. The company had approached BIFR in 1997. On 24th March, 1999 BIFR declared the company as a sick unit. ... (Interruptions)

Through its management, company filed an appeal against it but it was dismissed. Thereafter, through the advertisement of ICICI in newspapers, they informed about the change of management but no response was received and nobody came forward. Thereafter the company was locked out. Then BIFR suggested that the Management and ICICI together should give a good proposal but no such proposal came and ultimately the company was wound up. The criminal cases were filed against the promoters of the company because of the mismanagement and they did not repay the loans taken from the banks. IFCI also filed criminal cases against them for not issuing the cheques. This company had taken over the Singapur branch of Bank of India after passing a loan of 12.5 million US dollars. The company had taken some funds from this branch as an allowance to purchase machinery but they spent it elsewhere for which Bank of India filed a case in CBI. This is the present condition of the company. I am aware what Khaireji wants. He is worried about more than 4500 workers who are not getting salary

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# [Shri Anandrao Vithoba Adsul]

for the last 3-4 years since the company has been wound up. As per the workers, there are some irregularities in their Provident Fund also. CBI inquiry has been initiated and the result would come in few days. The Government has received all this information from the Reserve Bank.

SHRI CHANDRAKANT KHAIRE: You have taken up this calling attention at this time, before that a major problem of my friends from Bihar was discussed. ... (Interruptions) Sir, you have to give 10-15 minutes more because it is a major scam. We all are representative of people. Suppose Akhilesh Singh ji asked the manager of a Bank to grant a loan of Rs. 50,000 or one lakh to some unemployed person, but the bank authorities do not grant the loan. We go to the bank for several times but they do not sanction the loan. My submission is that some action should be taken against the banks which are involved in tirregularities of crores of rupees. This company is situated in my Parliamentary Constituency. 300 workers were engaged in it but in 2001 it was locked out. After lock out, there was a dispute of provident fund of the workers which was under discussion with the Deputy Labour Commissioner also. However, the workers did not get anything as compensation or remuneration. Thereafter, inspite of having dues of 46 lakh rupees as Provident Fund of the workers, they sealed the company and stated that they had become defaulters. The company had played this trick earlier also before the company was sealed. In 1997, the company was in very bad shape. It has been written there:

# [English]

"Since 1997 this group of companies started committing defaults in their payments to the institutions. Financial mismanagement and indiscipline,..."

# [Translation]

The money that was borrowed from other sources was also not repaid. Thus heavy amount is outstanding against them. A sum of Rs. 121 crore of IDBI is outstanding against this company. God knows how the PNB which is a lead Bank did help them in getting so much of amount. It seems that the owner of Fateja might be the relative of CMD. Rs. 115 crore of ICICI, Rs. 89 crore of IFCI, Rs. 21 crore of State Bank, and Rs. 54 crore of Bank of India are outstanding against them. Overall Rs. 500 crore are outstanding. I would like to tell about the situation prevailing there. When the Bank of India lodged complaint with the CBI, CBI and the workers looked for the owner but he was not found. He was selling out machinery in the name of scrap. When the industry workers went there to stop him from doing so, he was not there. Then they approached court. Thereafter, the company was sealed by provident fund. However, after breaking the seal with the help of fake documents Rs. 100 crore was sold at Rs. 35 lakhs. The owner of Fateja wrote a letter to Ambica Scrap Centre, Pune.

#### [English]

MR. DEPUTY-SPEAKER: Is it the pleasure of the House to extend the time for this discussion by 15 minutes?

SHRI RAMESH CHENNITHALA (Mavelikara): There should not be any encroachment on the time of the Private Members' Business. ... (Interruptions)

MR. DEPUTY-SPEAKER: Only 15 minutes are required. Having taken up the discussion, let us finish it

# [Translation]

SHRI RAMJI LAL SUMAN (Firozabad): Mr. Deputy Speaker, Sir, the proposal should be moved in the House that P.M.B. Bill listed for today can not be taken up. Since today is the last day of the session, one hour be allotted for Zero Hour.

SHRI MULAYAM SINGH YADAV (Sambhal): We too have to speak in Zero Hour, so please give some time to all the Members.

#### [English]

SHRI PAWAN KUMAR BANSAL (Chandigarh): In any case, now no other business except the private members Business will be taken up.

# MR. DEPUTY-SPEAKER: Yes

So, the time for this discussion is extended by 15 minutes.

# [Translation]

SHRI SHYAM BIHARI MISHRA (Bilhaur): What about Rule. 377?

MR. DEPUTY-SPEAKER: That will be taken up after this.

SHRI CHANDRAKANT KHAIRE: Rs. 500 crore are dutstanding against them. Rs. 46 lakh of provident Fund is also outstanding. Besides this the amount of employees is also due. The machinery scrap of the company was worth Rs. 100 crore but with the help of fake documents it was sold in Rs. 35 lakh. The police and other officials did not pay attention to the transport of the scrap. When the scrap of the company was being transported to other places after breaking the seal of the provided Fund authority, the workers approached there and lied before the trucks and demanded their dues. Despite the court order scrap was transported with the help of forged documents. It was mentioned in the fake document.

#### [English]

"With reference to the above subject, we have sold this scrap, cable wires etc. The total scrap is 700 tonnes."

# [Translation]

Such huge scrap worth Rs. 100 crore was sold in only Rs. 35 lakh. The person who prepared forged document and put him signature was the owner of Fateja. I would like to submit that today we have passed IDBI Bill. We should also ponder over the functioning of the banks. If Rs. 25,000 of a bank is outstanding against any one, it is recovered. The minister of the concerned department relating to banking belongs to our party. However. I would like to allege the banking Ministry that if someone want to take a loan of Rs. 1 lakhs, he has to visit the bank hundred times.

MR. DEPUTY-SPEAKER: Are you alleging the Minister of banking.

SHRI CHANDRAKANT KHAIRE: I am alleging the banking administration. Suppose there is a middle class industrialist. He has working capital amounting to Rs. 5 crore or Rs. 10 crore. it is not easy for him to get loan. If one intends to take loan in three digit or four digit, that is, Rs. 100 crore or more than that, then the loan is sanctioned to him. If our people's representative ring up any bank and tell them that so and so child is poor, please give him loan, they will not give loan to that child. The officers of the banks were aware that there is dues of the banks and the company was sealed yet the administration of the said five banks did not act accordingly.

Sir. I would like to submit that there are several such companies which have swallowed public and Government money. Thorough inquiry should be conducted against such companies. The enquiry should also be held regarding the mismanagement of the banks and how the money was withdrawn from the banks. The guilty officers should be suspended and CBI inquiry should be conducted regarding all the cases including Bank of India. How Rs. 500 crore of banks will be recovered as the owners who had taken loan have gone to abroad. Four-five workers have died and rest are dying of hunger. The action should be taken against these officers of Punjab National who are found guilty. It is public money. If such things happen then what message will go the people. The owners of Fateja company should be extradited and the entire amount should be recovered from them. The strict inquiry should be held by CBI against the guilty officers. I would like to demand that the workers should get their money.

# [English]

MR. DEPUTY-SPEAKER: As a special case, I am permitting Shri Shivaji Mane. Today being the last day of this session, I am going liberally.

#### [Translation]

SHRI SHIVAJI MANE (Hingoli): Mr. Deputy Speaker, Sir, hon'ble Chandrakant Khaire li has moved calling attention motion on the recovery, however through you, I would like to submit that NPA of banks is above one lakh crore rupees. Hon'ble Chandrakant Khaire ji has asked about the recovery from only one company, that is, Fateja. Infect there are many such companies against which crores of rupees are outstanding and for which the Government have introduced one time settlement scheme. If the marginal farmers take a small loans of Rs. 20-25 thousand and they fail to repay it, their agricultural field and houses are attached. I would like to know whether the Government propose to attach the properties of such people who are not repaying loans and bring legislation at the earliest in this regard. Otherwise several years will be wasted in legal altercation in BIFR, DRT, High Courts and Supreme Court.

SHRI ANANDRAO VITHOBA ADSUL: Mr. Deputy Speaker, Sir, I respect my colleagues hon'ble Chandrakant Khaire ji and Mane ji and also respect their sentiments. As I said in the beginning that the company was functioning well till 1996. IDBI Punjab National Bank, ICICI, State Bank of India IFCI and Bank of India have been mentioned. They had also provided loans to the company. It had also taken loan for the expansion and modernisation. Then there was recession in Automobile sector and the company continued the function in loss. ... (Interruptions) As I have told earlier that their mismanagement was also responsible for that. It was on

# [Shri Anandrao Vithoba Adsul]

account of that loss that the company could not overcome difficulties. Cases have been filed against them by the banks. Case is pending in DRT and Bank of India has also registered case with CBI. Everything will automatically come before us. Our colleague Shri Mane ji have submitted that earlier there was no one time settlement for farmers under cooperative Bank, however, now this facility has also been extended to them. Whether it is loan of Rs. 10 thousand or Rs. 50 thousand they have, also this facility. Member has asked second question regarding the recovery. In the last session Scruitnisation Act was passed by the same House and has also been enforced. The property of the wilful defaulters has been mortgaged and it is under the possession of banks. Banks can sell it out to recover the loan amount. The steps have been taken in this direction and this process is continue. Last year in 2002, NPA of Public Sector was 12 percent which has reduced to 4.6 percent. It means that recovery has improved under the one-time-settlement and it is also being done under the Scrutinisation Act.

As far the property of Fatehja group of companies is concerned, their property is under the possession of bank and criminal cases have been also registered against them. One day they will be brought to book whereever they go. Today I can say only this.

SHRI CHANDRAKANT KHAIRE: Sir, Rs. 500 crore are outstanding against them. How will it be recovered. I would like to know whether CBI inquiry will be held by the Government against them.

MR. DEPUTY SPEAKER: CBI enquiry is going on.

#### ... (Interruptions)

SHRI CHANDRAKANT KHAIRE: I want to say that other industries should not do so. The Government must think over it. ... (Interruptions)

SHRI ANANDRAO VITHOBA ADSUL: I would like to say that please give the additional information in writing you have with you. The Government will hold an enquiry into it.

# ... (Interruptions)

# [English]

MR. DEPUTY-SPEAKER: Matters under Rule 377 be treated as laid on the Table of the House, including the stand-by list of the Members permitted as a special case.

# 15.42 hrs.

# MATTERS UNDER RULE 377\*

(i) Need to clear the proposal of the Government of Gujarat to upgrade certain coastal ways and State Highways to National Highways.

# [English]

SHRIMATI JAYABEN B. THAKKAR (Vadodara): The Government of Gujarat had written letter to the Central Government to upgrade coastal ways to National Highways and other 13 State Highways to National Highways. The matter has not been resolved as yet.

I urge the Government to resolve the issue at the earliest.

# (ii) Need to retain Brahmavart railway station and convert narrow-gauge line between Mandhna and Bithoor into broadgauge in U.P.

## [Translation]

SHRI SHYAM BIHARI MISHRA (Bilhaur): Mr. Speaker, Sir, Bithur is an ancient, historical and religious place under Kanpur metropolis. On the Brahmavart Ghat in Bithur, there is the 'Khunti' of mythological character "Brahma', Balmiki Ashram, the place of austerity of mother 'Sita' and the birthplace of Luv-Kush is situated there. Boy Dhruv had practiced austerity at 'Dhrub-Teela'. This is the place of work of Rani Laxmibai, Tantya Tope and Nana Saheb. The Britishers had set up a railway station in the name of 'Brahmavart'. A rail tracks of 20 Kms. from Mandhna Junction was laid down and it is working since then. Now the railway department have closed this railway station. Now rail tickets are being sold on contract basis here, all signals have been uprooted. The meter gauge line from Mandhana to Brahmavart has not been included in the gauge conversion work between Kanpur-Farrukhabad rail line. It appears that the department of railway wants to scrap the operation on this line. This has caused great resentment among resident of the area especially the sadhus. I would like to request the Union Government and the hon. Minister for Railways that status quo be maintained for Brahmavart railway station and the meter gauge line between Mandhana and Bithur may be converted into broad-gauge line so that historical character of ancient and religious places could be maintained.

Treated as laid on the Table.

# (iii) Need to provide stoppage of Rajdhani Express running between Delhi and Ahmedabad at Palanpur, Gujarat.

# [Translation]

SHRI HARIBHAI CHAUDHARY (Banaskantha): Mr. Speaker, Sir, the Rajdhani Express running between Delhi and Ahmedabad has no stoppage in Gujarat while this rail service stops at three places in Rajasthan. The people of North Gujarat and Gandhi Dham are not being benefited from this rail service. The traveling time of the train between Ahmedabad and Delhi is more while it can cover the same distance in less time. The train runs very slowly due to more travel time allotted as the time-table cannot be followed if it reaches earlier than allotted time. For the above two reasons, it can be stopped at Palanpur for two minutes so that people from Gandhidham and North Gujarat can avail its benefit.

Through the House, I request the Union Government to provide stoppage of Delhi-Ahmedabad Rajdhani Express at Palanpur and increase its speed by revising its time table.

# (iv) Need to ensure availability of Hepatitis A to D injections free of cost in Government Hospitals.

# [Translation]

DR. JASWANT SINGH YADAV (Alwar): Mr. Speaker, Sir, the fatal and dangerous disease like Hepatitis A-B are constantly increasing in the country while the impact of the disease is decreasing in other countries of the world, in India 4-5 crores people are suffering from it. The injection for the disease is available in the open market which can be purchased. Like polio, this injection should be made available free of cost in all Government hospitals, dispensaries, primary health centre. The rural people and the poor of the country cannot purchase the vaccine from the market and use it as they cannot afford it. Therefore, it is requested that concrete and effective steps be taken for earliest arrangements of free vaccination of Hepatitis 'A', 'B', 'C', and 'D' in all government hospitals in the country on the pattern of polio.

