

LOK SABHA DEBATES **(English Version)**

Thirteenth Session
(Eighth Lok Sabha)



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LOK SABHA DEBATES

LOK SABHA

[Translation]

Friday, March 3, 1989/Phalgun 12, 1910
(Saka)

MR. SPEAKER: Shri Hannan Mollah,
you may also take up Q. No. 147.

[English]

SHRI HANNAN MOLLAH: Qn. No. 147.

The Lok Sabha met at Eleven of the Clock

[Translation]

[MR. SPEAKER *in the Chair*]

MR. SPEAKER: I think this is not Section 147 of the IPC?

ORAL ANSWERS TO QUESTIONS

[English]

[English]

DR. DATTA SAMANT: Start with Coca Cola, Sir.

Import of Coca Cola Concentrate

MR. SPEAKER: With a drink of Coca Cola or with a question on Coca Cola?

*141. SHRI K.P. UNNIKRISHNAN: Will the Minister of COMMERCE be pleased to state:

DR. DATTA SAMANT: Start with Shri Unnikrishnan's question on Coca Cola.

(a) whether Coca Cola of the US or its agents have sought facilities for import of Coca Cola concentrate into India and bottling of the soft drink in different parts of the country in the wake of the decision of Government to permit Pepsi Cola;

SHRI S. JAIPAL REDDY: Sir, the Prime Minister is not in the House. This will not lead to a boycott!

(b) if so, the details thereof and the position of Government in this regard; and

MR. SPEAKER: Is it?

[Translation]

SHRI HANNAN MOLLAH: Q. No. 147 is almost the same.

(c) the rationale behind encouraging investment in such non-essential industries?

MR. SPEAKER: You can take up that also. The answer is almost the same.

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (c). A Statement is given below.

[English]

We will take it up.

STATEMENT

SHRI K.P. UNNIKRISHNAN: Qn. 141.

(a) to (c). M/s. Coca Cola South Asia Holdings Inc., USA has applied for approval to establish a unit in the Noida Export Proc-

essing Zone for the manufacture of proprietary compound preparations and extracts to be used in the production of concentrates for non-alcoholic beverages. The scheme of production proposed by the company is in accordance with the regime of Export Processing Zones.

The project proposal involves an investment of about Rs. 3.5 crores to generate exports over a five year period of about Rs. 25 crores of concentrates with a net foreign exchange realisation of about Rs. 17 crores and a value addition of about 66%. The entire investment will be foreign owned. Since upto 25% of the production in EPZs is permitted to enter the DTA, they have sought permission to sell 25% of the production for the domestic market. The application is under the consideration of the Govt.

The project of Pepsi Cola is to be situated in the Domestic Tariff Area under the regime applicable to domestic production.

Coca Cola proposal for setting up of a Soft Drink Plant at Noida

*147. SHRI HANNAN MOLLAH†:
SHRI DINESH GOSWAMI:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Coca Cola Company has submitted a proposal to set up a soft drink concentrate plant at NOIDA Export Processing Zone; and

(b) if so, the details of the proposal and Government's decision thereon?

THE MINISTER OF COMMERCE (SHRIDINESH SINGH): (a) and (b). A Statement is given below.

STATEMENT

(a) and (b). M/s. Coca Cola South Asia Holdings Inc., USA have applied for approval to establish a unit in the Noida Export Processing Zone for the manufacture of

proprietary compound preparations and extracts to be used in the production of concentrates for non-alcoholic beverages. The scheme of production proposed by the company is in accordance with the regime of Export Processing Zones.

The project proposal involves an investment of about Rs. 3.5 crores to generate exports over a five year period of about Rs. 25 crores of concentrates with a net foreign exchange realisation of about Rs. 17 crores and a value addition of about 66%. The entire investment will be foreign owned. Since upto 25% of the production in EPZs is permitted to enter the DTA, they have sought permission to sell 25% of their production for the domestic market. The application is under the consideration of the Govt.

The project of Pepsi Cola is to be situated in the Domestic Tariff Area under the regime applicable to domestic production.

SHRI K.P. UNNIKRIISHNAN: I have seen the statement. Coming as it does from a very distinguished senior member of the Government it is very unfortunate. Unfortunately I think that the main thrust of the question has been entirely sidetracked and the Minister talks about one proposal under the Export Processing Zone and another which relates to domestic tariff area. That is his answer.

I would invite your attention to the protestations of this Government being pro-poor get louder and louder — now that the Finance Minister is here — but some problems are unimportant, maybe like the problem of drinking water gets sidelines and the Cola war is hotting up. This is the most interesting thing, that the Cola war between two giant multinationals, Pepsi Cola and Coca Cola, has entered the realm of the Government itself with one Minister trying to promote the interests of Pepsi Cola and trying to tell this House, the other day that he had got a telex—what a wonderful news that he had got a telex from pepsi cola—that he had to take the House into confidence and warning against Coca Cola.

SHRI SHANTARAM NAIK: How is it that he is making a speech? (*Interruptions*)

MR. SPEAKER: Put the question.

SHRI K.P. UNNIKRIISHNAN: About Pepsi Cola, it was said that a diamond necklace was passed on. I do not know what was passed on in the case of Coca Cola. I would like to put the question. I have just started saying that there is no drinking water but there is more than one Cola. That is the contradiction between the two. (*Interruptions*) If you do not want to listen to it, well, what can I do?

MR. SPEAKER: Put the question

SHRI K.P. UNNIKRIISHNAN: In the name of this Export Processing Zone they are trying to enter, and he says, that the question of its entry into the Domestic Tariff Area will be taken into consideration. But there is already a notification. There is already a notification of which I am sure — unless he wants to mislead the House — and which enables them to sell 25 per cent. That was done to help one film star who was a member of this House. Earlier a notification was brought, against the opinion expressed by the Public Accounts Committee. (*Interruptions*)

[*Translation*]

MR. SPEAKER: You please don't interrupt. Let me say. Your interruptions lead to wastage of time.

(*Interruptions*)

[*English*]

MR. SPEAKER: Put the question. Mr. Unnikrishnan.

SHRI K.P. UNNIKRIISHNAN: I am putting the question. Therefore, there is somebody to decide here... (*Interruptions*)

MR. SPEAKER: Please put your question.

SHRI K.P. UNNIKRIISHNAN: I would invite the attention of the hon. Minister to part (c) of my question, as to what is the rationale behind encouraging investment of investable resources in such non-essential industries or do they consider them to be very essential

MR. SPEAKER: I think, we should concentrate mainly on the question. I do not want elaborations. It becomes so much confusing. If I cannot check you, others will not be checked.

(*Interruptions*)

SHRI SHANTARAM NAIK: Sir, he took six minutes to form a supplementary question... (*Interruptions*)

MR. SPEAKER: It is very bad.

SHRI DINESH SINGH: Sir, since various issues have been raised which are beyond the question as such, I would crave your indulgence in trying to answer it. It is not a question of comparing cold drink with water. The hon. Member himself at times drinks cold drink when water is available. It is a matter of choice, whether you want to drink water or you want to drink a soft drink. We are not here to prevent people from drinking soft drinks if they so wish to do. The question here is, whether we are going to permit Coca Cola to manufacture a soft drink concentrate in the Export Processing Zone. Now, the Export Processing Zones have been set up as in many other countries. There is an UNCTAD study on this and this has been done primarily for attracting foreign investment, for providing know-how, for providing managerial skills and for technology transfer. Now, in that process, obviously if you frame a scheme, in that scheme advantage is at times taken by companies which may have a portion of the objective, but not the total objective; yet they may conform to the rules that would have been framed. Now, we cannot say that each company would fulfil all obligations. A number of companies have been established in the Export Processing Zones by Indians, by non-resident Indians

and by foreigners which are not high technology, but which have high export or which have high investment. Therefore, it is a mix; sometimes you get one mix and sometimes you get another mix.

So far as the Coca Cola application is concerned, the application is in conformity with the rules of the Export Processing Zone. Now, the options before us are three. One is to accept a scheme that conforms to the rules and regulations of the Export Processing Zones, particularly in regard to creating confidence for our scheme in the Export Processing Zones. Otherwise, people wishing to invest in Export Processing Zones can go to any country. They do not have to come to India. There are a large number of countries which have these facilities. They can go to any other country. The other option is to regulate a measure of their entry into the Domestic Tariff Area. The third option is to reject it. These are the three options that the Government is still considering.

SHRI K.P. UNNIKRISHNAN: Sir, the Minister has said that it is the technology transfer and the advantage of exports; that is the key factor influencing his judgement. Would he tell us how a similar proposal, as late as in January 1988 or sometime in 1988 was rejected, one example being, a famous French perfume manufacturing company, Ninna Ricci, which was rejected. It was one hundred per cent export. They did not want anything to be sold in India; one hundred per cent export; total foreign investment; no Indian investment; no outflow of any kind and only addition of foreign exchange. It was for Rs. 40 crores as against Coca Cola proposal of Rs. 25 crores. How is it that that was rejected as non-essential. And when did you realise that this was essential?

SHRI DINESH SINGH: I have realised nothing, Sir. The hon. Member seems to have realised more than what I have said. I must give credit to him for his ability to realise beyond what I said.

So far as this question is concerned, he knows the rules perfectly well. I do not know

why he wants me to spell out something that he knows. But I can, for the convenience of the House, say that so far as the specific issue of Ninna Ricci is concerned, if the hon. Member would send me its details, I shall certainly have it looked into.

SHRI HANNAN MOLLAH: Sir, nothing has come out. Many things are concealed. First I will seek your indulgence to get some clarification about the earlier policy. On 5.3.1975, the Minister said that it was needed to oust Coca Cola to develop indigenous production. On 21.1.1976 again, that is after one year, the Minister said that the export of Coca Cola was going down. So, the past experience shows that they almost stopped exporting. Then on 8.8.1977, the Minister said that if we allow them in low priority and high profit area, it may endanger the indigenous production. In 1982 again, they said that with the exit of Coca Cola, a number of indigenously developed soft drinks came into the market. Government would not permit introduction of any foreign brand soft drink in Indian market which may be detrimental to the growth of indigenous soft drink industries... (*Interruptions*)

MR. SPEAKER: You put the question now.

SHRI HANNAN MOLLAH: So, I would like to know what is the reason today to reverse this policy of national interest. Will it not be detrimental to the indigenous industry? We think there are some other interests also. So, I would like to know whether there are any other interests than the national interest in changing the policy of the Government.

SHRI DINESH SINGH: Sir, if the question is regarding national interest, we have no other interests except the national interest.

SHRI HANNAN MOLLAH: Sir, one of the main objectives of the EPZ is that processing will be developed and high technology will be brought. So, I want to know what are the high technologies they are bringing.

Secondly, what are the processing commitments. Are they only for bottling and amassing crores of rupees and thus looting the country by the multinationals, or are they going to add any new process in the system or any new technology to develop our indigenous technology in future? If that is not there, then what is the interest? The Government is selling the interests of the country to the multinationals.