# (v) Need to set up an I.T. Park in Dhule Parliamentary Constituency, Maharashtra.

SHRI RAMDAS RUPALA GAVIT (Dhule): Mr. Speaker, Sir, my parliamentary constituency, Dhule is an economically backward area of Maharashtra. No special means are available there for the employment of youth of this are who are there in large numbers. Therefore, for the development of the area, the then Minister of Information Technology had, in 2002, assured the setting up of an I.T. park at Dhule subject to the condition that land is made available. Now the State Government have provided land for I.T. Park under MIDC. This area could develop in this region after setting up of the I.T. Park.

Therefore, through you, I request the Minister of Communication and Information Technology that he may take necessary action in setting up an I.T. Park in my parliamentary constituency Dhule (Maharashtra) in public interest.

# (vi) Need to introduce air service from Surat to other important cities of the country.

# [Translation]

SHRI MANSINH PATEL (Mandvi): Mr. Speaker, Sir, in the Southern region of Gujarat, Surat is a major industrial and trade centre and which is famous for diamond and textile industry all over the world. The industrialists and traders go to other States for their work and people from other States also come over there. But the airport of this place is not being used commercially and due to that traders and industrialists are facing hardships.

Through the House, I request the Union Government to introduce air services from Surat city to other cities of other States.

# (vii) Need to check increasing incidents of foeticides in the country particularly in Korba districts of Chhattisgarh.

#### [Translation]

DR. CHARAN DAS MAHANT (Janjgir): The women population of the Korba district of Chhattisgarh State is fast decreasing. If we look at the Urban and Rural Population the male female ratio is 1000:800. If we look at the rural population of Korba, block area, there are only 59,000 females while males number is 61,000. As per the 1971 census male population was 45104 while female population was 38283 in the municipal area. As per 1981 census, females were 849 per 1000 males. As per 1991 gensus, male number was 66085 against female number of 58416. The fast decreasing women population has not natural but social reasons. Foeticide is its main reason. Due to financial considerations medical fratemity helps in foeticide. I request the Government of India to take necessary action by taking the subject seriously.

# (viii) Need to solve the problem faced by farmers regarding supply of seed and irrigation of facilities in Andhra Pradesh.

# [English]

SHRIMATI RENUKA CHOWDHURY (Khammam): Sir, the farmers in Andhra Pradesh and other States like Maharashtra are facing serious problems and grave prospects of uncertainty over Kharif crop. Having already suffered due to three consecutive years of drought, the farmers, are now faced with serious problems of nonavailability of quality seeds and uncertainty of irrigation water.

Despite two months of Monsoon, the Krishna basin remains alarmingly empty, causing anxiety to farmers of a massive ayacut of over 38 lakh acres. This is likely to cause a telling effect on the States foodgrain production, upsetting the ambitious targets. This scenario is largely attributable to 'Almati Impact' and to some extent the monsoon failure in Krishna catchment of 99,980 sq. miles.

The farmer are also bewildered by the all-round dwindling prices of agricultural products, including wheat and rice, and indiscriminate imports and dumping of foodgrains from Burma and other countries at very low prices, threatening to shatter the economy of the farmers under the WTO regime, despite fixation of the Minimum Support Prices.

May I fervently urge upon the Union Minister of Agriculture to come to the rescue of the farmers in distress in Andhra Pradesh and around, to ensure that small problems like supply of standard seeds may not assume serious proportions and to secure their due share of Krishna waters to the farmers in Andhra Pradesh and the area around.

# (ix) Need to ensure early Commissioning of Computerised Railway Reservation Counter at Ambikapur, Chhattisgarh.

#### [Translation]

SHRI KHEL SAI SINGH (Sarguja): Mr. Speaker, Sir, through the august House I would like to urge upon the hon'ble Minister of Railways that computerised reservation counter in district headquarters, Ambikapilir of my constituency Sarguja had been approved to be commissioned in the financial year 2002-2003 but it has still not been commissioned though Government building has been allotted for this computerised counter in the collectorate of district headquarters, Ambikapur. A letter from hon'ble Minister of Railways has also been received for Commissioning of computerised reservation counter.

Once again I would like to urge the hon'ble Minister of Railways that computerised Railway reservation counter in district headquarters Amblkapur, Sarguja, Chhattisgarh should be commissioned at the earliest in public interest.

(x) Need to release funds to the State Governments for carrying out development activities for tribals in Maharashtra and other affected areas in the country.

# [English]

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SHRI NARESH PUGLIA (Chandrapur): Several districts in five States in the country, namely Maharashtra, Andhra Pradesh, Bihar, Madhya Pradesh and Orissa are having forest cover of more than 50%. The forest areas are inhabited densely by large number of tribals who are protecting these forests. Instead of rewarding them, they are being penalized as the projects for socio-economic development of the areas submitted by the concerned State Governments to the Union Government are not being sanctioned due to the provisions in the Forest Conservation Act. These naxalites affected States have, on the advice of the Central Government, submitted to the Union Government Special Action Plans for which the Union Government had to share 50% expenditure.

The Union Government has so far not sanctioned a penny to the Govt. of Maharashtra out of their share of Rs. 834 crores being 50%. The Union Government is also planning to remove encroachments on forest land by tribals forcibly, who have small pieces of forest land under their encroachment for agricultural or residential purpose. Instead, they should be given temporary patta of the land under their encroachment for at least 30 years. Gadchirolie and Chandrapur districts of my Parliamentary Constituency, having forest cover of 75% and 56% respectively, are thickly populated by tribals and facing the problem of naxalites activities. The funds for development under the Tribal Sub-Plan should be allotted on the basis of tribal population of the area. I request Hon'ble Prime Minister to Intervene and direct the concerned Departments to look into the matter.

# (xi) Need to set up Division Bench of Kerala High Court at Trivandrum, Kerala.

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SHRI VARKALA RADHAKRISHNAN (Chirayinkil): There is longstanding demand for the restoration of a <sup>9</sup> Division Bench of Kerala High Court at Trivandrum. The Kerala Assembly had taken an unanimous decision for establishing the same as Trivandrum. The Chief Minister of Kerala has also supported the issue in a Press Conference. He has asked for a report of the Chief Justice of the High Court.

I urge upon the Central Government to take immediate steps for restoring the Division Bench of Kerala High Court at Trivandrum.

# (xii) Need to approve the proposal of Indian Olympic Association for conducting first Afro-Asian games at Hyderabad from 24th October to 1st November, 2003.

SHRI CHADA SURESH REDDY (Hanamkonda): The Central Government agreed to the request of Andhra Pradesh Government for hosting 1st Afro-Asian Games from 24th October to 1st November, 2003 in Hyderabad. The State Government in consultation with the Indian Olympic Association (IOC) and eight concerned National Federations initiated action for making arrangements for staging the games in a befitting manner. Successful conduct of the games will give boost to our standard in our sports.

Keeping in view the prevailing situation in Hyderabad the Indian Olympic Association has estimated a budget of Rs. 136 crores for games and has sent the proposal for approval to the Government of India. One of the major items of expenditure is on the improvements to be made in existing housing complex to bring it to the international living standards where foreign teams from Asia and Africa number about 2000 would be accommodated. From security point of view, suitable one.

I, request the Government of India to approve the proposal submitted by the Indian Olympic Association on behalf of the organizing committee to 1st Afro-Asian games at the earliest.

# (xiii) Need to Declare Etawah and Auraiya Districts in U.P. as a Drought Affected and Sanction Special Package for the Area.

#### [Translation]

SHRI RAGHURAJ SINGH SHAKYA (Etawah): Mr. Speaker, Sir, the farmers of Etawah and Auralya districts of my constituency are ruined as there has been no rainfall paddy and bajra have not been sown. The farmers in this area are facing the drought problem.

Therefore, through the hon'ble Speaker I would like to draw the attention of hon'ble Minister of Agriculture and submit that Etawah and Auraiya districts in U.P. should be declared drought affected and special package should be sanctioned for them to provide relief to the people.

# (xiv) Need to set up industries based on maize and banana in Khagaria Parliamentary Constituency, Bihar.

SHRIMATI RENU KUMARI (Khagaria): Mr. Speaker, Sir, maize and banana are grown on a large scale in Khagaria Lok Sabha constituency (Khagaria-Bhagaipur and Katihar) of Bihar state. Just as substitute of diesel and petrol is made from maize in the same way as it is prepared with sugarcane. The fibre of banana is used for producing many useful products. This north eastern region of Bihar is very backward. It can be made prosperous by setting up agriculture based industries.

Therefore, I would like to urge the Central Government that industries based on maize and banana should be set up in backward district Khagaria. So that employment is generated and farmers get remunerative price of their produce.

# (xv) Need to give environmental clearance for declaring Sundarban rivers as national highways.

# [English]

SHRI SANAT KUMAR MANDAL (Joynagar): Sundarbans in West Bengal is the largest delta in Asia with an all-season river stretch of 222 km. However, these remained unitilized so far. These rivers can be used for navigation. There was a proposal for declaring Haldia-Raimangal stretch of rivers (91 km) as National Waterways. The proposal has already been cleared but it is awalting for clearance by the Environment and Forest Ministry.

Sundarbans is one of the most industrially-backward and poverty-stricken area of our country. If the perennial rivers of Sundarbans are utilized for navigation, it would provide employment opportunities to the local people including fishermen. This would also help in socioeconomic conditions of the area.

I would, therefore, urge upon the Government to take early steps for declaring Sundarban rivers as national Highways.

# (xvi) Need to open a Central School at Shajapur, Madhya Pradesh.

# [Translation]

SHRI THAWAR CHAND GEHLOT (Shajapur): Mr. Speaker, Sir, Shajapur district headquarters of Madhya Pradesh is situated on National Highway No. 3 and the broad gauge from Ujjain to Indore via Maksiguna also passes there. Moreover, as there is a railway station too. families of thousands of Railway officers and staff of Central Road transport department live here. Many offices as Central Income Tax office is also there and the families of their staff also reside there. Thus they have a large number of school going children. So there is a need to open a Central school at Shajapur in Madhya Pradesh. I as well as the people have been making demand in this regard for a long time. I am ready to provide the money from the MPLAD fund for the building of the school. The State Government and district Administration have also already agreed to cooperate in this regard.

So, it is requested that approval should be accorded for opening a Central School in Shajapur.

# (xvii) Need to construct a by-pass from Khuntuni to Pitappalli to reduce traffic congestion in Bhubaneswar and Cuttack in Orissa.

# [English]

SHRI K.P. SINGH DEO (Dhenkanal): Due to increasing traffic at the twin cities at Bhubaneswar and Cuttack the average speed of traffic on National Highway No. 5 to Bhubaneswar works out to only 30 kilometers per hour. This has resulted into huge annual loss in terms of consumption of fuel, waste of man hour etc. As a remedy to this, traffic of a part of National Highway No. 5 from Cuttack to Bhubaneswar and vice-versa needed to be diverted through an alternate route from Cuttak to Bhubaneswar. If a bypass road is constructed from Khuntuni on National Highway No. 42 to pitapalli on National Highway No. 5 the interception of traffic at Bhubaneswar and Cuttack particularly at junction points will be reduced to a large extent.

the employees of the steel plant which is coming up near Ghantikhal Railway Station, the students and staff of the Navodaya Vidyalaya near Munduli barrage and the tourists visiting Nandanakanan, the famous biological part which is also the world's foremost white tiger breeding Centre will be greatly benefited by this bypass. The State Government has submitted an alignment plant to the Central Government in this regard proposing to provide a 59 kilometers loan bypass road.

I request the Central Government that the bypass proposed by the Government of Orissa be constructed at the earliest.

# (xviii) Need to release necessary funds for construction of sea-wall along the coastal line in Kerala.

PROF. A.K. PREMAJAM (Badagara): The State of Kerala has a long coast-line of 560 kms. of which 351 kms. are already protected by sea wall. Kerala used to receive Central assistance from the Union Government for construction of sea wall to protect the fragile coastline from sea erosion. However, this scheme was discontinued in the early nineties.

This year the heavy rainfall during the monsoon has eroded the Kerala sea shore. In my constituency at Tellicherry, Badagara, chorode and Payyoli sea erosion has been very serious and many families had to leave their homes. Every year this phenomenon is repeated.

The Government of Kerala have submitted a project report envisaging the construction of 67 kms. of new sea wall and 58 km of reformation work at a cost of Rs. 267 crores. This proposal includes provision of equipment for measuring the behaviour of sea during rough monsoon. I urge the Ministry at the earliest and release necessary funds for the project.

# (xix) Need to set up Central Coconut Research Centre in Krishnagiri Parliamentary Constituency, Tamil Nadu.

SHRI V VETRISELVAN (Krishnagiri): In my Krishnagiri Parliamentary Constituency, there are six MLA segment namely Bargur, Krishnagiri, Kaveripattanam, Palacode, Hosur and Tali. These segments are having a vast area of coconut plantation. The coconut farmers are facing huge losses due to several coconut crop diseases. No families are available to the farmers to solve such problems. As a result of which the quality and size of coconut is dwindling. I, therefore, urge upon the Government to take immediate action to help the affected coconut farmers of my Parliamentary constituency. Central Coconut Research Centre may be started at one of the above mentioned segments to encourage and propagate coconut business and boost its exports.

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15.43 hrs.

# SUBMISSIONS BY MEMBERS

(i) Re: Demand to fill up the Vacancies in the Grade of Executive Engineer in CPWD from Amongst the Promotees.

# [Translation]

SHRI RAMJI LAL SUMAN (Firozabad): Mr. Deputy Speaker, Sir, I would like to raise the matter of promotee Engineers in CPWD. Hon'ble Mulayam Singhji is in the House since morning to raise this matter. ... (Interruptions)

MR. DEPUTY SPEAKER: I am ready to hear your views. This is not a Zero Hour, but I am ready to hear your submission in brief.

... (Interruptions)

SHRI ANANT GUDHE (Amravati): Mr. Deputy Speaker, Sir, is this a Zero Hour?

MR. DEPUTY SPEAKER: This is not a Zero Hour.

SHRI ANANT GUDHE: Hon'ble Speaker, had said that this matter can be raised after matters under Rule 377.

MR. DEPUTY SPEAKER: You know that Zero Hour cannot be in the afternoon.

SHRI MULAYAM SINGH YADAV (Sambhal): Mr. Deputy Speaker, Sir, 350 posts of Executive Engineers are lying vacant in Central Public Works Department for the last six years and promotee Assistant Engineers have not been given promotion as per Recruitment Rule 1996 although clear instruction had been given in this regard by Central Tribunal (CAT) Chandigarh. This is a very serious matter.

Sir, secondly, I would like to submit that although 100 regular vacancies have been filled after 1996, but promotees were not promoted. After that, orders were issued by CAT, Chandigarh. At this, some people took their case to High Court. Government is not pleading the case in High Court. As per the news, some officers are also involved and so Government is not pleading the case in High Court. If the concerned Minister had been present in the House, I would have requested him but now I request you to give directions to the Government so that at least Government plead the case and the promotees get relief. As per the situation 350 posts are lying vacant, we would like that the Government give assurance in the House in this regard.

SHRI RAMJI LAL SUMAN: Mr. Deputy Speaker, Sir, his case is intentionally not being pleaded properly in the Supreme Court. This is a serious matter. He is intentionally not being promoted, though the department has no problem in doing so. ... (Interruptions) One important point is that CAT's verdict was in his favour but certain persons appealed in High Court and obtained a stay order. ... (Interruptions)

# [English]

The Government is creating the problem intentionally. ... (Interruptions)

# [Translation]

MR. DEPUTY SPEAKER: There is no 'Zero Hour'. I have permitted for submission only.

## ... (Interruptions)

SHRI RAMJI LAL SUMAN: Please direct the Government so that they take some decision on it. ... (Interruptions)

MR. DEPUTY SPEAKER: How can I direct the Government that they should take some decision on it.

# ... (Interruptions)

MR. DEPUTY SPEAKER: Ramj Lal ji, I can direct the Government in this manner. The hon. Minister is sitting here and noting down your points. I have granted permission of submission to Mulayam Singhji and after submitting his points, he has left.

# ... (Interruptions)

SHRI RAMJI LAL SUMAN: Please convey my points to Khanduriji, the Minister concerned of this case. He will talk to him. ... (Interruptions). Please convey my points to him. ... (Interruptions) Gangwarji, cannot you tell this much to him?

MR. DEPUTY SPEAKER: I have permitted you for submission. Please sit down now.

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR AND THE MINISTER OF STATE IN THE

MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR): Mr. Deputy Speaker, Sir, what hon. Mulayam Singhji has said cannot be replied right now. I will tell the Minister concerned about this.

KUNWAR AKHILESH SINGH (Maharajganj, U.P.): Mr. Deputy Speaker, Sir, now I am raising a point of order. Yesterday you had given a ruling on my adjournment motion from this chair only that ... (Interruptions).

MR. DEPUTY SPEAKER: Let bygones be bygones. Now, what do you want to say right now?

KUNWAR AKHILESH SINGH: Sir, I was not given the opportunity yesterday and even today I am not being given the opportunity ... (Interruptions).

MR. DEPUTY SPEAKER: I have given an opportunity to your leader.

# 15.46 hrs.

# (ii) Re: Need for speedy investigation into Madhumita Shukia murder case.

KUNWAR AKHILESH SINGH (Maharajganj, U.P.): Sir, that was a different issue and this is a separate issue. A young poetess Madhumita Shukla was murdered in broad day light in Lucknow the Capital city of Uttar Pradesh in the Parliamentary constituency of the Prime Minister. The case was investigated by police first and when newspapers and electronic media reported the issue ... (Interruptions). The matter was handed over to CB CID first and then given to CBI.

# [English]

MR. DEPUTY SPEAKER: I will not give you permission to raise this matter.

# [Translation]

This is a matter of law and order which is a State subject.

# [English]

I will not allow you. No, no nothing doing.

#### [Translation]

KUNWAR AKHILESH SINGH: Mr. Deputy Speaker, Sir, efforts are being made to save the killers. We have the facts. ... (Interruptions).

# [English]

MR. DEPUTY-SPEAKER: I will not allow this matter to be raised because this is purely a State subject. A State subject cannot be taken up here. This is not the time also. This is no 'Zero Hour'.

# [Translation]

KUNWAR AKHILESH SINGH: Sir, this is a serious matter. CBI investigation is being influenced ... (Interruptions).

# 15.49 hrs.

(At this stage, Kunwar Akhliesh Singh and Shri C.N. Singh came and stood on the floor near the Table.)

MR. DEPUTY SPEAKER: You are repeating the point which you states yesterday when the \$peaker was in the Chair.

## ... (Interruptions)

MR. DEPUTY SPEAKER: You are a senior Member. Please do not behave like this.

#### ... (Interruptions)

MR. DEPUTY SPEAKER: I have heard you. I heard your leader also. I heard Shri Ramji Lalji, I have heard all of you. And the hon. Minister has responded to that also yet you are behaving in this manner. It is not a good thing.

... (Interruptions)

[English]

MR. DEPUTY SPEAKER: Nothing will go on record.

... (Interruptions)\*

[Translation]

MR. DEPUTY-SPEAKER: Nothing will go on record.

# ... (Intercuptions)\*

MR. DEPUTY SPEAKER: If you want to say something. Please go to your seat and speak from there.

Not recorded.

15.50 hrs.

# (At this stage Kunwar Akhilesh Singh and some other Hon'ble Members went back to their seats)

KUNWAR AKHILESH SINGH: Mr. Deputy Speaker, Sir, with due respect I submit that CBI probe into murder case of the young poetess Madhumita Shukla is being influenced. I ask the Government through this House that a White Paper should be brought out on CBI probe into Madhumita Shukla case so that people came to know about the culprits. This is a serious matter. Not once but electronic media have constantly been reveal the facts, when media exerted pressure ... (Interruptions).

MR. DEPUTY SPEAKER: Both of you please sit down. I will give my ruling now.

SHRI C.N. SINGH: Mr. Deputy Speaker, Sir, I am on a point of order.

MR. DEPUTY SPEAKER: What is your point of order? You have not gone there by following any order. Akhileshji the matter you have raised is a State subject as it is regarding law and order situation there.

#### ... (Interruptions)

SHRI RAMJI LAL SUMAN: Mr. Deputy Speaker, Sir, it is a very serious matter. Government of India orders CBI inquiry. CBI is being influenced. ... (Interruptions)

MR. DEPUTY SPEAKER: CBI inquiry is ordered only on the request of State Government.

KUNWAR AKHILESH SINGH: Reports have been published in this regard, in the newspapers.

MR. DEPUTY SPEAKER: But CBI inquiry has been ordered only on the request of State Government.

SHRI RAMJI LAL SUMAN: But CBI inquiry is being influenced.

MR. DEPUTY-SPEAKER: You need not raise this subject which relates to a state. Ramji Lalji, you are the leader, control your Members.

# [English]

On its own also, they can do it. Please do not disturb now. I have heard you fully. Please cooperate with me. If you do not want to conduct the House, Let us adjourn the House and go.

... (Interruptions)

## [Translation]

DR. RAGHUVANSH PRASAD SINGH (Valshali): Mr. Deputy Speaker, Sir, Government are not ready to listen, CBI inquiry is being influenced.

SHRI C.N. SINGH: Mr. Deputy Speaker, Sir, hon'ble Home Minister is influencing the CBI.

SHRI RAMJI LAL SUMAN: The CBI is being misused.

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI I.D. SWAMI): Mr. Deputy Speaker, Sir, as you said that this matter pertains to a state subject, but this matter has already been inquired by the CBI. The inquiry by CBI proves that. ... (Interruptions)

MR. DEPUTY SPEAKER: CBI inquiry is sometimes requested. In several cases, it so happens that.

#### [English]

On every case, the Minister may not reply here. How can it be possible also?

# [Translation]

SHRI I.D. SWAMI: it proves that CBI has investigated into the matter. They want impartial investigation. Since the CBI does not work under Home Ministry, I will convey their sentiments to the officers and the Ministry concerned so that they can impart information about its status report. But hon'ble Member is seeking a white paper on the inquiry report of the CBI, which is strange. It has never happened that a white paper has been issued by the Government on CBI inquiry. Action will be initiated by the Government only after receipt of full inquiry report of the CBI. ... (Interruptions)

# (English)

MR. DEPUTY SPEAKER: I have to take serious action against you, if you do not behave property. I know how to tackle you. I have heard you enough.

#### ... (Interruptions)

SHRI C.N. SINGH: I am on a point of order.

MR. DEPUTY SPEAKER: What is your point of order.

#### [Translation]

SHRI C.N. SINGH: Can I not raise point of order? Will you not hear me? Why are you angry?

MR. DEPUTY SPEAKER: Please quote the rule.

... (Interruptions)

SHRI C.N. SINGH: Mr. Deputy Speaker, Sir, this morning I had given a notice of adjournment motion to the hon'ble Speaker. Hon'ble Speaker had given his ruling on it. ... (Interruptions)

MR. DEPUTY SPEAKER: I know how to deal with you.

SHRI C.N. SINGH: Mr. Deputy Speaker, Sir, please listen to me and don't get angry. It was a very serious issue.

## [English]

MR. DEPUTY SPEAKER: Please sit down. There is a limit for everything.

... (Interruptions)

## [Translation]

SHRI C.N. SINGH: I had given a notice of adjournment motion to hon'ble Speaker this morning. ... (Interruptions) I am on a point of order.

MR. DEPUTY SPEAKER: Please give me the rule book and tell me under which rule you are on point of order.

THE MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRAHLAD SINGH PATEL): Mr. Deputy Speaker, Sir, please ask him under which rule he is on a point of order. This is not a good convention. ... (Interruptions)

SHRI C.N. SINGH: I am giving you the rule book. I had given notice of adjournment motion this morning to hon'ble Speaker.

MR. DEPUTY SPEAKER: Please tell me about the exact rule. Please show me the rule book.

... (Interruptions)

MR. DEPUTY SPEAKER: If you do not want to take part in the proceedings of the House, you may go out. Please do not force me to take he extreme step.

SHRI C.N. SINGH: Please listen to me for a minute.

SHRI PRAHLAD SINGH PATEL: Sir, let all this be expunged from the record.

15.56 hrs.

# MOTION RE: THIRTY-SIXTH REPORT OF COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[English]

SHRI DENZIL B. ATKINSON (Nominated): Sir, I beg to move the following:

"That this House do agree with the Thirty-sixth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 19th August, 2003."

MR. DEPUTY-SPEAKER: The question is:

"That this House do agree with the Thirty-sixth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 19th August, 2003."

The motion was adopted.

# [English]

MR. DEPUTY-SPEAKER: Now, we will take up Private Members' Legislative Business.

Bills for introduction.

## 15.57 hrs.

# CONSTITUTION (AMENDMENT) BILL\* (Insertion of new article 356a, etc.)

# [English]

DR. NITISH SENGUPTA (Contai): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India. MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

DR. NITISH SENGUPTA: I introduce the Bill.

15.571/2 hrs.

ABOLITION OF CHILD LABOUR BILL\*

#### [English]

SHRI IQBAL AHMED SARADGI (Gulbarga): I beg to move for leave to introduce a Bill to abolish the child labour in the country and for matters connected therewith.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to abolish the child labour in the country and for matters connected therewith."

The motion was adopted.

SHRI IQBAL AHMED SARADGI: I introduce\*\* the Bill.

# 15.58 hrs.

# CONSTITUTION (AMENDMENT) BILL\* (Amendment of articles 243ZD and 243ZE)

## [English]

SHRI RAMESH CHENNITHALA (Mavelikara): Sir, I beg to move for leave to introduce a bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

\*Published in the Gazette of India Extraordinary, Part-II, Section-2, dated. 22.8.03.

"Introduced with the Recommendation of the President.

SHRI RAMESH CHENNITHALA: I introduce the Bill.

15.581/2 hrs.

# RAILWAYS (AMENDMENT) BILL\* (Insertion of new section 124b)

[English]

DR. V. SAROJA (Rasipuram): Sir, I beg to move for leave to introduce a Bill further to amend the Railways Act, 1989.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Railways Act, 1989."

The motion was adopted.

DR. V. SAROJA: I introduce the Bill.

# 15.59 hrs.

# PREVENTION OF FOOD ADULTERATION (AMENDMENT) BILL\*

#### (Amendment of sections 2 and 16)

#### (English)

DR. V. SAROJA (Rasipuram): Sir, I beg to move for leave to introduce a Bill further to amend the Prevention of Food Adulteration Act, 1954.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Prevention of Food Adulteration Act, 1954."

The motion was adopted.

DR. V. SAROJA: I introduce the Bill.

\*Published in the Gazette of India Extraordinary, Part-II, Section-2, dated. 22.8.03. 15.591/2 hrs.

# CONSTITUTION (AMENDMENT) BILL\* (Amendment of article 275)

## [English]

SHRI RAMESH CHENNITHALA (Mavelikara): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI RAMESH CHENNITHALA: I introduce\*\* the Bill.

16.00 hrs.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL\*

#### (insertion of new section 389A)

(English)

SHRI P.H. PANDIAN (Tirunelveli): I beg to move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1937.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1973."

The motion was adopted.

SHRI P.H. PANDIAN: I Introduce the Bill.

\*\*introduced with the Recommendation of the President.

16.001/2 hrs.

# INDIAN PENAL CODE (AMENDMENT) BILL\* (Amendment of section 302)

[English]

SHRI P.H. PANDIAN (Tirunelveli): I beg to move for leave to introduce a Bill further to amend the Indian Penal Code, 1860.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Indian Penal Code, 1860."

The motion was adopted.

SHRI P.H. PANDIAN: I introduce the Bill.

16.01 hrs.

# CONSTITUTION (AMENDMENT) BILL\* (Amendment of article 51A)

[English]

DR. V. SAROJA (Rasipuram): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

DR. V. SAROJA: I introduce the Bill.

16.02 hrs.

INDIAN PENAL CODE (AMENDMENT) BILL\* (Insertion of new sections 298A to 298C)—Contd.

# (English)

MR. DEPUTY-SPEAKER: The House will now take up Item Number 44. Shri G.M. Banatwalla was on his legs. You may deliver now your unfinished speech.