MR. SPEAKER: Don't repeat the questions.

SHRI DINESH SINGH: Sir, there is no question of bottling Coca Cola in the Export Processing Zone. I think, the two issues are being mixed up. Here, if we give them permission, they are going merely to make the concentrate and to export that concentrate. According to the rules, up to 75 per cent they have to export and up to 25 per cent they can sell in the domestic market. When I say 'up to 25 per cent', it does not mean 25 per cent, it could be anything from zero to 25 per cent. So, the fact that they could make concentrate in the Export Processing Zone, does not automatically mean that they can sell it in the domestic market, unless that permission is given... *(Interruptions)*

SHRI DINESH GOSWAMI: I would like to know from the hon. Minister whether Coca Cola had a very dubious regard in this country, that in the past it remitted huge amounts on various heads like area office expenses, head office expenses, export services, etc. Is it a fact that my namesake while inaugurating the All India Convention of the Federation of Export Processing Zones' Industries Association on February 4 last said that Coca Cola was planning to set up a low technology enterprise to gain an access to the Indian market by taking advantage of the rule under which an EPZ could sell 25 per cent of its production in the domestic tariff area. This, according to him, amounted to a distortion of the principle on which EPZs had been founded. The "Business Standard" has quoted further:

"We cannot consider this (the Coca

Cola proposal) to be a highly sophisticated high-tech capital intensive enterprise that will benefit our entrepreneurs and our country."

And probably that was described as a screw driver technology. Now this statement was on February 4 and today we are on March 3rd. Why is it that in his reply on March 3rd, we did not see the reflection of the stand taken by him in the Madras Convention on February 4th? Is it that there is some Coca kick behind this?

PROF. MADHU DANDAVATE: And whether that Dinesh Singh is the same this Dinesh Singh.

SHRI DINESH SINGH: My difficulty is that I have very close friends sitting on the other side.

There is no change in our position and in my position. As I mentioned earlier, there are several considerations which go into making a decision regarding the export processing zone. And I mentioned them. There was the question of export, the question of investment, the question of employment, the question of transfer of technology and so on. And one would not have all these present in every scheme. Each scheme has its own different mix. And Coca Cola proposal has one mix. It is not that Coca Cola has come here for the first time. Coca Cola was here earlier. Then it did not conform to our rules at that time and we had no difficulty in throwing it out.

SHRI S. JAIPAL REDDY: You did not do it.

PROF. MADHU DANDAVATE: He was with us.

SHRI S. JAIPAL REDDY: Shri Dinesh Singh was with us at that time when Janata Government threw Coca Cola out.

SHRI DINESH SINGH: That is not true. Dinesh Singh in his capacity as Industry Minister had not given them permission.

Somebody else has got the credit for it. That is a different matter.

Coming to the main question that the hon. Member has put, I was trying to explain that there is no change in our position. These are the considerations which will go into taking a decision in this regard also. One of the points that we have to bear in mind which my hon. friend, Mr. Unnikrishnan raised earlier, is that there is already going to be presence of a multinational major foreign drink in this country and therefore, whether it would be desirable to give it a monopoly. Various questions come into taking a decision. But what I can assure the House is that any decision we take will be in conformity with the rules and in conformity with our national interest.

SHRI DINESH GOSWAMI: You are changing that stand. You said that this is the distortion of EPZ. Now, why are you not re-conforming that statement?

MR. SPEAKER: That is okay now.

SHRI R.L. BHATIA: There have been two considerations before us for import of technology in this country. One is that it is essential for our national interest and second is that this technology is not available in our country. I would like to know from the hon. Minister which part of the area he is taking into consideration while giving them the sanction or consideration. And also I would like to know under what circumstances Coca Cola which was operating in this country, was thrown out of this country?

SHRI DINESH SINGH: So far as I recollect, at that time Coca Cola was not willing to alter its equity to conform to the rules...

SHRI S. JAIPAL REDDY: Do not give the reply on the basis of recollection.

SHRI DINESH SINGH: If the hon. Member has any more facts, let him give it to the House. Why should he deny me this opportunity? He can give them to me later or

next week. Let him give the information to the House. (*Interruptions*)

Now, the question here is entirely a different one. This is not a question of a company setting up a factory in the domestic tariff area. It is in the Export Processing Zone which has different set of rules and I had said earlier that this is not a high-technology unit.

SHRI C. MADHAV REDDI: I am very happy to know that the decision has not yet been taken by the Government and the Government has got three options before it. But here the question is permitting the Coca Cola to enter into the domestic tariff area. We are not against anybody coming into India in the Export Processing Zone and exporting the material hundred per cent. When we are permitting 25% of the product to be sold in the domestic market, the question arises as to what the justification is. Sir, the rule is very clear that when this was relaxed, the understanding was: what will they do with regard to the rejects? The rejected material which cannot be exported should be permitted to be sold in the domestic market area. That was the whole object. That was the main idea why they permitted 25% products to be sold in the domestic market area. But here I would like to know about the concentrate which is likely to be made by the Coca Cola and how much is likely to be rejected. Is there any scope for rejection? Is there any need for allowing them to enter into domestic tariff area?

SHRI DINESH SINGH: Sir, the question of rejects is entirely a different one. Here the question of allowing up to 25% for sale in the domestic tariff area was an incentive given. It is not the question of selling the rejects. It is only selling whatever they are producing.

SHRI S. JAIPAL REDDY: Sir, the answers given by the hon. Minister I am sorry to note, are full of half-truth, nay, untruth.

SHRI RAM PYARE PANIKA: Sir, how can he say so? (*Interruptions*)

[*Translation*]

MR. SPEAKER: If you have to shout, why not go out of the House?

[*English*]

SHRI S. JAIPAL REDDY: Let me draw the specific attention of the Minister to this para. The scheme of the production proposed by the Company is in accordance with the regime of Export Processing Zone. Sir, my contention is that it is not in accordance with the regime because it does not involve much processing and it does not involve high-technology. While drawing the attention to the second para of the reply, he contends that the value addition is 66%. It is impossible. I am challenging the validity and veracity of the answer.

MR. SPEAKER: Put the question.

SHRI S. JAIPAL REDDY: Thirdly, if you allow Coca Cola to enter via the Export Processing Zones, then how do you refuse entry to Pepsi Cola to the same zone? Then what will happen to your claims of prosperity in Punjab and your claims to agricultural Research in the country?

PROF. MADHU DANDAVATE: Whether you accept his analysis?

MR. SPEAKER: Have you finished the question?

SHRI S. JAIPAL REDDY: Yes, Sir. I want him to answer my questions.

[*Translation*]

SHRI NARAYAN CHOUBEY: Please give us the correct version.

SHRI DINESH SINGH: Shri, Choubey was told the correct version on the way itself.

MR. SPEAKER: I didn't know that you discuss everything outside the House and then come in. (*Interruptions*)

SHRI NARAYAN CHOUBEY: Correct version outside and incorrect version inside.

MR. SPEAKER: That seems to be the trend these days.

(*Interruptions*)

[*English*]

SHRI DINESH SINGH: Sir, so far as the question of value addition is concerned, I shall give the formula to the hon. Member. He can work it out himself or if he has any doubts, he can quarrel with the Coca Cola people.

So far as we are concerned, we have gone according to the figures they have supplied and it comes to that. If there is any mistake in the figures and if the hon. Member brings it to my notice, I shall very gladly...

SHRI S. JAIPAL REDDY: I have no idea about their analysis.

SHRI DINESH SINGH: I shall give it to you, I am saying. You want me to give it to you now or send it to you later, whichever you like. (*Interruptions*)

MR. SPEAKER: Question No. 143 — Shri Kammodilal Jatav.

SHRI S. JAIPAL REDDY: He has not answered a part of my question, Sir. (*Interruptions*)

MR. SPEAKER: He has replied earlier, he has replied to all the questions.

(*Interruptions*)

MR. SPEAKER: Shri Kammodilal Jatav.

[*Translation*]

Bridge over Chambal on Agra-Gwallor Route

*143. SHRI KAMMODILAL JATAV: Will the Minister of RAILWAYS be pleased to state:

(a) whether financial sanction for constructing another bridge on Chambal river on Agra-Gwalior railway line has been issued;

(b) if so, the time by which construction of this bridge will be started; and

(c) if not, the reasons therefor and the time by which financial sanction for constructing this bridge will be issued?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) Does not arise.

(c) The construction of a second bridge was not found to be an immediate necessity. However, with a view to meeting the future increase in traffic, a Final Location Engineering Survey for the work has been included in 1989-90, budget.

SHRI KAMMODILAL JATAV: Mr. Speaker Sir, I wanted to know from the hon. Rail Minister whether a second bridge will be constructed over the Chambal river on the Agra-Gwalior railway line as in the absence of the same trains moving to and from Madras, Orissa, Bombay and Calcutta invariably run behind schedule. The hon. Minister replied that survey for the work has been included in the 1989-90 budget. I would like to know by which the second bridge will be constructed.

SHRI MAHABIR PRASAD: I have already clarified that a second bridge was not found to be an immediate necessity. There are 32 trains moving on this line with an interval of 2-3 hours. A final location engineering survey for the work has been included in the 1989-90 budget. It is not possible to specify a time limit for the construction of the bridge but if the survey shows an increase in traffic to more than 42 trains we shall take a decision in this matter.

[English]

Jammu-Udahmpur Railway Line

*144. SHRI MOHD. AYUB KHAN: Will the Minister of RAILWAYS be pleased to state the estimated expenditure incurred so far after March, 1988 on the construction of railway line from Jammu to Udhampur and the progress achieved so far?

[Translation]

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): The expenditure incurred on this construction after March, 1988, is Rs. 8.7 crore so far, and the upto-date progress on the project is 13%.

MR. SPEAKER: Yesterday too there was a confusion about the names and today the same problem has arisen again. We had solved this problem yesterday.

[English]

SHRI V. SOBHANADREESWARA RAO: Confusion worse confounded. (*Inter-ruptions*)

[Translation]

SHRI BALKAVI BAIRAGI: Mr. Speaker, Sir, this is Q. No. 144 and you have also imposed Section 144 on it.

MR. SPEAKER: We have to stop somewhere.

[English]

SHRI MOHD. AYUB KHAN: I appreciate that the performance of the Railways is very good. But I regret to say that I have not been satisfied with the reply of the Minister. This particular project has been in progress for the last 4 years and I am told that only 13% of the progress has been achieved so far. In view of the strategic and commercial importance of the sensitive border State like Jammu & Kashmir, does the hon. Minister

consider this reply commensurate with the sentiments of the people?

[Translation]

SHRI MAHABIR PRASAD: Mr. Speaker Sir, the hon. learned Member has asked about the delay. I would like to inform him that development work is related to availability of funds. Rs. 17 crores in 1988-89 and Rs. 20 crores in 1989-90 were demanded for this work so that this line may be completed by 1992-93. We have made a provision of Rs. 12.7 crores for this project in 1989-90 budget. Unless we get additional funds from the Planning Commission we cannot expedite the progress of the work.

SHRI MOHD. AYUB KHAN: Sir, our hon. Prime Minister visited Kashmir in the winter of 1987. Then he had given instructions to get a rail line survey from Udhampur to Srinagar conducted and we got an assurance in this regard time and again. But work done in that respect is far from satisfactory. Roads are closed for 15 days at a stretch due to snowfall. Time and again we have been assured that a rail link will be provided to Udhampur at the earliest. We are not interested in the argument that the work can be completed only on receipt of additional funds from the Planning Commission. I appeal to the Government to give this matter first priority.

SHRI MAHABIR PRASAD: Sir, I have already clarified that if the Planning Commission helps us and provides additional funds, we can take up the project expeditiously. If the hon. Member can help us in getting funds, we are ready to do the work.

[English]

SHRI MOHD. AYUB KHAN: The hon. Planning Minister is present here. I appeal to him to allot more funds.

SHRI BALWANT SINGH RAMOOWALIA: My friend, Shri Ayub Khan has rightly

emphasised the need for connection of trains and implying more and more trains for the vitality of Jammu & Kashmir region. My point is, though many trains passing through Punjab and going to Jammu were cancelled, majority of those trains which were cancelled were going from Delhi via Jakhar, Sangrur, Dhuri and Jammu. I had been writing to the hon. Railway Minister to reinstate those trains keeping in view the requirements of Jammu & Kashmir. Will the hon. Minister consider this?

MR. SPEAKER: This is a different question. Prof. Saifuddin Soz.

PROF. SAIFUDDIN SOZ: I am not only dissatisfied with the answer given but I am dissatisfied with the construction of railway in Jammu and Kashmir State. We wanted to be on the railway map and we have been fighting a battle here. We have lost a great man who has been fighting here, Shri Girdhari Lal Dogra, particularly on this. He fought a battle and he succeeded in getting this sanction for construction of railway track between Jammu and Udhampur. The then Prime Minister Shrimati Indira Gandhi took keen interest for the construction of this railway line and more than eight years ago the initial estimated expenditure was Rs. 71 crores. Now up to this time, the construction has been terribly sluggish. I want to know from Shri Madhavrao Scindia, through you, sir, as to what is the now estimated expenditure on the total line and what is the percentage of money spent so far.

Then the other question raised by Mr. Mohd. Ayub Khan is that we wanted a survey to be done between Udhampur and Srinagar. Survey has already been done between Kazikund and Srinagar. Now we want the railway line to come to Srinagar itself. It is not difficult for this in modern technology. But, as far as Jammu and Udhampur is concerned, the work is going on very slowly. I want to know what is the estimated expenditure now and what percentage of money has been spent so far against the total expenditure.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): The Prime Minister also is very keen that this particular line is expedited in accordance with the aspirations of the people of Jammu & Kashmir and, therefore, in the last year and in this year also, a new impetus has been given to the construction of this line and we are trying to ensure it keeping in mind the many railway lines and the many on-going projects and within the general constraint of resources that we are facing. Up to March, this line is estimated to cost, according to latest estimates, Rs. 112 crores up to Udhampur. It is a very tricky hill section also which involves a lot of tunnel sections and I think it is the test of Indian railway engineering ability to speedily complete this line and they are doing more than adequate job. Up to March 1988 we have spent approximately Rs. 15 crores; in 1988-89, the allocation was Rs. 7 crores and in 1989-90 it has been increased to Rs. 12,70,00,000. We want to ensure that the scarce resources are utilised in the best way possible. Wherever the situation is ripe for quick construction, more allocation is given to that area. For instance, Guntur-Macherla in Andhra Pradesh has been given Rs. 23 crores in gauge conversion. Shri Rangaji was making a few remarks in between. Here in the Udhampur line, there has been some problem about land acquisition. The State Government has been rather slow in spite of various reminders made by us and though I know that the State Government is equally keen to complete this line (*Interruptions*) I told you what is the practical situation. It is not a question of your opinion and my opinion. There has been some problem at lower levels. We are trying to sort this problem out. What I am trying to assure the hon. Member is that the allocation has been increased by almost double. We will try to ensure that this line is speedily completed within the 8th Plan period, of course, subject to future allocations for the over-all railway plan by the Planning Commission.

As far as the second part of the hon. Member's question is concerned, a survey has been completed up to Kazikund and, at

the same time, a preliminary survey by RITES for a highway has also been completed. It is found that the railway line up to Kazikund is going to cost three times the amount of what the highway would cost. However, all these things are going to be kept in mind. No decision has yet been taken. All these things are being evaluated.

PROF. SAIFUDDIN SOZ: Kindly try to do something in this regard.

SHRI MADHAVRAO SCINDIA: I will try to ensure that within the Eighth Plan, this line is completed. But I cannot set the deadline or the target date because I am dependent on what the over-all Railway Plan is going to be in the future. However, I would like to ensure the hon. Members from J&K that as per the Prime Minister's wishes, we are trying to ensure that this line is given a certain priority within the on-going line that we are having.

[*Translation*]

SHRI JANAK RAJ GUPTA: Mr. Speaker Sir, the hon. Rail Minister said that the Jammu-Udhampur railway line is expected to be completed by 1993. May I know from the hon. Minister of Railways whether it is possible to complete the railway line by 1993, considering the amount for this project being allotted every year. If not, whether the hon. Minister feels that keeping in view the importance of this line a special fund should be created or additional funds diverted from other projects to expedite the completion of this railway line? It is true that this matter is being given importance for which we are thankful but if the present position continues the work will not be completed even by 2000 let alone 1993.

MR SPEAKER: He has already replied to that.

[*English*]

Overdrafts by States

*145. SHRI P. KOLANDAIVELU: Will the Minister of FINANCE be pleased to state:

(a) whether the State Governments are allowed to have overdraft facilities by the Reserve Bank of India on the directions of Union Government;

(b) if so, the number of States in overdraft with Reserve Bank of India at present; and

(c) if not, whether Union Government have given instructions to State Governments not to resort to overdraft?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) Overdraft which occurs in the account of a State Government is unauthorised and the question of allowing overdraft facility by the Reserve Bank of India does not arise. Under the Overdraft Regulation scheme, the Reserve Bank of India would stop payment on account of any State if it continues in overdraft for more than 7 consecutive working days.

(b) As on 1.3.1989 out of 23 State Governments banking with Reserve Bank of India, only two States were in overdraft.

(c) The State Governments have been advised time and again to avoid getting into overdraft with the Reserve Bank of India.

SHRI P. KOLANDAIVELU: Sir, from the answer given by the hon. Minister, with regard to overdraft it becomes unauthorised. When it becomes unauthorised, nobody can draw the amount from the banks. I know fully well that in the last year and before the last year also, so many States were under overdraft. Has the Government of India insisted on the States or given directions to the States not to take money under overdraft? If it is so, which are the two States that are under overdraft? The hon. Minister has mentioned out of the 23 States, two were in overdraft. But as far as I know there are 25 States in our country. But the hon. Minister has stated as 23 States. Anyhow, I would like to know as to which are the two States under overdraft? Has any limitation been fixed with

regard to the amount which is being drawn by the State Governments from the banks? In his answer (a), the hon. Minister has stated: "Under the Overdraft Regulation Scheme, the Reserve Bank of India would stop payment on account of any State if it continues in overdraft for more than 7 consecutive working days. Even within the 7 consecutive working days, what is the limitation that has been fixed by the Government of India or the Reserve Bank?"

SHRI B. K. GADHVI: Sir, it would be an ideal situation if the States were not to draw any overdrafts. It is our anxiety that as far as possible, States should not draw the overdrafts. However, sometimes the contingency arises when States are supposed to draw overdrafts. That is why an enabling provision has been kept, a sort of condonation — although overdraft drawing is regular — contemplation has been made that for 7 consecutive working days, if the overdraft is there, that could be permitted. But they have to clear the overdraft by that limit and over that, the Reserve Bank of India would stop the payment. One State that I have stated as per the latest figure today — I have given figures as on 28th February — as on 1st March, 1989, two States are in overdrafts one is Mizoram and the other is Madhya Pradesh.

So far as limit is concerned, there is no limit prescribed for taking overdraft. It all depends on the State's requirement. States are bound to claim within seven days otherwise all the payments would stop. Therefore it automatically works as a mechanism or a lever to in for huge overdrafts.

SHRI P. KOLANDAIVELU: We know full well that if anyone issues a cheque to the bank and if it is bounced, automatically we can charge the man who issued the cheque under Section 420 of the Indian Penal Code. Here is a case where most of the States are doing overdrafts by issuing cheques. I know full well that the Kerala Government are issuing cheques and even cheques amounting less than Rs. 50,000 are returned to the persons who are actually drawing it. When

such is the case, what kind of action have you taken under the Indian Penal Code I would draw the attention of the Government to know is it not a breach of faith, is it not a case of cheating under the IPC? When people elect a particular Government and when they are told by the Government that they are not having money and the Government continues to issue cheques, is it not a case under the IPC?

With regard to Tamil Nadu State, the Chief Minister Mr Karunanidhi, after assumption of office made a remark against the Central Government stating that under the one year rule of Governor from 1988-89, the Treasury is empty and the granary is also empty. He has actually accused the Central Government *(Interruptions)*

MR SPEAKER He has not lost his right to put a question at least. Please put a question.

(Interruptions)

SHRIP KOLANDAIVELU I would like to know whether that is the position. He has also said with regard to Prime Minister's visit to Tamil Nadu that innumerable times the Prime Minister in the last several months *(Interruptions)*

MR SPEAKER It becomes worse confounded.

(Interruptions)

SHRIP KOLANDAIVELU For the last one month, there is no administration. I would like to know whether the treasury of Tamil Nadu is empty.

MR SPEAKER This is not the way

SHRI B.K. GADHVI I have no comments to say about what Mr Karunanidhi has said. But so far as Tamil Nadu position is concerned, presently, their ways and means are limited. It was Rs. 83.60 crores and they have drawn Rs. 55.64 crores

Therefore, to say that Treasury is empty is not a correct statement. So far as States issuing cheques which may bounce, it is for the State Government to comment. I have no comments. I would say that no State would issue a cheque which is likely to be bounced. But if the cheques are issued and it comes within the prescribed limit of overtime regulation, then the cheques are never returned and they are honoured. But States are supposed to have their own financial discipline and accuracy in their accounts.

[Translation]

SHRI RAM SINGH YADAV Mr Speaker, Sir, some State Governments have to resort to overdrafts when faced with difficult circumstances. This is the problem with the Rajasthan Government. The Rajasthan Government had to be paid a certain amount by the Centre during the famine of 1986-87 and 1987-88. Out of that amount Rs. 78 crores are still outstanding. The minimum wages were increased from Rs. 7.50 to Rs. 10.50 and from Rs. 11.00 to Rs. 14.00. So Rs. 57 crores and Rs. 21 crores add up to Rs. 78 crores, which is the amount due to the Rajasthan Government. As this amount was not paid, the Rajasthan Government resorted to overdraft in 1988. Will the hon. Minister ask the Centre to pay this amount of Rs. 78 crores due to the Rajasthan Government?