<sup>\*</sup>Published in the Gazette of India Extraordinary, Part-II, Section-2, dated. 22.8.03.

<sup>\*</sup>Published in the Gazette of India Extraordinary, Part-II, Secton-2, dated. 22.8.03.

SHRI G.M. BANATWALLA (Ponnani): Sir, I thank you very much for giving me this opportunity to speak. The Bill that I have moved is a very brief and simple Bill that deals with the serious question of encroachments on wakf properties. The encroachments are widespread and are on the increase. They are almost done with impunity which further encourages the encroachments on wakf properties are an offence against religion. They are serious offences against the society itself because they adversely affect the capability and the extent to which the wakf can carry on their charitable objectives without any distinction of religion, class, caste or creed.

These wakfs have charitable objectives. They come for the benefit of the society even without any consideration of religion, class, caste or creed. They are there to help the needy sections of the society, to whichever class, caste or creed they may belong. If their properties are encroached upon with impunity, then the extent to which the wakfs can serve the needy sections of the society is adversely affected. Therefore, encroachments on wakf properties is a serious offence against the society.

## 16.04 hrs.

#### (SHRI P.H. PANDIAN in the Chair)

There is no authentic data with respect to the extent of the encroachments. But we all know very well about it. It is a ground reality that the encroachments are widespread and they are on the increase.

We have had Reports of the Joint Parliamentary Committee on Wakf and some of these Reports have already been laid on the Table of the House. They present a very pathetic picture. There are encroachments not only by the private parties resulting into even commercial activities on the land and properties belonging to the Wakf but there are also encroachments by the Central Government, the State Governments, the local bodies and the public sector undertakings.

I will just give one illustration. Some time back, a survey took place in Delhi and we found that Delhi alone had around 1,950 Wakf properties. According to one Survey that was conducted, nearly 50 per cent of the properties surveyed are under encroachments. We should realise the extent to which the Wakf are incapacitated from addressing the needs of the poorer sections of our society. Therefore, I say that the encroachments are a serious offence against the society itself. Sir, it is shocking to look at the situation in Delhi. The Central and the State Governments have encroached on as many as 362 properties out of 1,117 Wakf properties surveyed in Delhi itself.

Now, Mr. Chairman, Sir, some time back the then Prime Minister, Shrimati Indira Gandhi had proposed a formula with respect to encroachments on Wakf properties that have been made by the Governments, local bodies and the public sector undertakings. I do not want to go into the details of that formula. It is a matter of record. The JPC on Wakf have also mentioned them in their Reports, But, Sir, it is unfortunate that this formula has been jettisoned and there is hardly any action on this formula suggested by the then Prime Minister Shrimati Indira Gandhi to address the question of encroachments by the official authorities. As many as 23 Wakf properties in Delhi itself are under the control of the Central Government and they were sought to be transferred to the Delhi Wakf Board. The matter went to the court. There were restraint orders and, unfortunately, a long period has gone by and the matter is still pending. No serious effort has also been made to get the stay orders vacated. There is total apathy with respect to the followup of the pending matter before the courts. I appeal to the Government to be sincere in this matter.

We have to follow it up seriously and see that the courts are persuaded to give their findings and judgements as soon as possible so that this important matter is addressed. It is very sad that years and years have gone by, fresh stay orders are being given, but no sincere efforts are being made either to get the stay orders vacated or to get the cases expedited and get these properties transferred to the Wakf Board as they belong to it.

Sir, in addressing the question of encroachment of Wakf properties, we can also make use of the Public Premises Act. There are recommendations to this effect from the Joint Parliamentary Committee on Wakf. A few Reports have been laid on the Table of the House. For evictions on Wakf properties, we can resort to the Public Premises Act if it is made applicable. I understand that the Government of Karnataka has, by its legislation, extended the Public Premises Act to the Wakf properties. It is necessary that the Government give its attention to this matter. It must receive active consideration from the Government and an expeditious decision should be taken on this matter.

#### [Shri G.M. Banatwalla]

Sir, we have this question of the encroachments on the Wakf properties and the Reports of the Joint Parliamentary Committee on Wakf say that the State Governments or the local authorities or the police and the administrative authorities do not even cooperate with the Wakf Board in getting these encroachments removed. These are not ordinary encroachments. These are encroachments, as I have been emphasizing, on the Wakf properties which are for the benefit of the society and, therefore, we must be very serious about them.

Sir, there are punishments for ordinary thefts, but here, theft takes place of the land and properties of the Wakfs which are for the service of the society and the matter is not taken seriously. The Bill that I have moved seeks to provide for criminal liability and deterrent punishments to those responsible for the encroachments.

MR. CHAIRMAN: Shri Banatwalla, theft is committed in respect of a movable property, not in respect of an immovable property.

SHRI G.M. BANATWALLA: Sir, I thank you for that. But that is all that I have been saying. That is exactly what I have been pleading before the House that the apathy on the part of the Government must go. They must become serious about this particular problem which the society faces.

Sir, we do not have enough social security schemes to serve the society and we do not do anything to help the organisations and the Wakfs that are there which can function and which do function as a type of social security organisation for the society. I can understand the financial constraint because the Government may not be in a position to come forward with comprehensive social security schemes. A few of them are there. But, at least, let us come forward sincerely to strengthen the Wakfs which are there for the service of the society and which are in the form of social security for the needy sections of our society. They are doing the work without any consideration of religion or caste or creed. Educational help is being given. Medical help is being given. How many am I to count here before the House? Let us try to help them out.

I do understand that the JPC's full reports will be coming. They will be giving their recommendations in respect of detailed measures. But in the meanwhile, we cannot turn a Nelson's eye to the encroachments that are going on the land and properties of the Wakfs.

I have been saying that the Government must see to it. The problem is that the Wakfs Act has to be implemented by the State Governments. I understand that. The state of affairs with respect to the implementation of the Wakfs Act is extremely sad. It is good that we now have the JPC for Wakfs and they are seized of the problem and are doing considerably good work. But in the meanwhile, the Government has to come forward to see to it that the local administration, the Police, the State Governments and, in the case of Union Territories, the Central Government themselves should extend every help to the Wakf Boards and the Wakfs to get these encroachments removed. I do not think that there can be any two opinions on this vital guestion. There is considerable commercial activity that goes on with impunity on these Wakf properties. Many a time, the Wakf Boards do not have sufficient resources with them in order to go after those who commit this grave criminal offence of encroachment on Wakf land and properties.

My Bill is very simple. It proposes a clause in a chapter that is to be added to the Penal Code as '296-B'. Therefore, about encroachments, we have to take a serious view and give deterrent punishment, a punishment with imprisonment of either description for a term that may extend to one year or with fine or with both.

I feel sorry that I have provided in this clause that the punishment for encroachment on Wakf land is a criminal offence and apart from the civil matter, there can be either imprisonment or fine or both. I would have very much liked not to have the point with respect to punishment with a fine. Such a grave offence, as I said, is an offence against the entire society. That must be punished with a deterrent punishment. But then, I thought, let the matter rest with the courts. Let the courts also apply their minds to the facts before them and then decide upon the punishment that can be there so that there is justice for the Wakf and other problems and other considerations can also be there.

Mr. Chairman Sir, as I said, the Bill is very simple. It is very brief. It is on a matter of serious importance. We need to rise and take stock of the situation. As the day passes by, everyday there is encroachment upon land and properties of the Wakfs with impunity somewhere or the other. Let us address ourselves to this particular question. We cannot allow these Wakfs created to be so liquidated by those irresponsible. We find big hotels, large commercial activities also going on these Wakf properties.

May l<sub>j</sub>mention a number of them in this very capital city<sup>s</sup> of India, that is, Delhi? But then my idea is not to address myself to individual cases. I have no grudge against individuals. It is a big social problem and a social question that is there before us. In the name of justice, in the name of secularism, in the name of the welfare society that we propose to have, I commend my Bill for favourable consideration of this House. The Bill is so simple, so brief and on such a serious matter that I am sure, it should meet and will meet with approbation and approval from every section of this House.

With these words, I request the House, I implore upon the House, I besiege the House to adopt the Motion for consideration of the Bill and proceed further for the adoption of the Bill itself.

SHRI ANADI SAHU (Berhampur, Orissa): Thank you, Mr. Chairman Sir, I am fortunate that a legal expert is now the Presiding Officer when we are discussing the Wakf Act and certain provisions which Shri G.M. Banatwala very carefully, assiduously and in a knowledgeable manner has presented to this House.

Mr. Chairman Sir, I fully agree with the intention and concern of Shri G.M. Banatwala, but I do not agree with the procedure that he thinks would be appropriate to get these encroachments evicted and the persons who have done it to be severely dealt with.

You are quite aware, Mr. Chairman Sir, that in civil procedures, bringing in the criminal Act is a dangerous procedure and it has not be encouraged at all. The Wakf act is a genuine Act and it is a very distinct Act in India where it does not encourage any encroachment by any other Act itself. That is a very good Act itself and does not encourage anything else.

Now, it is a fact that Wakf properties have been encroached upon. There are two reasons for this. One is that the descendants of the Wakfs are mainly responsible for encroachment of the properties relating to Wakf. Properties have been bestowed by persons in those days and now also for purposes of religious work as per the Muslim Law.

After many years, as he was referring to some 50-60 Wakf properties in Delhi, those have been bestowed for certain specific religious work. To invoke the Public Premises Eviction Act, at this stage, is not proper at all. It relates to the religious work only. That is what has been indicated in, as my knowledge goes. Section 3 (J) of the Wakf Act, 1995. It says a Wakf means the permanent dedication by a person professing Islam of any movable or immovable property for any purpose recognised by the Muslim Law. I agree with him that commercial purpose use of Wakf property is not proper at al.

Sir, I being an atheist, I very seldom go to places of worship. After 40 years I went, under compelling circumstances, to see *Sheikh Salim Chishti's Dargah* at *Fatehpur Sikri*. I was shocked to find that there is encroachment inside of people who say that they have a right to stay there or take up work inside. The entire edifice is now a place of encroachment.

I went to Nagoor in Pondicherry and the Wakf's descendants are at loggerheads among themselves. It is a question of getting a share of the property and using it for one's own benefit. That is the bane of any society or, for that matter, any group of people and there is no exception in Muslim groups of people. But, what happens is that the purpose for which these have been bestowed or bequeathed is being lost sight of. How to get over these things, that is the most important aspect now we have to discuss, instead of amending the Indian Penal code to bring a deterrent punishment for encroachments.

Mr. Chairman Sir, you are guite aware that Sections 297 and 298 of Chapter 15 of the Indian Penal Code relates to offences against religion. Shri Banatwalla is referring to Section 298. This relates to offences against religion. Encroachment per se is not any offence against religion. It is a greed of a human being but it does not offend any religious practices. To insert Section 298 (A) to (C) etc. in my opinion is not proper at all. The Statement of Objects and Reasons, which Shri Banatwalla has very carefully drafted and presented to this House, indicates an encroachment of Wakf Property is an offence in the nature of offence relating to religion and an offence against the society. I beg to differ with him. Any encroachment cannot be an offence against religion, as indicated in the Indian Penal Code. Yes, it is a fact that there are certain civil laws where criminal action has been indicated. In case of Waki property also, where there is encroachment, civil law can be amended to put in punitive action. I will give suggestion on the Wakf Act itself. This has been also discussed in the JPC which he was referring to. Shri Sikandar Bakht was the Chairman of the JPC, Shri Lal Bihari Tiwari was there. Shri Banatwalla was also a Member of that team which had gone into the details of these things.

What I would suggest is this. Now the procedure in the Wakf Act is if there is any encroachment the Chief Executive Officer will cause an enquiry and in case it is to be removed then he will take it up for removal of the

#### [Shri Anadi Sahu]

encroachment, as has been indicated in Section 54 of the Wakf Act. He goes to the SDM. Now, the question is if, at all, we have to change the procedures, we must give some punitive powers and civil procedure powers to the Chief Executive Officer so that he takes action to remove the encroachments. We have had very good people. We had *Sufi* saints. The *Sufi* saints brought about tolerance and a secular nature of preaching in India and the musical way of teaching has influenced many writers, many poets in India and many people had bequeathed properties for the Sufi saints. We have a number of *dargahs* and all that in many places also. The *Shias* and *Sunnis*, different groups of people have got these properties.

And it is unfortunate that the Ahmadiyas have not been included in that group of Shias and Sunnis, where a mention has been made in the Wakf Act itself about Shia property and Sunni property. Now, Ahmadiya groups have come up. And Ahmadiyas are very liberal people. I have had the knowledge of Quran from the Oriya alphaphet of the Quran written by the Ahmadiyas with Oriya translation. It is a very good book and very good preaching but they have not been included in this Wakf Act itself. It is also now time that the Ahmadiyas also should be included as properties are being given to them and they should also come within this Act.

As I was telling, Sir, section 54 needs to be amended so as to ensure that any property of the Wadf-wakf is the bequeathal, a trust-any property that has been encroached can be taken over without referring it to the SGM to give it back. Now, the CEO will have an inquiry and then, if the encroacher does not vacate, he goes to the Sub Divisional Magistrate for orders to vacate the property like a Civil Procedure Code. That takes lots of time. So, instead of going into the Indian Penal Code, where there are sections for trespass, section 448 or even section 144 of the Criminal Procedure Code can be adopted for certain action. But to insert 298 A to C is not proper. And as he has indicated in his Bill itself, he has asked for deterrent punishment of three years and like that. Now, as per the Criminal Procedure Code, if there is any punishment for three years, it becomes cognizable and non-bailable. Now, for any encroachment, if you say that deterrent punishment should be given, that means, everybody who has been in that place for years together, may be for whatever reason, may be the wakf or his descendants have allowed these people to stay there. To take action and to arrest him, and to take deterrent action, I think, is not proper at all, in my view.

So, I would suggest that the concern must be appreciated, the concern of Shri Banatwalla in presenting this Bill must be appreciated but in appreciating this Bill, let us not create any punishment part of it in a deterrent manner.