SHRI B.K. GADHVI I agree that Rajasthan is affected by famine. A lot of assistance was provided within the ceiling prescribed by the famine relief team which went there. When the Rajasthan Government faced problems, the Centre helped it by re-scheduling of loans and granting extra time for overdraft through they cleared it within the prescribed time limit. As to the question of amount being due, we cannot go beyond the ceiling fixed for drought relief.

SHRI RAM SINGH YADAV. The increase in daily wages from Rs. 7.50 to Rs. 10.00 and from Rs. 11/- to Rs. 14.00 has resulted in a difference of Rs. 78 crores. This amount should be paid.

SHRI B.K. GADHVI: When a team from the Ministry of Agriculture went to assess the intensity of the famine, it fixed the ceiling keeping all these factors in mind. We cannot give anything above the ceiling limit. Even now Rajasthan has been given the facility of loans and non-plan assistance. Besides, some States have been given permission for special market borrowings.

SHRI VIRDHI CHANDER JAIN: The amount of Rs. 57 plus 21 crores has been declared valid under the Drought Relief Fund by the special team... *(Interruptions)*

SHRI GIRDHARI LAL VYAS: Mr. Speaker, Sir, please get this amount of Rs 78 crores sanctioned to Rajasthan at the earliest.

AN HON. MEMBER: Is there anyone else belonging to Rajasthan?

MR. SPEAKER. I am here

[English]

SHRI V. SOBHANADREESWARA RAO: The strict observation of the overdraft regulation scheme is causing a lot of hardship to the States. In fact the State Governments in the recent years are taking all precautions to behave well within these regulations. The Economic Survey also pointed out that the anticipated overdraft of the States has come down more than the expectation and the answer of the Minister also proves the same. At the same time why are you imposing so many restrictions on the States? You yourself, the Government of India, are behaving contrary to the economic discipline. Because the printing presses are with you, you are printing a large number of notes, bringing into circulation them and thereby bringing inflationary pressure on the economy.

In view of this fact, will the Government reconsider and give some more leverage to the States by bringing some amendments to the ways and means procedure, increasing the seven consecutive working days to a

fortnight so that it will give some leverage to the States to take certain measures and also increase the ways and means advance position?

SHRI B K. GADHVI: The august House is aware that financial discipline is very important and States have to observe that .. *(Interruptions)*... Before the overdraft regulation was strictly enforced you know that the financial position of the States had gone a little awry and that is why we had to give loans to clear the overdraft and some strict observation has been kept. At the same time with a view to helping the States right now we have given some additional market borrowing facilities to various States — about 14 States. So far as the ways and means limit is concerned, I may say that from 1972 to 1988 revision has been made five times by the Reserve Bank of India. The latest revision was made on the 1st March 1988

Procurement of Iron Ore from Orissa by MMTC

*151. **SHRI SRIBALLAV PANIGRAHI** Will the Minister of COMMERCE be pleased to state:

(a) the steps being taken or proposed by the Minerals and Metals Trading Corporation of India Limited (MMTC) to increase the procurement of iron ore from different Orissa mines in 1989-90;

(b) whether any special strategy has been drawn up by the MMTC in this regard and

(c) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (c). A Statement is given below.

STATEMENT

Keeping in view the stocks lying at MMTC's various ex-plot procurement stations in Orissa/Bihar and firm sales finalised so far for shipments from Paradip Port during

1989-90, the procurement of iron ore from different Orissa mines in 1989-90 is likely to be at the level of 1988-89. In the event of MMTC succeeding in its efforts to finalise additional sales, procurement from Orissa mines would be higher to that extent.

Meanwhile, MMTC is making efforts to sell larger tonnage to Japan, German Democratic Republic, China and to countries in Middle East.

SHRI SRIBALLAV PANIGRAHI: I would like to know what was the procurement target of iron-ore for export through Paradeep from different Orissa mines in 1989? So far what is the achievement and what was the target?

SHRI DINESH SINGH: Sir, because of inadequate port facilities at Paradeep the movement of iron-ore is rather slow. The iron-ore that had been purchased last year has not totally moved and although we are still purchasing iron-ore this year on the same basis as last year there is still a large amount of backlog. We are trying to see how best we can move that.

SHRI SRIBALLAV PANIGRAHI: I wanted figures as to what was the target and how much you have achieved so far regarding iron-ore procurement for export through Paradeep. I do not understand why figures are not being given.

SHRI DINESH SINGH: The exact figures are not available with me just now. I shall be glad to send them to the hon. Member.

SHRI SRIBALLAV PANIGRAHI: Sir, I can give him some figures. I would like to know whether they had a target for 12 lakh tonnes for export through Paradeep and unless it is raised to 1.7 million tonnes it is going to have serious repercussions in the working of the mines. It would lead to closure of some mines and displacement of workers in this sensitive tribal belt area. Sir, you know on this Bihar-Orissa border there is demand for Jharkhand which is gaining ground. In

view of this whatever lacunae are there in Paradeep port should be looked into. The loopholes should be plugged. Mining operations should be enhanced; procurement should be stepped up and export also should be expedited. What is the reaction of the Government thereto?

SHRI DINESH SINGH: I fully appreciate the point that the hon. Member has made and, in fact, at the very beginning I said that it is because of the inadequate facilities at Paradeep that it is not possible to move iron-ore quickly as we would wish to do and that is why we are trying to see facilities are improved and also to find new areas where they could be exported. Since he has the figures, Sir, now I do not have to send them to him.

Export of Leather

*154 **SHRI P M SAYEED:** Will the Minister of COMMERCE be pleased to state

(a) whether the Council for Leather Exports held a function in Madras recently as a part of leather export promotion campaign;

(b) if so, the outcome thereof;

(c) the amount of foreign exchange earned per year through leather export;

(d) the names of the countries to which leather and leather goods are exported; and

(e) the potential markets which can be tapped for leather export?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (e). A Statement is given below.

STATEMENT

(a) The 4th India International Leather Fair was organised by the Trade Fair Authority of India in cooperation with the Council for Leather Exports in Madras from January 31 to February 4, 1989.

The Council for Leather Exports also organised a function on 4th February 1989 for presentation of annual awards in recognition of export performance.

(b) The Leather Fair generated considerable business interest relating to export of a wide range of leather manufactures from India and import of modern technology for upgradation of the industry.

(c) Exports of leather and leather products during the past three years were as follows:—

Year	Value in Rs. crores
1985-86	662.51
1986-87	930.77
1987-88	1244.86

(Source: Council for
Leather Exports)

(d) and (e). The principal export markets for leather and leather goods are the Federal Republic of Germany, USSR, USA, Italy, UK, France, German Democratic Republic, Japan, Hong Kong, Australia and Denmark. These markets offer export potential for high value added products which can be tapped by recourse to improved product and production technologies.

SHRI P.M. SAYEED: Sir, as per the reply the export of leather and leather products has gone up every year and the figures say it was worth Rs. 662.51 crores in the year 1985; in the year 1986-87 it was worth Rs. 930.77 crores and in the year 1987-88 it came to Rs. 1244.86 crores.

I want to know how much has the leather and leather products industry been modernised. How far has the Government taken steps to further accelerate the growth of this industry so as to promote exports.

MR. SPEAKER: The Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

[English]

Electoral Reforms

*146. SHRI C. JANGA REDDY: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the proposals for electoral reforms which were recommended by the Election Commission but are yet to be implemented;

(b) whether consultations with political parties about them are over; and

(c) if so, when these are proposed to be implemented?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND):

(a) The Election Commission had recommended the following proposals -

- (i) Delimitation of constituencies;
- (ii) State funding of election expenses;
- (iii) Prevention of contest from more than two constituencies; and
- (iv) Steps to eliminate fraudulent filing of nominations.

(b) Yes, Sir.

(c) No definite indication can be given.

Export Performance of Big Business Houses

*148 SHRI ANANDA PATHAK: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to monitor the weekly export performances of big business houses; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE
(SHRI DINESH SINGH): (a) No, Sir.

(b) Does not arise.

Excise Duty Cases

*149 SHRI SAMBHAJIRAO KAKADE:
Will the Minister of FINANCE be pleased to state:

(a) whether several cases of violation of Excise duty, including that on account of post-manufacturing expenses etc. against several industrial houses are pending consideration/examination;

(b) if so, the first 20 major industrial houses against whom such cases are pending; and

(c) the efforts made to collect outstanding Excise duties?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Yes, Sir.

(b) The names of the 20 major Industrial houses against whom cases of violation of excise duty including that on account of the post manufacturing expenses etc. are pending consideration/examination, are in order of the aggregate amounts involved as under:-

Sl. No.	Name of Industrial House
1.	I.T.C
2.	Modi

Sl. No	Name of Industrial House
3	Golden Tobacco
4.	Duncan Agro-New Tobacco (Goenka)
5.	Kelvinator
6.	Thapar
7.	J.K. Singhania
8.	Dunlop
9.	Kirloskar
10.	Reliance
11	Godrej
12.	Hindustan Lever
13.	Tata
14.	Ceat Tyres
15.	Birla
16.	Mahindra & Mahindra
17.	Mafatlal
18.	Bajaj
19.	Shriram
20.	Dalmia J.

(c) Administrative, legal and other measures as are considered necessary continue to be taken from time to time to recover the outstanding excise duties. However, in respect of the Industrial Houses referred to above, the question of collecting the outstanding excise duties on account of violation of excise duty and post-manufac-

uring expenses does not arise at this stage as the cases are pending consideration/examination before different adjudicating and appellate authorities, including courts

Black Money

*152 SHRI RAM PUJAN PATEL Will the Minister of FINANCE be pleased to state

(a) whether Government have evaluated the efficacy of the steps taken so far to unearth the black money as well as to curb its further growth,

(b) the result of such evaluation quantitatively as also qualitatively and

(c) what further steps are being taken or proposed in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A K PANJA) (a) to (c) Unearthing black money

generated through tax evasion is a continuous process. The effectiveness of the steps taken to check tax evasion and unearth black money are reviewed from time to time. Requisite administrative and legislative changes are brought about accordingly

The Government has also set up a number of Committees and Commissions from time to time to evaluate the results achieved in the direction of eradication of black money and to suggest further remedial measures, which have been examined and implemented wherever deemed necessary.