Sir, there is a Latin proverb, which says:

# "Summum jus Summa injuria"

If you have too much of law, it will create too much of injury to the person concerned. Let us not create any injury to the people. Let us not create any atmosphere where for any type of civil-procedure act, criminal action is taken. So, I would suggest, Sir, that a re-thinking should be given to this Bill itself and section 54 of the Wakf Act should be amended in a proper manner giving more power to the CEO or in case of necessity to the Tribunal itself to ensure that all properties which have been encroached and handed over and the appeal stages should be limited to two only.

Supposing the Tribunal gives some Order and if they go on putting appeals and all that, I think, it may take hundred year. The appeal stages should be limited to two. And then only, the encroached properties can be handed over to the wakf people. Many Muslim people have also given their property. I have seen in the Nagoor area in Pondicherry that the then Chieftain of the *Marathas*, who was Hindu, bestowed lots of properties to the *durgah*. There are many other places where properties have been bestowed. There is a provision in the Wakf Act also that the properties or the proceeds of the properties can be used for secular proposes.

In Cuttack, where I was SP and I was an MP also from that place, I have seen a beautiful hostel and a beautiful college—Abul Kalam Azad college—has come up based on the property derived from the wakf properties, and that is running very well. So, lots of things have to be done. Now it is time that the Wakf Act itself is amended to give a chance for those people who have been running this property. The *Mutawalis* are also creating problem. They have to be properly harnessed and this harnessing can be done if the Muslim community itself comes up in a big way to ensure that the Wakf Act is completely overhauled.

SHRI E.M. SUDARSANA NATCHIAPPAN (Sivaganga): Thank you, Mr. Chairman, for giving me this opportunity to speak on the Private Member's Bill to amend Section 298 of the Indian Penal Code and to add Section 298 (a) and 298 (b), which is a thought of our senior Member Shri Banatwalla on the feeling that the Wakf property should be protected because the gift of a religious person, a Musalman, to the community and also to the public is to be protected as a property of the community.

Now, encroachment and trespass are activities done everyday whether it is a religious property, public property or personal property. Therefore, trespass or encroachment is a way of life today. A rich man trespasses into his neighbour's property; a muscle man trespasses into another man's property. They are protected by their muscle and money power. The poor man is not protected with shelter during the night and from nature. He is removed by faw on the basis that encroachment is a nuisance for the public.

We are protecting community property by way of social conscience that the property is for the community and for the larger mass. If that feeling is there, whether it is a Musalman's property, a Hindu's property or a Christian's property, it would be protected. The morality of the total community when it comes to saving the property for the purpose of the public is nowadays going down but at the same time simply having an amendment will not help in bringing conscience to the people.

Now, plenty of properties of villagers and in urban areas are encroached. Our waterways are encroached; our drinking water tanks are also encroached. There is encroachment everywhere. We have got some knowledge from the British on the system of preparing land records. Every piece of land used to be properly surveyed and was classified under the British system. We followed that system but the person who is responsible for surveying and maintaining records becomes the first person to encroach upon the property. This is why the law is not in a position to protect the public and also the person whose property is encroached.

This is a Bill which wants to give some more weightage for the religious feeling. For this purpose, I feel, this type of an amendment need not come because only when there is an insult to the religion that Section 295 to 298 of the Indian Penal Code would apply. The religious aspect need not be looked into here. Whether it is a Wakf property or a property of the community and an asset of the community. If that is done, as hon. Member Shri Banatwalla has said, the laws relating to protection of public properties of the State Governments like the Public Premises Act could be amended so that religious properties are also protected in the same way. Normally the law says that an idol in a temple is 'dumb'. It is the temple's property. The temple's property could be protected only by a trustee, who is a human being. If the trustee is not at all interested in protecting the temple or the deity, the law cannot help it. Therefore, the person who is protecting the interests of the wakf property should be very cautious, should see that the encroachments are not there and the criminal traspassers are not there. If any criminal traspassers are there, then the Indian Penal Code is ready to protect them by Section 441 and other Sections. Therefore, the intention is important.

When you go into the Indian Penal Code, two things are important. One is, whether the mind is set to have a criminal intention. Second is, how they are starting to act it. Now, the thing is, the whole society and the individual persons, who have got the money, muscle power and other powers, they have got the intention to go into the property and enjoy the property. They do not want to hurt others but they want to enjoy the property. Therefore, creating an atmosphere where there is an encroachment, whether it is a public property, religious property or the private property, should change the set of the mind to encroach upon the property. They should be exposed to the public and say that their rights are curtailed and they will be punished in different ways.

Hence, enactments are made now like the Registration Act, Survey Act, Settlement Act and Boundaries Act. These are all Acts. They can be very easily enforced if the wakf property is classified as a wakf property and survey number is given and it is registered under the Registration Act. Then, the law will take its own course. They should protect the property according to the law which is already available on both Civil and Criminal sides.

This enactment may be a thinking of Shri G.M. Banatwalia. But, at the same time, we should not create the religious differences on the basis of property. We are already having a burning House where the religious feelings are created then and there. This type of wakf property, which is not looked after property by the Wakf Board, cannot be taken as a criminal offence and it should be protected only as a civil encroachment. It has to be properly looked after by the person who is in-charge of it because the Wakf Act itself protects the interests  $\frac{1}{2}$ the property.

Sir, with these few words, I request the hon. Member that instead of putting it in the light of the religious insult,

#### [Shri E.M. Sudarsana Natchiappan]

it should be taken as an encroachment of the public property, the property which is used for the community as a community asset.

SHRI HANNAN MOLLAH (Uluberia): Mr. Chairman Sir, I thank you very much for giving me an opportunity to speak on this proposed legislation.

I congratulate our esteemed colleague, Shri G.M. Banatwalla for bringing this amendment Bill. But I will tend more to agree with my friend, Shri Anadi Sahu. I will also request Shri G.M. Banatwalla to bring a comprehensive amendment as a private Members' Bill for further fullest discussion on the Wakf Act. It is because, as has already been mentioned earlier, in our country about one lakh wakf properties are there. A large number of properties are being used for the purpose other than the wakf. Muslim as well as non-Muslim can register his property as wakf and once a property is with the Wakf Board, it will remain with the Wakf Board till the existence of the Wakf Board. Nobody has the right to dilute, sell or occupy it.

So, that is the purpose. But the reality is otherwise. In every State, in every city we see that the wakf properties are being misused. The Parliamentary Committee is engaged in a detailed study and we hope that we will get a total picture of the position in the country. But this encroachment of the wakf property is a major problem. As has already been mentioned, the encroachment is mainly by the Mutwalis and then by those people who hire or rent out the wakf property and then by the musclemen of a particular locality. These are the people who are occupying these properties. Sometimes even Government buildings are there as has already mentioned in one study report from Delhi. About 362 properties in Delhi are occupied by the Central or State Governments. If a study is made all over the country, certain things may be found out. If this sort of a thing is happening, then the purpose of wakf is diluted. This encroachment is a big problem.

Let us see how the wakf property is being misused. Normally, the wakf estate is registered in the name of wakf estate only; but what happens some times is that the *Mutwalis*, those who are appointed to look after those properties, in collusion with the revenue officers in the block or district change the record and instead of registering the property in the name of wakf estate, they register such property in their own name and keep the document for years together. After 10 or 15 or 20 years, when that document comes out, then it is known that that property has already become a secular one, transferred from wakf to the name of the *Mutwali* family. To recover such property is a long process. You know that the civil courts do take 10 to 20 years to settle such things. It is still more difficult to recover the property from encroachers. This is a very serious matter. The removal of encroachment is one of the major problems of the Wakf Board.

I have some experience of being the Chairman of the Wakf Board for the last one year. From my personal experience I can say that specific measures should be taken to recover the wakf property encroached in this way all over the country. Very specific measures are necessary. If those who are entrusted the task of looking after these properties encroach them, if the Government officials who are to help in recovering the property fail to render adequate assistance and the assistance is not available from the Government, then how will it be recovered? This is a major question before us.

According to the new Act, the survey work is going on the various estates. After a full survey is conducted, we will be able to understand how many of these one lakh properties are in tact and how many of them are encroached, diluted, sold or rented out. These things can be identified. We should go in for correct and immediate survey work which should be completed at the earliest. That will help us to look at the encroachment problem in a big way.

The main problem, as has been mentioned by hon. Member Shri Anandi Sahu, is that there are some lacunae in the Wakf Act. if some property is encroached upon, if we go through the legal proceedings to recover it, it takes long time. If Section 54 of the Wakf Act is properly amended and those encroachers are brought under severe punishment, then only we will be able to stop this encroachment of wakf property.

So, that is necessary. I think that this Section should also be amended properly.

Thirdly, there is another problem. In a Wakf, the CEO issues a notice, and if it is in the city, then you have to go to the SDM. But, in Kolkata; in Mumbai; in Delhi, there is no post of SDM. There, they are known as the City Magistrates, and they are not called the SDMs. But, in the Act, SDMs are specifically mentioned. Who will function as the SDMs. But, in the Act, SDMs are specifically mentioned. Who will function as the SDM in the big city, if there are no SDMs there? The Police

Commissioner is entitled to work like that. But, the Police Commissioner says that they are too busy, and that they have no time to deal with these kind of works. So, that also is creating a problem. Instead of SDM in this Act, there should be some suitable amendment that, some Executive Magistrate or some City Magistrate should be added so that in the cities, these problems are solved.

From our experience, we have issued about 400 notices in our State to remove encroachment, and that work is going on. I do not know how long it will take, but these things are stated from our personal experience. So, the point of encroachment we need to take in a proper manner. Amendment of some Sections of the Wakf Act is very much necessary, and very strict punishment should also be given to those encroachers.

Fourthly, I would like to say that police help is very much necessary. Without police help, it would be very difficult because the Wakf Board is a very small board; a very small organisation. They have no machinery to work with in all the States or all over the country. They have to totally depend on the State machinery. Normally, the police and the armed forces also do not take much interest because the mindset is such. They think that: "Who will go for this, as it is mostly run by the Muslims or such other people." So, that sort of mindset is also there. The lack of adequate, proper, timely police help is another area of concern. So, we should find out as to how it can be taken up and solved.

Fifthly, a recent judgement in the Kolkata High Court has created a problem. It may dilute the Wakf, and it will help the '*mutawalli*' to encroach or grab the Wakf property in a personal way. Sir, how can this be so? There are two Wakf. One is the Public Wakf, and the other is the Wakf al-al-Aulad.

Wakf al-al-Aulad means to register as a Wakf, but a part of the proceeds will go for the family, and a part of the proceeds goes for the pious and charitable work. But, the judgement has clearly stated that in case of Wakf al-al-Aulad, they have divided the property. It means that 75 per cent of the property is for the 'Aulad' and 25 per cent of it is for the pious and charitable work. But, this created a problem. If this judgement continues, then any Wakf al-al-Aulad, any 'mutawall' of the Wakf al-al-Aulad will take the advantage of this judgement, and this 75 per cent of the property will be used for their own benefit.

The High Court said that the Wakf Board has no jurisdiction on that account. I think, that it is a mistake in

the Wakf Act itself. There, it is mentioned with regard to the plous and religious work, but nothing is mentioned with regard to the property. The Wakf State cannot be divided. The proceeds from the States can be divided and used by the descendents of the Wakf, and a party may be used for the pious and charitable work. So in that area also, an amendment is necessary.

The High Court has felt that the State property is being divided. So, I think Wakf Act has a lot of limitation. If Wakf Act is amended, and these lacunae are properly amended, only then Wakf property can be managed property, and the purpose of this Wakf can be fulfilled.

Sir, with these words I would request that the Government should bring a comprehensive amendment to the Wakf, including in it all those points that we are making here so that Wakf Act can be foolproof, and that it can serve the purpose of the Wakf State in the country.

SHRI SUDIP BANDYOPADHYAY (Calcutta, North West): Sir, I would like to congratulate Shri Banatwalla for the whole nation has come to know as to how the Wakf properties are being looted in this country. I must thank Shri Anadi Sahu for his very articulate speech where he has requested the House for the introduction of a comprehensive legislation in this regard.

So far as the issue of corruption concerning Wakf properties is concerned, the State which I represent, West Bengal, is possibly one of the topmost States or is the only State in the country where the former Chief Minister had to announce a judicial probe on the floor of the House in the Assembly which would investigate the corruption that took place in regard to Wakf properties. Being a Member of the JPC on Wakf, I had visited a few places in the country. The corruption concerning Delhi Wakf properties has already been mentioned. We have toured a few places and we have examined the Wakf matters in West Bengal. Shri Hannan Hollah, in spite of being a Member of Parliament, has recently been appointed as the Chairman of the West Bengal State Wakf Board.

What is happening or the main issue is that there is a serious unholy nexus between the encroachers, local anti-social elements, a section of the police officials and some dishonest, unscrupulous promoters of the area. This unholy nexus is indulging in encroachment of very valuable Wakf properties in the city of Kolkata, which are under the jurisdiction of the Wakf Board. As he has described, Wakf properties have been illegally encroached in different places. Whenever the Chairman admits that

#### [Shri Sudip Bandyopadhyay]

the police officials are not functioning properly or police assistance is not being received at the appropriate time, it can be easily detected as to what level the corruption had gone up to.

Sir, before the judicial inquiry was announced in the State of West Bengal, the Judicial Secretary, Shri Sengupta—I am not referring to our Dr. Sengupta, but to another Sengupta—after a departmental inquiry had mentioned that the volume of corruption, so far as Wakf properties are concerned, had skyrocketed and he had given the details of a few properties in this regard. Sir, the JPC is trying to find out the reasons for this and it is also trying to find out ways to solve this problem. It is a very big affair. For many, many years, attention was not drawn to this. This JPC is, at least, trying its best to find out where the real problem lies.

I think, a comprehensive Bill and a full-fledged discussion on this issue would certainly nelp rescuing the properties belonging to the Wakf Boards. Wakf properties are mainly known as the properties of Allah. These properties are mainly distributed among the people of the Muslim community.

#### 17.00 hrs.

However, wherever you go into the details, you find that these have been looted by the people whom we consider anti-social elements. I hope this matter would be taken with all seriousness. Wald Act is already there to tackle the unscrupulous, dishonest promoters, those officials who are entrusted with the responsibility, and the whole issue with proper attitude.

There is a provision of conducting surveys occasionally. In this regard, we in the Committee had categorically said that advertisements have to be put out in the newspapers before surveys are conducted. However, the State Committees or the Wakf Boards never put out full advertisements in the newspapers to ensure that common people can come and make their submission. I, therefore, think that if a comprehensive Bill is introduced in time it can give some fruitful results.

So far as punishment is concerned, I do agree that if the guilty persons are found to be offensive in their acts even after a specific time limit, they have to be given exemplary punishment whether in the form of conviction or any other manner. The provision of exemplary punishment always reflects the attitude of the society and the Government that if any such helnous act is resorted to, the perpetrators of that act would not be spared.

Though this is a Private Member's Bill, this can be introduced from the Government side following which this issue can be taken up with all seriousness.

SHRI RAMESH CHENNITHALA: You say all these things to Shri Hannan Mollah. He will set all of them right in West Bengal.

SHRI SUDIP BANDYOPADHYAY: Shri Hannan Mollah has just expressed some of his feelings based on which one can easily guess the level of corruption that is seen in the Wakf Boards of the State of West Bengal. He is the main person there.

SHRI HANNAN MOLLAH: It applies not only to West Bengal but also for the country as a whole.

SHRI SUDIP BANDYOPADHYAY: I have made specific reference to West Bengal because that is the only State in the country where a judicial inquiry had to be ordered on the floor of the Legislative Assembly because of the pressure brought by the Opposition. It should go on record that there is no other State in the country where a judicial inquiry has been ordered. It is a fact and it cannot be denied. A few people, some of whom belong to the Ruling party, have been arrested there. Shri Hannan Mollah knows who those people are who have been arrested following the report of the judicial inquiry. There is no difference in opinion, in feelings and in the attitude. We are all united on this and we should endeavour to see that these properties are reused and the guilty persons are dealt with sternly.

# [Translation]

PROF. RASA SINGH RAWAT (Ajmer): Mr. Chairman, Sir, I support Indian Penal Code (Amendment) Bill, 2001 moved by Shri G.M. Banatwalla. In fact the present Bill has been moved with noble intention. It is quite unfortunate. A person practising Islam religion inspired by religious sentiments donates his property for charitable purpose. The protector of the same property becomes destroyers. Gradually the wald property, instead of being used for the purpose for which the donators have donated is encroached by the trustees of wald property and take it into their possession. The noble cause for which the donators have donated the property is defeats in court cases.

Mr. Chairman, Sir, Shri Banatwalla has suggested that some provision should be made in Indian Penal Code so that strict action may be taken against those who encroach wakf properties and illegally take it into their possession and should be punished accordingly. Maximum jail punishment should be given to such persons and should also be fines. For this purpose Shri Banatwalla ji has moved amendment in the Indian Penal Code that new sections 298A and 298C should be added to the Act formulated in 1860. Wakf property are managed according to the Wakf Act. The Wakf Board manage these properties. So wherever there are wakf property it is being misused. The people have encroached and illegally taken into their possession. Mutewalliles who had responsibility to manage the property have given it to renters. The purpose for which the property has been donated should be used for the same purpose. But the persons who were deputed to manage and protect the property have encroached and grab properties worth lakhs of crores of rupees in connivance with the revenue officers police officers and land mafias. Thus in a way it is being misutilised The same thing is being done in our Ajmer also. I also know about it. Similarly, wherever there are wakf properties in various cities in Rajasthan like graveyards, mosques, Schools and Madarsas or the properties which have been donated for the noble religions cause have been encroached by the people. As a result of this there are several cases in various courts. Lakhs of rupees are spent on these cases. The civil cases take longer time. There are provision in Wakf Board also that insures that no one will misuse the properties. so, the purpose for which the properties have been donated should be used for the same purpose.

The Waqf Board is provided with staff by the Government but as the number is less they are unable to take due care and as a result people get a chance to speak. Through you, I would like to submit to the Government that be it the property of Waqf Board, or Waqf itself, or the Devsthan, it should be properly utilised for the pious objective for which they have been given by the donors I request the Government to keep a check on it.

Mr. Chairman, Sir, my second point is that a comprehensive Waqf Act should be enacted for the purpose of protecting as well as looking after the Waqf property and also for property utilising the same so that no one could misuse it in future. Moreover, property viz, houses etc. adjacent to the temples, Devsthan have been encroached upon by the people. So, such a property given for a special purpose by any person is said to have been misused under the Islam. Islam says that whosoever encroaches upon the property of Waqf which is dedicated to the Waqf for pious, religious and other positive purposes, actually commits crime which is against the religion as also the society as the said property is to be utilised by society as a whole, but if this property is not utilised for the social purpose to serve the vested interests of a group of individuals, it hurts the person who has donated it. The purpose of opening a charitable hospital, or institution, or a Madarasa, or a *piyau* (drinking water) or a rest house to facilitate people fails in this manner and consequently the people in future are discouraged to donate their properties.

Mr. Chairman, Sir, I remember a story which proves that human being is the only one who possess a dual character. You must be aware that eminent poet Maithilisharan Gupta had written a 'khandkavya' (long episodic poem) "nahush" which contains a story that a king living on earth became king of heaven. All goddesses got worried on this development, goddess Indrani started weeping. At this, other women asked her as to why she was weeping, she should not be worried about anything as her husband was capable, strong and no one could dare to do any wrong to him. At this other goddesses said they were not worried for the aforesaid cause but for the fact that gods are always gods and demons are always demons, but for a human, you never know when he may become to Ram, or Ravana, Krishna, or Kansa, so as to say god or devil. His actions are distinct and unpredictable. A property is donated to the society for pious purpose but people grab it, encroach upon it, illegally possess it, break walls and construct their houses and thus commit breach of trust. Therefore, my submission is that the objective for which Banatwalla ji has introduced this Bill is really noble. If won't work changing merely clauses (a), (b), and (c) of the Bill. There should be a Provision of imprisonment for three or four years and a comprehensive Bill should be introduced by the Government. The JPC has also made certain recommendations in this regard. Problems of staff etc. before the Wagf Board should be resolved so that no person could dare to misuse or encroach upon the waqf property in future and it could be utilised for the very purpose for which it has been set up. I am thankful to you for giving me a chance to speak.

#### [English]

SHRI RAMESH CHENNITHALA (Mavelikara): Mr. Chairman, Sir, at the outset I would like to congratulate our senior colleague, Shri Banatwalla for bringing forward this piece of legislation.

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## [Shri Ramesh Chennithala]

The entire object of this legislation is to preserve the Wakf properties; that means, to avoid any kind of encroachment upon the properties of the Wakf Boards. The Wakf Act or 1995 clearly says:

"Wakf means a permanent dedication by a person professing Islam of any movable or immovable property for any purpose, recognised by Muslim Law as pious, religious or charitable and includes: wakf by user but such walk shall not cease to be a walk by reason only of the user having ceased irrespective of the period of such cesser."

These properties are maintained by the Wakf Boards. These Boards are there to strengthen welfare programmes of the minority community. They will also impart social security schemes. They are meant for charitable purposes. There is a need for strengthening Wakfs. Of course, *Shias* and *Sunnis* are Wakfs.

Wakf Act has been enacted by this Parliament in the year 1995, which needs more introspection now. The time has now come for a comprehensive legislation, according to the changing times.

As was rightly pointed out by our senior colleague Shri Banatwalla, there is a need for strengthening Wakf Boards. Shri Hannan Mollah is the Chairman of the Wakf Board of West Bengal and he was citing certain examples. He was expressing his feelings and also was mentioning about the impediments that are coming in the way of performing his duties. Considering all these aspects, a re-look at this legislation is needed urgently. Shri Bandyopadhyay was rightly pointing out an aspect, which is corruption. This is a disease which we witness in every sphere of our life.

This Board is appointed by the Government and is supposed to do pious and charitable activities. Unfortunately, they are also indulging in a kind of corruption.

There are a number of such examples. I do not want to go into the details but these corrupt practices will have to be stopped. The Waqf Boards are governing huge properties in almost all the State of our country. But they have not given proper attention to social security schemes, which they are supposed to do. Minorities, especially the Muslims who are the real beneficiaries of this scheme, are deprived of its benefits. So, the Waqf Board should ensure more and more implementation of social security schemes. They should also provide educational and other facilities to the deprived section of the society.

A lot of complaints of irregularities are coming up. For example, in Delhi itself-I do not want to name the person-the Waqf properties are leased to the people. This property is changing so many hands now. Ultimately this property is being used by such persons who are not supposed to use it. This is what is happening. There is a need for the Government to have a re-look at the entire governance of the Waqf Board.

There is no dearth of law in this regard. In the Waqf Board Act itself the Board has been given enormous power. Section 32 gives a lot of power to the Board. I wonder whether this Board in our country is really enjoying or implementing its power for the security and welfare of the Muslim community, especially the backward Muslims. Even now, in a State like Kerala, we have socially, economically and educationally backward sections of the Muslims. Literacy rate is very low there. Even though there are educational institutions, they are deprived of proper education. In Government services, the number of Muslims is not adequate. Kerala is one State which is giving reservation to the Muslims on rotation basis. Even though we have reservation in our State, their number is considerably low. Waqf property is being misused like anything.

Shri Hannan Mollah was citing certain examples. Under section 52 of the Waqf Board Act, the transferred Waqf property can be recovered and can be property maintained. Sections 54, 55 and 56 of the Waqf Act of 1995 clearly say how one can recover the property encroached upon by other people. But the whole thing is, these sections are not properly enforced. The Sub-Divisional Magistrate has the power to evict the people who have encroached upon the Waqf property. Section 55 clearly says:

"Where the person, ordered under sub-section (3) of section 54 to remove any encroachment, omits or fails to remove such encroachment, within the time specified in the order or, as the case may be, fails to vacate the land, building, space or other property to which the order relates, within the time aforesaid, the Chief Executive Officer may apply to the Sub-Divisional Magistrate within the local limits of whose jurisdiction the land, building, space or other property, is situated for evicting the encroacher, and, thereupon, such Magistrate shall make an order directing the encroacher to remove the encroachment, or, as the case may be, vacate the land, building, space or other property and to deliver possession thereof to the concerned mutawalli and in default of compliance with the order, remove the encroachment or, as the case may be, evict the encroacher from the land, building, space or other property and may, for this purpose, take such police assistance as may be necessary."

There is no dearth of law. Sections 55 and 56 also talk of restriction on the power to grant lease of Wakf property. That is another problem which is a perennial one. These Wakf properties are sub-leased by some people. It could be very evidently seen in the capital city of Delhi and other places. So, there is no dearth of laws. The only thing is how we are implementing the laws. Most of the CEOs are not properly implementing the laws. I am sorry to say that they are hand-in-glove with certain people who are the real encroachers. As a result of that, properties are encroached upon. Unfortunately, the community is suffering. The Muslims are not getting proper assistance from the Wakf Board. I would request the hon. Minister to have a re-look on the constitution of the Board also. A lot of representations were given regarding the constitution of the Board. There are certain lacunae. The persons who are really interested in the social welfare activities are not being represented on the Board. This aspect should also be taken care of.

With these words, I once again congratulate Shri Banatwalla who is a learned Member of this House. He is also a very senior politician and is also having a great knowledge about the Muslim Personal Law and the Wakf Act. He has come forward with this plece of legislation with a very simple object of protecting the Wakf properties.

I do not think there is any need for changing the IPC. My whole point is that there are provisions in the Wakf Act. They should be properly enforced so that the properties of the Board are saved.

SHRI VARKALA RADHAKRISHNAN (Chirayinkil): Sir, I rise to clarify the position for not supporting Shri Banatwalla. We all know the problem of encroachment is the order of the day. There is encroachment everywhere, not only of Wakf properties but also of Government properties. If I may put it, it is a national issue. The encroachment on forest land is widespread in the country in spite of the fact that we have the Forest Act. There is clear violation of the Forest Act and the Land Revenue laws. In this encroachment, the Revenue Officers as well as Forest Officers are conniving with the encroachers or the trespassers. With the result, the Governments are forced and compelled to declare a particular date and all encroachments prior to that date and given legal status and subsequent encroachments will be treated as offence. Then that year will again be changed giving legal status to the encroachment is a very serious problem. Not only that, encroachers show inhuman crueity towards wild animals as well. We are not bothered about the crueity shown to these wild animals. We are worried about the crueity to cows only and nothing else.

There is a law in our land that stipulates that we should not show cruelty to animals. But showing cruelty has been the order of the day. The species of wild animals are getting extinct. It is happening because of encroachment on their land. This is the situation in our country.

Sir, Shri Banatwalla has achieved his purpose. Encroachment on Wakf Board property should be barred. Strict action should be taken. I do agree with him and I have no objection to that. But there is one aspect to it. Would that purpose be achieved by amending the Indian Penal Law? This Indian Penal Law is secular in its character and is applicable to all sections of the society. it cannot be allowed to be adulterated. Why should it be adulterated? The Penal Law is applicable irrespective of religion and belief. It is applicable to every citizen of this country. Why should there be a new separate chapter dealing with Wakf Board property? In such an event, I am afraid there will come a day when a new chapter would have to be ordered for saving the properties of the Hindus. The properties of the Hindus would then also have to be protected by having a separate chapter in the law. The Hindus would ask for a separate chapter for saving their property from being encroached.

Sir, it is highly dangerous to have any kind of an adulteration in the Indian Penal Law. It should not be allowed. The purpose of Shri Banatwalla has been served. There are other methods by which the properties of the Wakf Board can be protected. The Wakf Board Law should be made strict. More teeth should be given to it for ensuring protection of the properties of the Wakf Board. We should not change the Indian Penal Law for this purpose. The IPC is a secular law. We cannot give any religious colour to that statute. That will be against the basic principles of secularism. I would like to appeal to Shri Banatwalla not to press for insertion of a particular chapter dealing with the Wakf Board properties. If it happens, then the very next day there will be a demand from the Hindus, Parsis and others to have a separate

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#### [Shri Varkala Radhakrishnan]

chapter in the law for protection of their properties and also there may be demands for a law for personal purposes as well. This is quite unjustified. There are many easy methods for protecting the properties of the Wakf Board.