For unearthing unaccounted income and Wealth the Income-tax Department undertakes systematic survey operations and search and seizure operations in appropriate cases. The results of surveys and searches conducted for the last three years and for the current year are as under

Year	No of premises surveyed	No of New assesses added	No of searches conducted	Value of prima facie unaccounted assets seized (Rs in crores)	Amount of concealed income surrendered (Rs in crores)
1985-86	1,65,911	1,05,688	6,431	50.32	—
1986-87	2,30,410	6,55,563	7,054	100.70	36.85*
1987-88	6,19,032	5,23,376	8,464	145.02	147.49
1988-89	5,62,699	3,58,711	6,272	128.45	194.11
(upto 31.1.89)					

(* The explanation to Sec 271 (1) (c) was amended to enable surrender of concealed income in the course of search operations w.e.f. 10.9.86)

The techniques of detecting tax-evasion have in recent times undergone a qualitative change. The emphasis has now shifted from scrutiny of account books to field investigations for detecting tax evasion. The investigation machinery of the department has accordingly been strengthened. In addition to this, routine scrutiny in a large number of cases has been replaced by in-depth investigation in a manageable number of error prone cases.

Narcotics Smuggling

*153. SHRI RAMSWAROOP RAM: Will the Minister of FINANCE be pleased to state:

(a) Government's latest assessment about smuggling of narcotics across the borders;

(b) whether any agreements were entered into with SAARC countries for taking co-operative action in apprehending smugglers engaged in narcotics trade; and

(c) whether India also signed the anti-drug convention of the United Nations?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Situated between two illicit supply sources, namely, the Near and Middle East (commonly known as 'Golden Crescent') comprising Pakistan, Afghanistan and Iran and "Golden Triangle" comprising Burma, Thailand and Laos, India continues to be vulnerable to transit traffic in drugs especially heroin and hashish (charas). The International Narcotics Control Board, in its Report for 1988, has also confirmed that "large amounts of heroin and cannabis resin are reported to enter India from the Near and Middle East, in addition to cannabis from Nepal".

(b) While no specific agreement has

been entered into between the SAARC countries for combating illicit traffic, a Technical Committee on Drugs has been constituted. This Technical Committee has formulated a comprehensive Action Plan to combat the twin menaces of drug trafficking and drug abuse in the saarc regions. In the recent saarc Summit held in Islamabad on 31.12.1988, it has been decided by the SAARC countries to observe "1989" as 'SAARC Year for Combating Drug Abuse and Illicit Trafficking' and to significantly augment efforts for co-operation in this area.

(c) India has signed the Final Act of the United Nations Plenipotentiary Conference held in Vienna from 25th November to 20th December, 1988 to finalise and adopt a new U.N. Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances.

Indians having Accounts in Foreign Banks

*156. SHRI PRAKASH CHANDRA
SHRI DHARAM PAL SINGH
MALIK:

Will the Minister of FINANCE be pleased to state:

(a) the names of Indians who were found to have accounts in foreign banks during the last three years, their account numbers and other details;

(b) the action taken against them; and

(c) whether the money deposited in these accounts has been repatriated to India?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Enforcement Directorate initiates action under

FERA against resident Indians who maintain accounts in Foreign Banks without the permission of R.B.I. However, a large number of such cases generally pertain to returning non-resident Indians who open accounts while they are resident outside India and continue to maintain such accounts after their return to India beyond the prescribed period without the R.B.I.'s permission. The names and other details of such cases are very large in number. If the Hon'ble Member specifies any particular case (s) in respect of which information is required, the same will be collected and furnished.

Wholesale Price Index

*157. SHRI K RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) the wholesale price index at the beginning of the year 1988 and 1989;

(b) the wholesale price index at present;

(c) whether there are any products for which wholesale price index has declined in 1989; and

(d) the steps contemplated to check the rise in wholesale price index?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (d). The wholesale Price Index (1970-71=100) as on 7th January, 1989 stood at 435.2 as against 415.8 in the corresponding week ending 2nd January, 1988. The index for the week ending 11th February 1989 (latest available) stands at 438.6. The items whose prices have declined since the beginning of January 1989 to date are: fruits and vegetables, milk and milk products, condiments and spices, raw cotton, oilseeds and edible oils.

Government has adopted a package of measures to keep the prices under reasonable check. These include, supply of essential commodities through public distribution system, augmenting domestic supplies through imports as feasible, exercising strict fiscal and monetary discipline and action against boarders and blackmarketeers.

Computerisation of Reservations

*158. SHRI G.S. BASAVARAJU:
SHRI SHANTILAL PATEL:

Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to provide computerised reservation facilities to some more cities during 1989;

(b) if so, the total number of cities that are being provided with this facility;

(c) whether the Railways have decided to bring this facility to all the big cities in the country under the computerised reservation scheme; and

(d) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes, Sir.

(b) Five cities are planned to be provided computerised reservation facility during 1989. It is also proposed to sanction works to cover nine more cities.

(c) It is proposed to extend the system in phases to other stations, depending on their importance and reservation workload handled by them.

(d) Does not arise.

Sugar Export

*159. SHRI BALASAHEB VIKHE PATIL:
SHRI V. TULSIRAM:

Will the Minister of COMMERCE be pleased to state:

(a) the expected tonnage of sugar to be exported and the foreign exchange to be earned therefrom;

(b) the names of the countries to which sugar is to be exported; and

(c) the names of the States which are surplus in sugar production for export?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (c). It is expected that exports would materialise in full against the quota of 8424 MT allocated by USA for India for the year 1989 and the quota of 10,000 MT allocated by EEC for their current year July '88-June '89. Export of sugar is based on the all India availability of sugar.

Computerisation in Banks

*160. SHRI BANWARI LAL PUROHIT: Will the Minister of FINANCE be pleased to refer to the reply given on 25th November, 1988 to Unstarred Question No. 2059 regarding Committee for planning computerisation in the banking industry and state:

(a) whether the Committee set up by the Reserve Bank of India to prepare a perspective plan for computerisation in banks has submitted its report; and

(b) if so, the details thereof and the extent to which the computerisation in banks will be done?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) Does not arise.

Opening of Bank Branches in Rural Areas

*161. SHRI HARIHAR SOREN: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of different commercial banks opened in urban areas of the country by the end of December 31, 1988;

(b) the number of branches of different commercial banks opened in the rural areas of the country by that date;

(c) whether bank branches set up in the rural areas are inadequate;

(d) if so, whether Government have any proposal to open more branches of different public sector banks in the rural areas; and

(e) the policy formulated by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (e). The Reserve Bank of India (RBI) has reported that as at the end of September 1988, there were 24368 branches of scheduled commercial banks in semi-urban, urban and metropolitan areas. The number of rural branches of scheduled commercial banks as on that date was 31429. Under the current Policy, licences for new branches are being given by RBI mainly for rural and semi-urban areas. The over all objective is to provide a bank office for every 17,000 population in rural and semi-urban areas of each develop-

ment block and also to achieve a balanced spatial distribution so that a bank office is available within a distance of 10 kms. from every village. Banks are steadily making progress towards meeting this objective.

Non-Utilisation of Incentives by Business Houses.

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

(a) whether Government have taken action against any business house which failed to make proper use of incentives for export provided to them; and

(b) if so, which are those houses?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) and (b). A statement is given below.

STATEMENT

Details of firms debarred under the imports (Control) Order, 1955, as amended (Hqrs.)

1987-88

Sl. No.	Name of the firms
1	2
1.	M/s. Assam Allied Products Tinsukia (Assam).
2.	M/s. Pin Clip Industries, Bombay.
3.	M/s. Gareebo Steel Industries, Kashmir.
4.	M/s. Lucknow Soap & Chemical Inds., Lucknow.
5.	M/s. Kiran Exporters, Ludhiana.

1	2
6.	M/s. Mohan Soap Factory, Indore.
7.	M/s. Tobu Enterprises (P) Ltd., New Delhi.
8.	M/s. Sawhney Brothers, New Delhi.
9.	M/s. Bharat Texdyes, Industries, Bombay.
10.	M/s. Jaihind Soap Mills, (UP).
11.	M/s. Win Soap & Chemical Works, Ahmedabad.
12.	M/s. Sargodha Soap Works, Jabalpur.
13.	M/s. Sawal Udyog Wardha.
14.	M/s. Bharat Diamond Industries, Bombay.
15.	M/s. K.E.C. International Ltd., Bombay.
16.	M/s. Mansinghka Bros., Calcutta.
17.	M/s. Tea Trading Corporation of India Ltd., Calcutta.
18.	M/s. Shahji International (P) Ltd., New Delhi.
19.	M/s. Jain Export (P) Ltd., New Delhi.
20.	M/s. Jeegar Gems, Bombay.
21.	M/s. Didwania Import & Exports, (P) Ltd., Bombay.
22.	M/s. World Wide Exports, Bombay.

1	2	1	2
23.	M/s. Sh. P.C. Aggarwal M/s. Archana International, New Delhi.	40.	M/s. Neela Exports (P) Ltc., Bombay.
24.	M/s. Pangasa Exports, New Delhi, M/s. Pangasa Garments (P) Ltd., New Delhi.	41.	M/s. Johanson & Johanson Ltd., Bombay.
25.	M/s. Andhra Oils & Fertilizer Co., Jalandhar/Vijayawada.	42.	M/s. Ketan Caps & Containers, Ahmedabad.
26.	M/s. Play Fast International, Jammu.	43.	M/s. Malik & Co., New Delhi.
27.	M/s. Ashfa Crafts, Moradabad.	44.	M/s. G.I.T. Exports, New Delhi.
28.	M/s. B.K. Overseas Traders, Delhi.	45.	M/s. Bhupender Manilal Doshi, Bombay.
29.	M/s. Aurovi Exports, Bombay.	46.	M/s. Flint Kota Trading & Investment Co., (P) Ltd., Bombay.
30.	M/s. Ajay Enterprises, Bombay.	47.	M/s. Jagdish Trunk Factory, J & K.
31.	M/s. Harsh Industries, Ahmedabad.	48.	M/s. Standard Chemical & Biological Nagpur.
32.	M/s. Mathur Imports & Exports, New Delhi.	49.	M/s. Gulmarg Chemical Industries, Hoogly.
33.	M/s. Mars Impex (P) Ltd., New Delhi.	50.	M/s. Yogi Pharmacy, Hardwar (UP).
34.	M/s. Satsuvan Paper Mills Ltd., New Delhi.	51.	M/s. Gorsons (India) Exports, Bombay.
35.	M/s. Bagri Enterprises, Bombay.	52.	M/s. Reliance Metal Inds., Khatuli (UP).
36.	M/s. Petunia Patch, New Delhi.	53.	M/s. British International Trading Co., Bombay.
37.	M/s. Modi Carpets Ltd., New Delhi/Rai Bareli.	54.	M/s. Bittu, Surat.
38.	M/s. Ruby International, New Delhi.	55.	M/s. Roseen Exports, Bombay & others.
39.	M/s. Chawala Soap Factory, Delhi.	56.	M/s. Sushmit Sangeets Intermagnetics (P) Ltd., Ranchi.

1	2
57.	M/s. Mansinghka Industries Ltd., Bombay.
58.	M/s. Essan (India) Industries, Calcutta.
59.	M/s. Saleem Metal Inds., Moradabad.
60.	M/s. Alam Brothers Exporting Corporation, Moradabad.
61.	M/s. Mashkoo Ahmed and Bros. Moradabad.
62.	M/s. Bolton India, Faridabad.

1988-89

1.	M/s. Sapan Apparels, New Delhi.
2.	M/s. Hindustan Handlooms & Handicrafts, Calcutta.
3.	M/s. H. Kumar & Bros., Delhi.
4.	M/s. Daffodils of India, New Delhi.
5.	M/s. Singh & Smile (P) Ltd, New Delhi.
6.	M/s. Modern Home Care Products (P) Ltd., New Delhi.
7.	M/s. Gems Emporium, New Delhi.
8.	M/s. Kothari & Co., Bombay.
9.	M/s. Bhagwati Exports, Calcutta.
10.	M/s. Bombay Industrial Consultance Services (P) Ltd., Bombay.
11.	M/s. Orient Textile Traders Booking Agents & Indentors of Textile Machineries, Bombay.

1	2
12.	M/s. United Industrial Corporation, Bombay.
13.	M/s. Auto International Enterprises, New Delhi.
14.	M/s. Bright Indo Steel Inds, Bangalore.
15.	M/s. Lion Steel Inds, Manipur.
16.	M/s. Shah Metal Pressing Works, Bhuj (Gujarat).
17.	M/s. Udyachal Udyog, Nowgong (Assam).

18.	M/s. Nectin Toys (India), Delhi.
19.	M/s. Supriya, Calcutta.
20.	M/s. Bothra Rugs (P) Ltd., New Delhi.
21.	M/s. Standard Motor Products of India Ltd., Madras.
22.	M/s. M.J. Pharmaceuticals Ltd., Bombay.

Period 1987-88

Details of Firms on whom Penalties were Imposed under Section 4 of Impex Act (HQ).

Sl. No.	Name of the firms
1	2
1.	M/s. Bombay Drum Mfgs., Bombay.
2.	M/s. Arkay Industries, Bombay.

1	2	1	2
3.	M/s. Eskay Dyeing Processors, Bombay.	20.	M/s. B.K. Overseas Traders (India), Delhi.
4.	M/s. Saleem Metal Industries, Moradabad.	21.	M/s. Anurag (P) Ltd., Meerut.
5.	M/s. Alam Brothers Exporting Corpn., Moradabad.	22.	M/s. World Wide Exports, Bombay.
6.	M/s. General Pigment Chemical Products (P) Ltd., Bombay.	23.	M/s. Pin Clip Ind., Bombay.
7.	M/s. Indian Gases, Gwalior.	24.	M/s. Andhra Oil & Fertilizers Co., Vijayawada.
8.	M/s. Ruby International, New Delhi.	25.	M/s. Atul Steel Industries, Bombay.
9.	M/s. Modi Carpets Ltd., New Delhi.	26.	M/s. Impex Services, Jullunder.
10.	M/s. Premier Engg. Mechanical Works, Sangrur.	27.	M/s. Bharat Vijay Iron Factory, Bombay.
11.	M/s. Petunia Patch, New Delhi.	28.	M/s. Didwania Imports, Bombay.
12.	M/s. Mathur Imports & Exports, New Delhi.	29.	M/s. Public Sales Corporation, Srinagar.
13.	M/s. Shree Shankar Steel Industries, Manipur.	30.	M/s. Ganesh Steel & Allied Industries, Hoshiarpur.
14.	M/s. Satsuvan Paper Mills, New Delhi.	31.	M/s. Jeegar Gem, Bombay.
15.	M/s. Marx Impex Pvt. Ltd., New Delhi.	32.	M/s. Reshma Aluminium Works, Bangalore.
16.	M/s. Harish Industries, Ahmedabad.	33.	M/s. Kaitan Caps & Containers, Gujarat.
17.	M/s. Ajay Enterprises, Bombay.	34.	M/s. Safari Pvt. Ltd., Calcutta.
18.	M/s. Aurovi Exports, Bombay.	35.	M/s. Mansighka Industries, Bombay.
19.	Sh. R.T. Rahul Kar M/s. Chintamani Metal Industries, Bombay.	36.	M/s. Bajaj Auto Ltd., Pune.
		37.	M/s. KEC International Ltd., Bombay.

1	2
38.	M/s. G.I.T. Exports, New Delhi.
39.	M/s. National Auto Engineers, Delhi.
40.	M/s. Amarjet Steel Industries, Manipur.
41.	M/s. Sushmit Sangita Inter Magnetic (P) Ltd., Ranchi.
42.	M/s. Nampong Udyog, Nampong.
43.	M/s. Roseen Exports, Bombay.
44.	M/s. Bittu, Surat.
45.	M/s. Sapan Apparels, New Delhi.
46.	Shri Sudhir Kumar, New Delhi.
47.	Shri Amrik Singh Saluja, New Delhi.

1988-89

1. M/s. Ashok Traders, Bombay.
2. M/s. Pacific Exports, Bombay.
3. M/s. Acquarious, New Delhi.
4. M/s. Bothra Rugs (P) Ltd., New Delhi.
5. M/s. Supriya, Calcutta.
6. M/s. Narain Steel Works, Howrah.
7. M/s. Mahakali Agricultural Industries, Howrah.
8. M/s. Udyachal Udyog, Assam.

1	2
9.	M/s. Deccan Dyes & Chemicals Industries, Poona.
10.	M/s. Kandelwal Metal Works, Bombay.
11.	M/s. Shah Metal Pressing Works, Bhuj.
12.	M/s. Auto International, New Delhi.
13.	M/s. Bombay Indl. Consultance Services (P) Ltd., Bombay.
14.	M/s. Bhagwati Exports, Calcutta.
15.	M/s. Kothari & Co., Bombay.
16.	M/s. Steelco India, Bombay.
17.	M/s. Modern Home Care Products, New Delhi.
18.	M/s. East India Engg. Works, Tinsukia.
19.	M/s. Ranbaxy Laboratories, New Delhi.
20.	Sh. R. Subramanium, New Delhi.
21.	M/s. Daffodill of India, New Delhi.
22.	M/s. Chitrakala Ind. Distt. Ramnad.
23.	M/s. Hindustan Handlooms & Handicrafts, Calcutta.
24.	M/s. M.V. Commercial Corporation, Calcutta.
25.	M/s. Micro Tek Engineers, Bombay.

1	2
26.	M/s. Surindra Inds. (P) Ltd., Bombay.
27.	M/s. Lion Steel Inds., Manipur.
28.	M/s. Gorsons (I) Exports, Bombay.
29.	M/s. Pole Star Exports, New Delhi.
30.	M/s. Jagat Indl. Corpn., Srinagar.
31.	M/s. Easan (India) Ind., Calcutta.
32.	M/s. Reliance Metal Inds., Khatu-ali.
33.	M/s. Mashkoor Ahmed Bros., Moradabad.

Opening of Regional Offices of Banks

1307. **PROF. NARAIN CHAND PARASHAR:** Will the Minister of FINANCE be pleased to state:

(a) whether the Punjab National Bank, the State Bank of India and the UCO Bank have decided to open any new Regional Offices during the year 1989; and

(b) if so, the details thereof, state-wise, including names of the places where such Regional Offices would be located and the likely dates of their opening?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve Bank of India has reported that it has not received any proposals so far from Punjab National Bank, State Bank of India and UCO Bank for opening of new regional offices by these banks during the year 1989.

Clearance to Sunderbans Delta Project of West Bengal

1308. **SHRI CHINTAMANI JENA:** Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 8 April, 1988 to the Unstarred Question No. 6205 regarding Sunderbans Delta Project and state:

(a) whether the required model study by the Government of West Bengal about Sunderbans Delta Project has since been completed;

(b) if so, the details thereof; and

(c) the time by which the project is likely to be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (A) No, Sir.

(b) and (c). Do not arise.

Steps to Boost Tea Plantation in Nilgiris

1309. **SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR:** Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken steps to give a boost to tea plantation in Nilgiris;

(b) whether the United Planters Association of Southern India has submitted a long term plan proposal to increase areas under tea plantation in Nilgiris;

(c) if so, the details thereof; and

(d) the details including cost of the projects formulated under the programme?

THE MINISTER OF COMMERCE
(SHRI DINESH SINGH): (a) Yes, Sir.

(b) to (d). The United Planters Association of Southern India has recently submitted

a plan envisaging increase in the overall production of tea in the district by about 79% during the next eleven years. The details of the plan including the estimated cost are as follows:

<i>S. No.</i>	<i>Physical target</i>	<i>Total financial requirements by 2000 AD (Rs./crores)</i>
1	2	3
1. Replanting	2150 ha	24.41
2. Rejuvenation pruning, etc.	9625 ha	20.56
3. Infilling	5200 ha	17.36
4. New planting	4400 ha	34.13
5. Factory modernisation expansion for handling 37 M. kgs.	-	37.00
6. New Factories	15 Nos.	25.00
7. Other capital cost	-	4.17
Total		162.63

Liberalisation of Term Lending Limits of Commercial Banks

1310. SHRI MURLIDHAR MANE: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering liberalisation of term lending limits of the commercial banks; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve

bank of India has reported that with effect from October 10, 1988, its prior authorisation earlier required for grant of term loans exceeding Rs. two crores by banks has been dispensed with provided they are in conformity with the guidelines issued by it. Where term loan is sanctioned by banks in participation with financial institutions, the share of the banking system has not to exceed 25 per cent. Banks are however, required to report to Reserve Bank of India for post-sanction scrutiny, all sanctions of term loans where the share of banking system exceeds Rs. two crores. It is also reported by Reserve Bank of India that there is no proposal to further modify these terms for the present.

Doubling of Madras-Mangalore Route

1311. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to double the Madras-Mangalore railway line in the near future;

(b) the quantum of funds spent on maintenance of this line during 1988;

(c) whether any representations have been received for developing/doubling this line; and

(d) if so, the action taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Section from Madras to Shoranur is already doubled. There is no proposal at present, to double the Shoranur- Mangalore section.

(b) Rs. 10.44 crores.

(c) and (d) Yes, Sir. The State Government of Kerala, who had requested for the doubling of Mangalore-Shoranur section, were advised that the traffic density on this section did not merit doubling at present. However, some line capacity works to increase the traffic carrying capacity of the section have been sanctioned and are in progress.

Invisible Trade

1312. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether the world wide trade on invisibles is expanding very fast;

(b) if so, whether the proportion of work-

ing population in tradeable services in India is growing in relation to the working population in manufacturing;

(c) if so, whether India's share of world trade on invisibles is considered satisfactory; and

(d) if not, whether it is proposed to set up an "Invisible Export Promotion Council" on the pattern of a similar council in the U.K. as well as details of incentives proposed to be given?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes Sir.

(b) In the organised sector the proportion of workers in the services sector to total workers is increasing.

(c) No Sir.

(d) No such proposal is presently under the consideration of the Government.