Sir, there is rampant corruption. Shri Hannan Mollah mentioned about the bitter experience he has had in West Bengal in regard to the functioning of the Wakf Board, All these things would have to be protected. We need not go in for a change in the Penal law. The word 'trespass' has been defined under sections 447 and 448 of the IPC. Section 447 of the IPC deals with general trespasses and section 448 deals with serious offences for another form of trespass. When there is a clear defining for trespass and punishment also has been provided for that in the IPC, there is no necessity to lend a communal colour to that provision by having a separate chapter. That is not good. That is why, I not only am opposing this, but I appeal to Shri Banatwalla to withdraw this. There are other effective methods for achieving this. However, I thank him for moving this amendment.

Sir, before I conclude, I would like to mention one thing here. Our judicial system is facing a crisis and we have appointed the Malimath Committee for that. The report and the recommendations of the Committee have been submitted to the Government. Why is the Government keeping it a secret? Only a summary of the recommendations was published in the Press. I would like to request the Government to give a copy of that to me.

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI I.D. SWAMI): The Report is in the library.

SHRI VARKALA RADHAKRISHNAN: You please publish the report. Let people discuss it. Merely keeping the copy in the library is not enough.

SHRI I.D. SWAMI: It is under print.

SHRI VARKALA RADHAKRISHNAN: Let the citizens of India know as to what the recommendations are.

The Supreme Court has made certain observations. So, we want publication of the Malimath Committee Report in order to make it known to everybody. Let the legal community discuss it and the Bar Association discuss it. Keeping it in the library is not enough. It must be published. Our Indian criminal justice as well as the civil justice is facing a crisis. It is expensive and also plagued with delay, cumbersome process and deplorable state of affairs in the matter of conviction rate. When we compare it with other civilised nations, our criminal administration is for below standard and the conviction rate is very low. So, we have to tide over the situation.

For that purpose, what are the recommendations of Malimath Committee? Let us have a national debate on these recommendations. We will change the law enunciated by Lord Macaulay during the colonial rule. The Indian Penal Code will have to undergo thorough changes. The Criminal Procedure Code will have to undergo through changes and the Evidence Act also will have to undergo changes. I fight for changes. I fight for a system which is truth finding. Truth must prevail. But the Encroachment Act system is entirely different. Assuming innocence for the accused is not enough.

So, I again request the Minister to publish the Malimat Committee Report for the benefit of the public at large, so that there shall be a national debate on that subject; new recommendations will come and we will give effect to them.

With these words, I conclude.

#### [Translation]

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SHRI THAWAR CHAND GEHLOT (Shajapur): Hon. Mr. Chairman, Sir, I oppose the Indian Penal Code (Amendment) Bill, 2001 as introduced by the hon. Member Shri G.M. Banatwalla. Sentimentally, I do feel that the criminal should get severe punishment, but, the kind of amendment introduced by him, if passed, would bring in dual law in the country. This would introduce two different laws for two religions, which is not appropriate at all. Recently the Supreme Court has given a verdict that a Uniform Civil Code should be enforced in the country, and the said Bill is very much against this sentiment. I, therefore, oppose the Bill.

Hon. Banatwalla ji has expressed concern over the misuse of Waqf property in the country by encroaching them and making it their private property. This should definitely not happen. I also agree to it. But I would urge here that problem of encroachment is quite prevalent in all the religious institutions of the country. There was a time when people used to construct religious institutions by donating their personal land and property, and maintained it. And if anyone, with a Malafide intention, tried to encroach upon it, the people in society themselves handled such a situation, thus preventing him from indulging in such an activity, but today people all over, are developing such kind of tendency.

It is right that very few religions institution are constructed on private lands. Generally people either encroach upon the land, or get it allotted by the Government. In such a situation the documents with such an institution certainly have one or the other erron. Due to this, cases against encroachments keep on going in revenue courts not only for a year or so but for years together. I have heard about a few cases that encroachments were made on someone's land or field and cases went on for 35 years involving two generations of that person. If the matter is to be decided by Tehsildar, appeal would be made to the SDM, if decision from SDM, then appeal to collector and if decision from Collector's office is given, the appeal is made to Commissioner, then to Revenue Board, or to Civil Courts, High Courts and even to the Supreme Court. I have so many of such examples.

Certainly the encroachers should be given most stringent punishment and stern action be taken to stop it. However if subsection a,b,c are also added to the section 291 of IPC, then it will deal with only the Waqf property i.e. Islam followers only but if the encroachment has taken place in a temple, gurudwara or any other religious institute the existing law will be applicable in regard thereto. It is not appropriate that this law is made applicable for the waqf property only.

In this regard I would like to draw the attention of the hon. Minister towards one more thing. One instance of polygamy came to the fore in Madhya Pradesh. Shahbano was a resident of Indore. Her husband left her to remarry. Shahbano filed a case in the Court. One court gave the verdict in her favour and ordered her husband to pay her compensation. The ex-husband of Shahbano again appealed in the Court. Shahbano also won that case. The matter came to the Supreme Court. The Supreme Court also ordered her husband to pay her compensation. However the Parliament passed a constitutional amendment to be applicable from retrospective effect which provided that the capacity of the husband to pay compensation will be judged. It was a very erroneous decision. When a man remarries and make living it is only when he can afford to do so. However one opinion which was kept open was that if it was found that a person is incapable of paying compensation then compensation will be paid from the waqt account i.e. Shahbano, the deserted wife was rendered eligible for getting compensation from the waqf property.

I would like to say to the hon. Minister that waqf property comes out of the public property. The Ministry of Social Justice and Empowerment provides funds to Waqf Board from the corpus which comprises of the public money. It is wrong. The person guilty of deserting his wife should be Minister. Instead of being punished, the people are getting punished. Provision to pay the public money to the deserted lady has been made. If such a law having a dual character is enforced in the country it will never lead to the order, religious harmony and fraternity among the people. Hence I oppose this Bill seeking to enact a law which is against uniformity. If this amendment Bill is passed, dual laws will be introduced in the country.

in this regard I would like to say that the trusts be created for the temples and religious institution and the collector be made the Chairman of the trusts to check any encroachment of the property of these religious institutions. Collector is in a capacity to do so. Generally the tendency of encroachment is less in other religious institutions. If somebody indulges into encroachment, collector can check it by using his powers. He can also punish the guilty after removing encroachments. It would be better if such a provision is made. If the laws governing the temples, Gurudwaras and churches etc. are also made applicable in regard to the waqf properties then the encroachment of the later will also stop. I would like to say that the Government should bring a comprehensive legislation to check the misuse and encroachment of the religious properties which also may include within its purview the suggestion and the sentiments of Shri Banatwalla and may also resolved the problem. I would like the Government to bring such a Bill which may check the proliferation of this problem.

SHRI RAMDAS ATHAWALE (Pandharpur): Mr. Chairman, Sir, the bill introduced by Shri Banatwallaji is an important Bill. The Muslim society should be provided social and economic assistance. It should not be opposed. Rather it is very necessary to support the Bill. Today some persons use the wagt properties for their personal interest. As the wagt property is meant for the muslim society as a whole it should be used for the economic, social and cultural activities meant for the upliftment of the society. Some people are misusing it and are engaged in corrupt practices. The Bill introduced by Shri Banatwallaji seeks to tighten the government's control on the waqf property in all states. An institution doing a commendable job should be supported but the State should also contemplate divesting the institutions of its powers if it is misused in wrong practices. The Government of India should enact a law in the parliament in this regard, hence I support this Bill introduced by

## [Shri Ram Das Athawale]

Shri Banatwalla. The enactment of this law is necessary for the economic and social development of the muslim society. I request the Government of India to ensure the passage of the amendment Bill introduced by Banatwallaji after considering over it. I support this Bill.

SHRI SAIDUZZAMA (Muzaffarnagar): Mr. Chairman, Sir, I thank you for giving me an opportunity to speak on this important Bill. The entire country is facing the problem today. The waqf Board be it in any state are passing through a peculiar and critical situation today. The Wagf properties have been encroached by those persons who are not entitled to do. Law is there to check it but the Government is not able to implement the law to check this malice. The trustee of the Waqf properties are themselves misusing it for their personal benefit. Whether it is the Central Waqf Board or State Waqf Board trustees are not fearful of facing any punishment to check their wrong practice. A huge property has been encroached and the Government is not paying any attention to it. One of the purpose of bringing this Bill by Banatwallaji is to make the offenders feel the fear of punishment to be given by the Union Government or State Government and to insert the provision of punishing the guilty. The Government may give any shape to the new provision, at least it should serve to safeguard the purpose of Waqf property and also to check the proliferation of the encroachment of the Waqf property by those who are misusing it in the name of being its caretakers (trustees) and have been continuing to do so through the stay from courts so that the Wagf property donated by the donor for the fulfillment of specific purpose and for the society could be utilised properly. Today there is no such provision so as to raise this apprehension in the mind of the people that they are likely to be punished for misusing the Waqf property can be freed from the encroachment but such cases of land encroachment are lying pending in Courts for the last fifty years. Hence such a Committee or Court be set up which could specially deal with the cases related to Wagf property. The Wagf Board has no control over those caretakers, who have either encroached or are misusing the Waqf property. There is central Waqf Board Act and there are Waqf Boards in the States also but the caretakers (trustees) are not accountable to those. There should be a provision of taking action against those trustees who are working against the Wagf. Hence I would like the Government to pay attention to safeguard the Waqf property. This is in national interest too. The waqf property is the property of the society and it is meant for its upliftment. The Waqf property can be useful in many ways for the society e.g. constructing educational institutions and hostels etc. However these properties, instead of being used for the social welfare, are being used to meet personal ends.

The Government should make some provision to check it besides the cases which are pending in the Courts for the last 20 to 40 years should be disposed by setting up separate courts.

#### 17.48 hrs.

#### [MR. SPEAKER in the Chair]

The action should especially be taken against Mutavalli in this regard. If action is not taken against them, if they are not punished and if they won't feel any deterrence of punishment, they would tend to think that they can encroach the property anytime and hand it over on leave. Then no wakf can check these encroachment nor a Court can decide this case. It is on account of this that the cases keeps on pending. In view of all these things this Bill has been moved by Shri Banatwallaji. The Government should try to resolve the problem. The Union Government as well as State Government should pay full attention to save the property belonging to Wakf.

## [English]

SHRI E. AHAMED (Manjeri): Hon. Speaker, Sir, while supporting the Bill moved by Shri G.M. Banatwalla, I would just like to remind the House of one important -matter. If I remember correct, in 1995, when the Bill was brought forward by the then Minister of Welfare, the late Shri Sitaram Kesri, there was a consensus among the parties in the House that the Bill was not perfect and it was not comprehensive enough. But the then Minister assured us one thing. The point is that whatever amendments we had sought to be moved, we were asked to keep them in abeyance because the hon. Minister said that he would discuss the matter with the concerned people. This is one such matter which we raised even at that time.

In the name of Wakf, all the people with vested interest—who have no regard to religion, no regard to humanity and no regard to charitable purposes—have been looting the property under the very eye of the laws and nothing could be done. Whenever there is any move in the Wakf Board to recover the property belonging to the Wakf-which is ultimately to go to God because it is not to be belonging to any individual or any institution except that of the Wakf Board-nothing can be done. Therefore, it is a matter of urgent public importance for the country and for the Government to restore the properties from some people who have been looting the property of the Wakf. They have sold many of the properties just by giving a paltry sum to the Wakf Board by way of rent etc. They are Subletting the property to other people. By subletting the property, they have been making a lot of money. Even in a place like the capital city of Delhi, many pieces of land have been encroached upon by everybody. There are some provisions in the 1995 Act-sections 54, 55 and 56. As per these sections, the Wakf Board is the authority competent to deal with the matters. It can very well take action against the erring persons. But there is nothing which has been done. It cannot be done because of certain things. Even if the matter is taken to the court, if at all it is taken up by the court, they will bring some objections, res judicata and other provisions of the Civil Procedure Code.

It will be stayed. Then again that Criminal Court would also say that this being a matter of the civil nature, they would not be able to entertain it. Therefore, ultimately these looters, in the name of Mutavalli, have been misusing this. This is the time for the Government to step in and stop it.

Sir, this country being secular in nature, having all religious denominations, everybody has been given their privilege to have their own laws and the State has been supporting it. This is the most important thing for India, that is, Bharat. It is because any citizen, whether he is a Hindu, or a Muslim or a Christian has his own right to assert his religious rights and manage the property for the purpose for which it has been dedicated. Here, as Shri Banatwala Sahib has very clearly mentioned in the Statement of Objects and Reasons of the Bill that the Government should seriously view any encroachment on Wakf property than seeing it as a mere Order of removal of the encroachment. This is particularly so because the Wakt property is permanently dedicated for pious, religious and charitable purposes. That very charitable purpose, that very pious purpose has been defeated if it is not taken seriously. Therefore, I urge the Government also to consider accepting this amendment moved by Shri Banatwala. It is in the national interest; it is not in the interest of any particular community. It is the property belonging to the public. This is a property belonging to the people who are rightly and legitimately owning it for a pious purpose. Therefore, I strongly urge the Government to give consideration to this amendment.

MR. SPEAKER: Please conclude. I am trying to conclude this item today itself.

SHRI E. AHAMED: I would like to say one more thing. The position of our country in the Comity of Islamic countries is that this is one country which is giving safeguard to the religious minorities. So far as the Muslim minorities in this country are concerned, this is one of the most important things. If this Parliament, this secular Parliament passes such a protection Act of the Wakf property and also save this property from the looters, from those vested interests, it will be a landmark step in the history of this Parliament. Thank you very much.