[Translation]

Newsitem Captioned "Virodh Ke Karan Ayekar Afsar Chhape Chhod Kar Bhage"

1313. SHRI S.D. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether his attention has been drawn to the newsitem appearing on page 3 of Dainik "Jansatta" dated 16 December, 1988 under the caption "Virodh Ke Karan Ayekar Afsar Chhape Chhod Kar Bhage" and if so, the reaction of Government thereto;

(b) whether it is also a fact that the wholesale traders of Delhi observed a one day Bandh in resentment against the atti-

clude of the Income Tax Officers:

(c) whether Government have received any memorandum from the traders in this regard;

(d) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Yes, Sir. The news item refers to an incident of alleged violent resistance from public against survey operations being conducted by the Income-tax Department

Conducting of survey is in accordance with the provisions of law and in conformity with the declared objectives of the Government to combat tax evasion.

It is not correct to say that the officials conducting survey had to run away on account of opposition from the public. However, for ensuring the safety of the officials, police help had to be sought to escort them back.

(b) There have been reports in the Press to the effect that the Delhi Iron and Hardware Merchants Associations gave a call for Delhi Trade Bandh in protest against survey.

(c) and (d). A delegation of representatives of various trade organisations of Delhi complained against alleged harassment caused by the survey teams of the Income-tax Department. The delegation also met the Chief Commissioner of Income-tax (Administration), Delhi, who assured them that due action would be taken in the event of any irregularity brought to his notice. It is reported that the delegation felt satisfied after their meeting with the Chief Commissioner

and no specific instance was brought to his notice in writing.

(e) In view of reply to parts (c) and (d) above, does not arise.

[English]

Circular Railway at Calcutta and other Places

1314. SHRI MOHANBHAI PATEL: Will the Minister of RAILWAYS be pleased to state:

(a) the progress made so far in the completion of Calcutta Circular Railway project;

(b) whether Government have abandoned the remaining project;

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

(d) whether government have plan for similar projects at other cities; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) 82 per cent, till January 1989.

(b) No part of the sanctioned project has been abandoned.

(c) Does not arise.

(d) No, Sir.

(e) Does not arise.

Changes in Scheme for 100 Per Cent EOUs

1315. SHRI JAGANNATH PATTAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are contemplating major changes in the scheme for 100 per cent Export Oriented Units (EOUs) to make their functioning effective and result oriented; and

(b) if so, the details regarding the changes and aim as well as the procedure being adopted so far as the question of disbursing of each compensatory support is concerned?

THE MINISTER OF COMMERCE
(SHRI DINESH SINGH) (a) No Sir.

(b) Does not arise

Formation of River Board for Connecting Major Rivers

1316. SHRI AMARSINH RATHAWA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are aware of the plan for formation of a River Board for connecting the major rivers in the country in order to solve the problems of flood and drought to a great extent, and

(b) if so, what steps have been taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b)

The National Water Development Agency has been entrusted with the task of formulating the study of the Peninsular rivers development which involves construction of storages and inter-linking of rivers with a view to divert surplus water to deficit regions. The programme for the Seventh Plan is to complete necessary studies of the river basins, reservoirs and links required for establishing the feasibility of five of the seventh water transfer links.

Loans Advanced to Agricultural and Industrial Sectors by Public Sector Banks

1317. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) the amount given as loans to the industrial and agricultural sectors, separately by the nationalised banks during the last three years; and

(b) the amount recovered towards repayments of loans from these two sectors, separately during these years?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The outstanding advances for Agriculture and Industrial Sector for the last three available years as on 31st December 1985, 1986 and 1987 are as given below:

(Amount in Rs. crores)

	1985	1986	1987
<i>Agriculture</i>	8660	10166	11693
<i>Industry</i>			
(i) Large & Medium	14575	17161	19597
(ii) Small Scale Industry	7450	8723	10241

(b) The present data reporting system does not generate the information regarding repayments of loans relating to Industrial Sector. However, the recovery position of

direct Agricultural Advances of all public sector banks as at the end of June 1986 and June 1987 (latest available) was as under:

(Amount in crores)

Year	Demand	Recovery	Percentage of recovery to demand
1986	3911	2211	56.6%
1987	4468	2551	57.1%

Survey Regarding Availability of Water Resources of Maharashtra

1318. SHRI PRAKASH V. PATIL: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government have made any State-wise survey to find out the water resources available but not tapped so far both the agriculture and drinking purposes;

(b) if so, the details of the survey made especially in Maharashtra; and

(c) the steps initiated to exploit these sources?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) While the surface water availability has been assessed river basin-wise, the availability of ground water has been assessed State-wise. The country has 690 cubic kilometers of surface water potential and 418 cubic kilometers of ground water potential.

(b) Maharashtra has 34.58 cubic kilometers of ground water.

(c) State Governments plan and implement Water Resources Projects to exploit

the available water resources.

On Going Irrigation Projects of Karnataka

1319. SHRI H.B. PATIL: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of major and medium irrigation projects in progress in Karnataka State; and

(b) the time by which these are likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). 12 major and 12 medium irrigation projects are under execution. Out of these, 3 major and 5 medium projects are likely to be completed during VII Plan. Remaining projects will spill-over to the Eighth Five Year Plan and their completion will depend upon the funding and priority of the State Government.

Steps to Popularise L.I.C. Policies with NRIs

1320. SHRI VJAY N. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken

steps to popularise L.I.C. policies with Non-Resident Indians;

(b) if so, the response of NRIs thereto;

(c) the business received from NRIs during 1986-87 and 1987-88; and

(d) the incentives given to the NRIs to popularise L.I.C. policies?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) Besides the procurement of normal business from NRIs when they visit India periodically, the Life Insurance Corporation of India has now started allowing the Development Officers and Agents to procure business from NRIs on mail order basis. The response to it has been moderate.

(c) It is not the practice in LIC to maintain separate records of the business received from NRIs.

(d) No specific incentives can be provided to NRIs. However, the NRIs are eligible for all the tax concessions available in respect of different savings media under Income-tax Act, Wealth Tax Act, etc.

Tillari Irrigation Project

1321. SHRI SHANTARAM NAIK: Will the Minister of WATER RESOURCES be pleased to state:

(a) the progress made with respect to Tillari Irrigation Project in Maharashtra;

(b) whether the issues between the States of Goa and Maharashtra with respect to the project have been resolved;

(c) if so, the details thereof; and

(d) the time by which the project is likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Filling of cut-off trench on right flank of main dam completed. Civil works of pick-up weir almost complete. Preliminary works on right bank and left banks canals completed.

(b) and (c). Tentatively, the States of Maharashtra and Goa have agreed to share the cost of common items in the ratio of 76:24

(d) 1996-97, subject to availability of funds.

Zonal Offices of Tea Board

1322. SHRI T. BASHEER: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal under Government's consideration for setting up of a Zonal Office of the Tea Board at Cochin; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) No, Sir.

(b) Does not arise.

Train Services Between Ahmedabad and Bombay

1323. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that Railway traffic between Ahmedabad and Bombay has increased manifold while increase in number of trains between Ahmedabad and Bombay is negligible particularly during night time; and

(b) if so, whether Government propose to introduce additional train services on this route to meet the difficulty of the passengers?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) There has been some increase in the rail traffic between Ahmedabad and Bombay.

(b) No, Sir.

Reservation for SCs and STs in Banks and Financial Institutions

1324. **SHRI BANWARI LAL BAIRWA:** Will the Minister of FINANCE be pleased to state:

(a) the total number of employees in Class IV, Class III and in JMG Scale-I to VII (scale-wise) in banks and financial institutions (including regional rural banks) under the Banking Division of his Ministry, institution-wise;

(b) the number of Scheduled Caste and

Scheduled Tribe employees in these institutions (institution-wise in various classes and scale-wise for officers);

(c) the number of reserved vacancies dereserved in these institutions in last three years (year-wise as per above classification) in (i) direct recruitment and (ii) in promotions, and the position of existing backlog in various classes/officers scales as on 31 December, 1988; and

(d) the steps taken by Government to avoid the dereservation of reserved vacancies and for proper implementation of reservation orders by banks and other financial institutions?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The available information of the total staff strength of Public Sector Banks/Financial Institutions/Regional Rural Banks as on 31.12.1987 is as under:-

(i) Public Sector Banks/
Financial Institutions:

The staff strength of officers, Clerks and Sub-Staff is given in the Statement I laid on the Table of the House. [Placed in Library See No. LT-7457/89]

(ii) Regional Rural Banks

Officers	:	15,570
Field Supervisers	:	9,129
Clerks	:	22,984
Sub-Staff	:	3,410

(b) and (c). Break-up of the representations of SC and ST in the Officers' Cadre (Scale-Wise), is not readily available. Available information as on 1.1.1988 institution-wise is given in Statement-II laid on the

Table of the House [Placed in Library See No. LT-7457/89]

(d) Government has taken inter-alia, the following steps to clear the backlog and to

avoid dereservation of the vacancies reserved for SCs and STs:

1. Educational Qualification have been relaxed in favour of Scheduled Caste/Scheduled Tribe to facilitate their intake in the services of the Public Sector Banks in an increasing degree.
2. Lower cut off point being prescribed for Scheduled Caste/Scheduled Tribe candidates for their selection vis-a-vis general candidates.
3. Pre-recruitment training programmes are being conducted by banks to prepare the Scheduled Caste/Scheduled Tribe candidates for the recruitment tests.
4. A Scheduled Caste/Scheduled Tribe Member is being associated with the Interview Boards to safeguard the interests of Scheduled Caste/Scheduled Tribe candidates.
5. Interviews of Scheduled Caste/Scheduled Tribe candidates are being conducted in separate sittings/dates to avoid their being compared with general candidates during interview process.
6. Scheduled Caste/Scheduled Tribe candidates are not required to pay examination fees, to facilitate larger number of Scheduled Caste/Scheduled Tribe candidates applying for various posts in the banking industry.
7. Scheduled Caste/Scheduled Tribe candidates called for interview are being reimbursed travelling expenses.
8. To ensure proper implementations of the reservations for Scheduled Caste/Scheduled Tribe, the banks/Financial Institutions place before their boards, once a year, a Review Report, for which comprehensive proforma has been prescribed, which is also subjected to close scrutiny by the Government.
9. Yearly Meetings/Seminars of Liaison Officers for the Scheduled Caste and Scheduled Tribe in the Public Sector Banks are being convened.
10. Banks/Banking Service Recruitment Boards have also been advised to provide sufficient number of Centres for conducting examinations/interviews in the Tribal Ares.
11. Public Sector Banks/Financial Institutions/Banking Service Recruitment Boards have been advised to consider the setting up of the recruitment/examination centres in the Lakshadweep Islands to facilitate larger number of Scheduled Tribe candidates for increasing their intake in the services of Banks.

Import of Natural Rubber in 1989

1325. SHRI SURESH KURUP: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to import natural rubber during 1989; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) and (b). Yes, Sir. As per the existing policy of the Government, the gap between demand and supply of natural rubber is met by resorting to imports. For the present, STC has provisionally been authorised to import 35000 M. Tonnes of natural rubber. The actual imports will, however, depend on the production of rubber and its consumption during the coming months.