## [Translation]

SHRI I.D. SWAMI: This Bill moved by Hon'ble Banatwallaji seeks to amend the IPC to check the encroachment and misuse of the property belonging to Wakf which has been dedicated for a noble purpose. The intent and motive of bringing the Bill is guite good. Besides, Banatwallaji all the 11 Members, be they belong to any party who have spoken on it have unanimously supported that such properties should be protected. The Government should ensure their safety and should take stringent measures to protect the property of Wakf. Such laws should be enacted and amendments be carried out which could facilitate taking action against the offenders. This is true and Banatwallali himself might have realised that there is no need for IPC amendment. As was said by hon. Bandopadhyayji that such a judicial inquiry was conducted in Bengal. Mutavalli or the manager of Wakf Board have collusion with the officers and anti-social elements there and a judicial inquiry was conducted there to ascertain the fact. Similarly, hon. Chennithalaji and hon. Anadi Sahuji also said that as per the section 32 of the provisions of Wakf Board which has been mentioned here and as per the section 52, 54, 55, 56, a Chief Executive Officer can take action himself and if the order of eviction is not complied with them he can approach the SDM. There is already a provision in Cr. P.C. which allows the officials or managers of Wakf to take action expeditiously and to approach the Executive Magistrate as soon as they come to know of an encroachment on property of Wakf. Once the Executive Magistrate is approached notice can be issued under section 144 and 147 of Cr.P.C. and the property can be attached under section 145. Then the encroachment can be removed from the property after making a decision in this regard. Section 143 to 148 of Cr.P.C. have the provision of preventive measures in regard to encroachment and misuse of Wakf property. If nothing comes out still, one can approach the Civil Court. The cases keep on pending in Civil Court for long. I think that all the Members have suggested that amendment in IPC won't help. As far the

## [Shri I.D. Swamy]

view of Shri Banatwallaji that it falls in the category of offences relating to religion is concerned, I don't agree with him. Probably no Member has associated himself with it. Chapter 15 also mention offences relating to the religion. The heading of the section is.

## [English]

"injuring of defiling places of worship, deliberate malicious or intended outrage of religious feelings, disturbing religious assembly, trespassing on burial grounds, uttering words etc. with deliberate intention to insult a religion."

### [Translation]

If these amendments are included in the same section, it will not be right. All Members have said that ours is a secular country. Shri Banatwallaji has argued that it is necessary to protect the Wakf property in a secular country but at the same time he will have to bear in mind and it has also been stated by all Members that the law can not be amended for the property of Wakf only as other religious institution like Gurudwars, temples and the charitable trusts also have the property. A law uniformly applicable to all can be enacted in a secular country. Shri Banatwallaji is a learned advocate and a veteran parliamentarian and I carefully listen to him and respect him a lot. He presents his views in an articulate manner but his suggestion to amend the IPC to protect the property of Wakf is not right. Of course, amendment in the provision of the Wakf Act can be given a thought. Other Member have also given their suggestions in this regard. In view of the time constraint, I would only like to submit. ... (Interruptions)

#### [English]

SHRI SAIDUZZAMA: Mr. Speaker, Sir, the main point is that timely punishment should be there.

### [Translation]

Those encroachers or the offenders should be punished. No action against them is taken.

SHRI C.K. JAFFER SHARIEF (Bangaore North): Mr. Speaker, Sir, hon. Prime Minister is present in the House. I would like to know whether the hon. Prime Minister will say something in regard to the encroachment made by the private persons/institutions or government organisations on the land of Wakf.

# [English]

MR. SPEAKER: I extend the time of the sitting of the House till this item is concluded.

# [Translation]

SHRI I.D. SWAMI: If we look at the section 144 to 148, SHO has to prepare the case under section 44. If the Government land is encroached, the collector of SDM has to designate an officer under section 145. If any encroachment on Wakf property either by the Government organisation or any private persons/institution has been made or it is being misused or it is not being used for the purpose for which it was acquired then the authorities of the Wakf Board i.e. Chairmen of the Chief Executive Officer can approach the department. I think that its solution can be found once the department is approached. If no solution is found then the CEO is empowered to pass an evacuation order against the Government organisation or can give an application to SDM in case the former action is not taken. The SDM will decide in this regard and he can seek police assistance to enforce the ejectment order. The law is equal for everybody here. Whether it be the encroachment by a Government or private organisation or any person or institution, law is equally enforceable for all of them.

## 18.00 hrs.

There is a need to make the Wakf law more stringent and this thing can be considered by the Government. JPC has already been set up in this regard and its recommendation are also likely to be received. The survey of the property as has been suggested will also be done. In view of all these things, I would request Shri Banatwallaji to withdraw this amendment Bill. Then the Court will look into as to what amendment are needed to be made in the Wakf Act and it could he considered then.

#### [English]

SHRI G.M. BANATWALLA (Ponnani): Mr. Speaker, Sir, I am very thankful to the hon. Minister for his sympathetic and very kind intervention. I also thank all the Members who have participated in the discussion on the Bill. I moved the Bill and then 11 Members participated. Thereafter, the hon. Minister has very kindly intervened. His intervention is very useful. I am so happy that we had a very light-bearing discussion. With the sympathetic attitude that the Government has taken and which the hon. Minister has just expressed, I am sure, the discussion will not remain merely light-bearing but will also be fruit-bearing in its purpose.

I am so heartened and happy that every section of the House has agreed with the intentions and concerns that we have expressed about the loot of the Wakf property that is going on. Everybody has shared that concern. The only question remained is as to how to address this particular problem. Therefore, we had discussion centered on whether there is any need for amendment, and if there is a need for amendment, whether the amendment must come in the IPC or whether the amendment should go to the Wakf Act or any other Act. These are matters of detail. There were so many suggestions. Similarly, if the amendment is to be in the IPC, what should be the nature of the amendment and what should be the reach of the amendment? That was another matter of detail that was considered and several suggestions were there. I say that my amendment is concerned with only the Wakf properties. A similar position may be there with respect to Devasthanam. I have been pointing out the Devasthanam's position and also with respect to temples. But, I am sorry, my knowledge about those state of affairs is rather limited. I thought I might not make a mistake and create any provocation anywhere. Therefore, I did not touch that particular aspect. But then such a provision can be made applicable to all places of religious worship and places of religious significance, whether it is Wakf or whether it is Devashthanam or Gurdwaras or anything whatsoever. I am totally agreeable that any encroachment on the land and the properties of religious significance must be removed. For public service, any encroachment is an encroachment against the society. There must be a criminal liability. A deterrent punishment should be given. However, we are told that there are provisions under the Wakf Act. Yes, there are provisions. But there are so many difficulties there. In the first place, the implementation of the Wakf Act, 1995 is a State concern. As I had pointed out while piloting the Bill, the position in various States with respect to the implementation of the Wakf Act is very pathetic. In 1995, the Act came into force. We are in the year 2003. Eight years have passed by and there are States, which have not brought in Wakf Board into existence and because there is no Wakf Board into existence, there is no Chief Executive Officer in existence. Since, there is no Chief Executive Officer in existence, the provisions 52, 53, 54, 55, 56, etc. of the Wakf Act with respect to all those encroachment matters, etc. cannot be implemented. The people know that there is no Wakf Board or the Wakf Board is not fully constituted, that there are no Chief

Executive Officers and therefore, that machinery and the mechanism contemplated by the Wakf Act is also not there. Therefore, encroachment goes on with impunity. That is the position.

MR. SPEAKER: Please conclude now.

SHRI G.M. BANATWALLA: Sir, I know the sanctity of time and I realise this. Another problem is that whenever there are mechanisms, there is not full cooperation coming, as I have already pointed out, from the district administration, from the police to the Wakf authorities. These are matters that have to be considered. I will only say this much and conclude and that is, that by merely having a civil procedure, the question of encroachment on Wakf properties or as a matter of fact on the properties of public nature will not be solved. A person encroaches. Supposing you go to court and supposing the court also gives an expeditious decision, which is so difficult, but then what happens? The man goes out of the encroachment he has enjoyed it for so many years. That is all that is to it? No, the person who has encroached and misutilised the entire place meant for charitable purposes, must also have criminal liability and deterrent punishment so that there is a deterrence in the society for this particular offence.

I am very thankful that the purpose of the bill is served and, that is, to have an enlightened discussion on a serious question that is there before us. I am sure, the Government will consider various points, various suggestions which have been here. I am not adamant on any particular method to be adopted, but the problem has to be solved. I am sure, the Government will ponder over this question and suitable measures would be taken to avoid this loot of the Wakf properties or the properties of any religious significance, as a matter of fact, that is going on in our society.

With these words, I thank you very much. The hon. Prime Minister is also here. I had referred in my speech while speaking that a lot of Wakf property is under encroachment by the Government—Central, States and the local bodies. When Shrimati Indira Gandhi was the Prime Minister, she suggested a formula. But even that formula is not being implemented. So, I would request the Government to consider all these things. There are about 23 Wakf properties here in Dethi, which were to be transferred from the Government to the Wakf Board. The matter is lying in the court. I would request the Government to take interest and get the matter expedited.

#### [Shri G.M. Banatwalla]

With these words, I seek the leave of the House to withdraw my Bill and hope that the serious question will receive due attention from the Government and necessary action will be taken without delay.

I beg to move for leave to withdraw the Bill further to amend the Indian Penal Code, 1860.

MR. SPEAKER: The question is:

"That leave be granted to withdraw the Bill further to amend the Indian Penal Code, 1860."

The motion was adopted.

SHRI G.M. BANATWALLA: Sir, I withdraw the Bill.

18.09 hrs.

### CONSTITUTION (AMENDMENT) BILL\*

#### (Amendment of Article 39)

[English]

MR. SPEAKER: Now, we go to item No. 46. Shri Ramdas Athawale.

[Translation]

SHRI RAMDAS ATHAWALE (Pandarpur): I beg to move:

"that the Bill further to amend the Constitution of India be taken into Consideration"

Mr. Speaker, Sir, I have moved the Bill on the presence of the hon. Prime Minister and the leader of the opposition, hence I hope that the Bill be passed.

(English)

MR. SPEAKER: Shri Ramdas Athawale, you can continue your speech next time.

18.10 hrs.

# VALEDICTORY REFERENCE

#### [English]

MR. SPEAKER: Hon. Members, the Thirteenth Session of the Thirteenth Lok Sabha which commenced on 21st July, 2003 is coming to a close today. The House had a total of 21 sittings, spread over 113 hours.

\*Not recorded.

During the Session, the Lok Sabha transacted several important items of legislative, financial and other business.

Lok Sabha gave approval to 11 Bills including the two Constitution Amendment Bills.

The House also passed Supplementary Demands for Grants (General) for the year 2003-2004 and Supplementary Demand for Grant (Railways) for the year 2003-2004.

Hon. Members, debate and discussion are the essence of parliamentary democracy. All issues have, therefore, to be resolved through discussion on the floor of the House. Sometimes, however, situations arise when it becomes difficult to transact the listed business. During this Session, unfortunately 35 hours and 36 minutes of the precious time of the House were lost due to adjournments of the House on account of Members raising slogans and rushing to the Well of the House. I am, however, glad to say that the Leaders and Members extended their full cooperation in substantially making up for the lost time by sitting late for 28 heurs and 6 minutes, including beyond midnight on two occasions. Thus, on the whole, only a little over seven hours of time was lost.

Hon. Members, I have always endeavoured to resolve issues by holding discussions with Leaders instead of invoking my disciplinary powers.

As you are aware, a wide range of issues which were agitating the minds of Members and were earlier sought to be raised through various procedural devices, could *inter* alia be discussed during the debate on the No-Confidence Motion moved by the hon. Leader of the Opposition, Shrimati Sonia Gandhi. The Motion was discussed for 21 hours and 7 minutes on 18th and 19th August, 2003. The debate was telecast and broadcast live on Doordarshan and All and Radio. As many as 39 Members from both the sides participated in the discussion and placed their views before the House and the nation. The Motion was negatived on a division.

The House had fruitful debates on four important matters of urgent public importance under Rule 193 *viz.*, on: (i) Construction of Taj Heritage Corridor; (ii) Sharing of inter-State river waters between the States of Andhra Pradesh and Kamataka; (iii) Working of the Investigating Agencies particularly Central Bureau of Investigation; and (iv) Atrocities on *Dalits* in various parts of the country.

The House also took up another fruitful discussion on a Government Motion regarding 'the progress of implementation of Part IX and Part IX-A of the Constitution, dealing with Panchayats and Municipalities as institutions of self-government, during the last ten years'.

The House took up four matters by way of Calling Attention. The Ministers concerned made Statements thereon. Twelve other Statements were also made by Ministers on different issues of urgent public importance. One of these Statements, as the hon. Members know, was made by the Minister of Health and Family Welfare on reports in newspapers on pesticide residues in soft drinks. On a demand made by various sections of the House, the Minister of Health and Family Welfare moved a motion for appointment of a Joint Committee of both the Houses to examine the matter. The motion was adopted by the House.

As regards the Private Members' Business, the House discussed four Private Members' Bills, out of which two were withdrawn by the leave of the House, one was negatived and one remained part discussed. The House also discussed three Private Members' Resolutions; out of these, two were withdrawn by the leave of the House and one remained part discussed. Members raised 220 matters under Rule 377 while 93 matters of public importance were raised by them during the 'Zero Hour'.

During this Session, the Departmentally-Related Standing Committees presented 16 Reports.

I am extremely grateful to the hon. Leader of the House, the hon. Leader of the Opposition, the Leaders and Deputy Leaders of Parties and Groups in the House as also to their Chief Whips and Whips and indeed to each and every Member of the House for their kind cooperation and courtesy extended to me and to my colleagues, the hon. Deputy-Speaker and Members of the Panel of Chairmen. I would also like to express my appreciation and thanks to the officers support in running the House. I also thank the media for covering the proceedings of the House.

Hon. Members may now stand up as Vande Mataram would be played.

18.16 hrs.

# NATIONAL SONG

(The National Song was played.)

MR. SPEAKER: The House stands adjourned sine die.

18.17 hrs.

The Lok Sabha then adjourned sine die.

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