Non-Acceptance of Small Denomination Notes by Banks

1326. SHRI KAMLA PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether nationalised banks particularly State Bank of India refuse to accept small denomination notes like Rs. 5/-, Rs. 10 and Rs. 20 from public wanting draft;

(b) if so, the reasons thereof; and

(c) the steps taken to ensure that banks do not harass the public?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) and (c). Specific complaints received from public in this regard are looked into for appropriate remedial action.

Wholesale Price Index of Essential Commodities

1327. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the pattern of variation in the wholesale prices of essential commodities of mass consumption during 1988, commodity-wise;

(b) the reasons thereof;

(c) the concrete steps taken to control price-rise; and

(d) the weightage given to these commodities, commodity-wise, in compiling Wholesale Price Index and Consumer Price Index?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). The pattern of variation in the Wholesale Prices of selected essential commodities during 1988 along with their weights are given in the Statement below.

It may be observed that there has been significant deceleration in the rate of price rise during 1988 compared to the previous year — 4.9 per cent against 9.2 per cent. This was made possible thanks largely to a comprehensive package of demand and supply management measures and the favourable turn of the monsoon. The package of measures include adequate supply of essential commodities through the public distribution system, supplementing the domestic supplies by imports of these items as necessary; exercising strict monetary and fiscal discipline; action against hoarders and black-marketeers, and close monitoring of prices of essential commodities.

STATEMENT

*Variation in WPI of selected Essential Commodities during 1988**(end December to end December)*

Commodity	Weight		Percentage change	
	WPI	CPI*	1987	1988
1	2	3	4	5
1. Foodgrains	12.92	—	16.5	15.54
(a) Cereals	10.74	—	10.6	10.3
(i) Rice	5.13	—	9.9	7.9
(ii) Wheat	3.42	—	8.7	17.2
(b) Pulses	2.18	—	37.0	29.9
(i) Gram	1.04	—	32.1	66.4
(ii) Arhar	0.56	—	57.1	-23.0
(iii) Masoor	0.16	—	14.0	29.7
2. Edible Oils	3.72	—	19.8	-15.7
(i) Groundnut oil	1.42	—	27.3	-21.0
(ii) Mustard Oil	0.67	—	41.1	-33.1
3. Fruits & Vegetables	6.13	—	2.7	9.4
4. Milk & Milk Products	6.15	—	15.5	13.0
(i) Milk	4.52	—	13.9	16.3
5. Eggs, Fish & Meat	1.90	—	2.4	2.3
6. Condiments & Spices	1.09	—	41.8	58.4

1	2	3	4	5
7. Sugar, Khandsari & Gur	7.24	—	4.3	-1.8
(i) Sugar	2.19	—	1.0	4.9
(ii) Gur	4.56	—	5.8	-4.3
All Commodities	100.00	100.00	9.2	4.9

* The weights of individual commodities in CPI for Industrial Workers (1982=100) are worked out centre-wise for each of the 70 centres. These are not worked out for the General (All India) Index.

Round the Country special tickets

STATEMENT-

Concessions/facilities

1328. SHRIKAMAL PRASAD RAWAT:
Will the Minister of RAILWAYS be pleased to state:

(a) the details of the facilities to be provided on round the country trips offered on Pandit Nehru's Birth Centenary to the touring public by the Railways in the matter of providing cheap accommodation and food besides railway reservations; and

(b) the cost of the round the country tour ticket in all the classes?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Concessions/facilities available to passengers holding Nehru Yatri Tickets are detailed in the statement I given below. All other facilities including catering and retiring room accommodation are available to them at par with other railway passengers.

(b) The cost of the tickets for all the itineraries is also given in the statement II laid on the Table of the House. [Placed in Library. See No. LT—7458/89]

- (i) Fare indicated on these tickets is inclusive of a concessional lump sum amount of Rs. 50/- towards sleeper surcharges, reservation fees and super-fast charges irrespective of the number of break journeys. No separate charges are payable on these counts.
- (ii) Journey can be broken on these tickets without any distance restriction.
- (iii) The tickets are valid for 30 days from the date of commencement of first journey.
- (iv) This ticket is also valid for Rajdhani and Shatabdi Express trains on payment of the difference of fare.
- (v) 61 itineraries touching the places of historical, cultural and religious importance have been drawn.

- (vi) 25 originating stations of the itineraries have been authorised to issue these tickets.

FERA Violations

1329. SHRI MOHD. MAHFOOZ ALI KHAN:
SHRI HET RAM:

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to a report captioned "Enforcement officials bury another case" appearing in the Indian Express of 25 December, 1988; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). After completion of investigations, the Directorate of Enforcement (FERA) has initiated adjudication proceedings against Shri D.D. Gupta by issue of a Show Cause Notice for alleged violation of the provision of Section 8 (1) of FERA, 1973 for maintaining and operating a bank account abroad.

Revision of Electoral Rolls in Assam

1330. SHRI CHITTA MAHATA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the long pending disputes over the revision of electoral rolls in Assam have since been resolved; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) and (b). Yes, Sir.

After completing the preliminary action by way of house-numbering for facilitating intensive revision, the Election Commission has chalked out a programme for an intensive revision of electoral rolls in Assam with 1.4.1989 as the qualifying date. House to house enumeration is expected to begin shortly and final publication of the revised rolls is expected by June, 1989.

[Translation]

Equipment to check Drug Trafficking

1331. SHRIPARASRAMBHARDWAJ: Will the Minister of FINANCE be pleased to state:

(a) whether any equipment has been developed to check drug trafficking which would increase the efficiency of the Department and also help in the seizure of drugs; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). A drug identification kit for use by the enforcement agencies, for on-the-spot identification of drugs, has been indigenously developed by National Chemical Laboratory, Pune. The technical know-how has been transferred to M/s. Hindustan Antibiotics Limited, Pune, who have undertaken commercial production of the said kits for use by various drug law enforcement agencies in the country.

[English]

Lowering of Voting Age

1332. SHRI RAM PYARE PANIKA:
SHRI JAGANNATH PATNAIK:
Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Constitution (Sixty-second Amendment) Bill, 1988 regarding lowering of voting age from 21 to 18 years has since been assented to by the President;

(b) if not, the reasons therefor; and

(c) whether the new electoral rolls are being prepared in the light of this Bill?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) Not yet, Sir.

(b) The Constitution (Sixty-second Amendment) Bill, 1988 requires to be ratified by the Legislatures of not less than one half of the States in terms of proviso (d) to clause (2) of article 368 of the Constitution. This process has not been completed yet.

(c) Yes, Sir. The Election Commission has ordered a special revision of the electoral rolls in all States and Union Territories for this purpose.

Seizure of Currency by Narcotics Control Bureau

1333. SHRI PRATAPRAO B. BHOSALE: Will the Minister of FINANCE be pleased to state:

(a) whether the Narcotics Control Bureau has seized large amount of Indian Currency at Indo-Pak Border during January, 1989;

(b) if so, the details thereof;

(c) the action taken in this regard;

(d) whether Government propose to take some steps to check such incidents in future; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). No, Sir. However, in a follow-up of a seizure of 103 kgs. of heroin and 250 gold biscuits made on 17.1.1989 in Sriganganagar district of Rajasthan, the officers of Delhi zonal unit of Narcotics Control Bureau had searched the business premises at BF-8, Mohan Palace, Saraswati Vihar, New Delhi, belonging to one Ashwini Kumar Agarwal and seized Indian currency amounting to Rs. 1,23,97,000/-

The case has also been referred to the Income Tax Department for appropriate follow-up action under the Income-tax Act, 1961.

(d) and (e). The question presumably refers to the steps taken by the Government to check drug trafficking and related activities.

A number of aggressive counter-measures have been launched by the Government which, *inter alia*, includes provision of deterrent punishments against drug traffickers, strengthening of preventive and intelligence machinery (especially in and around borders and vulnerable areas), adoption of a liberalised reward scheme for both officers and informers, strengthening of bilateral co-operation between neighbouring countries (including regional co-operation under the aegis of SAARC). The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988 provides for preventive detention upto a maximum period of 2 years for drug-related crimes. 244 persons have so far been detained under the said Act.

The Narcotic Drugs and Psychotropic Substances Act, 1985 has also been amended to strengthen it further. The amendments, *inter alia* include provisions for forfeiture of illegally acquired property

derived from or used in illicit drug trafficking; criminalising the activity of financing drug trafficking and for death penalty on second conviction for specified offences.

Workshop organised by Confederation of Engineering Industry

1334. SHRI KRISHNA SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether a workshop was organised by the Confederation of Engineering Industry recently;

(b) if so, the details of suggestions made thereat;

(c) whether any aid from Government was sought by the Industry for boosting export; and

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

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

(b) to (d). The Confederation of Engineering Industry had organised a workshop on "Engineering Industry — International Marketing Strategy" on 2.2.1989 for working out a strategy to increase the exports of Indian engineering goods to USSR, EEC and USA. The workshop discussed the prevailing environment vis-a-vis Indian exports to these countries and considered various possibilities to create a suitable climate to increase the exports. The Government officials present explained the various measures being taken by the Government for augmenting the Indian exports to these countries.

Constitution of Benches of BIFR

1335. SHRI SHARAD DIGHE: Will the Minister of FINANCE be pleased to state:

(a) the number of benches of the Board for Industrial and Financial Reconstruction (BIFR) constituted by Government so far;

(b) the number of sittings held by them;

(c) the number of companies to whom winding up notice have been issued; and

(d) the number of cases in which rehabilitation package under Section 17 (2) and (3) of the BIFR Act have been approved?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Under Section 12 (2) of the Sick Industrial Companies (Special Provisions) Act, 1985 Chairman, Board for Industrial and Financial Reconstruction has constituted three benches so far.

(b) to (d). BIFR has reported the following data regarding number of sittings held, winding up notices issued and approval accorded under Section 17 (2) and 17 (3) of the Sick Industrial Companies (Special Provisions) Act, 1985 as on 31.1.1989:

(i) Number of sittings held	864
(ii) Number of companies recommended to the concerned High Court for winding up	16
(iii) Number of cases in which Show Cause notices have been issued for winding up	30

- (iv) Approval accorded under Section 17 (2) 53
- (v) Scheme sanctioned 22

[Translation]

Indian Investment in Guyana

1336. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of COMMERCE be pleased to state:

(a) whether Indian entrepreneurs have received any invitation for capital investment in Guyana;

(b) if so, whether Government propose to grant permission to them;

(c) if so, the names of industries for which permission has been granted and the amount permitted to be invested; and

(d) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Yes, Sir. During a visit to India in January, 1989, Minister for Trade and Tourism, Guyana, invited Indian participation in both equity and management in various industrial activities in Guyana.

(b) Govt. have not received any proposal for granting permission for investment in Guyana so far. They will be considered as and when received, as per existing rules and regulations.

(c) and (d). Do not arise.

[English]

Complaints in Grant of Import Licence for Penicillin-V

1337. SHRI RAMASHRAY PRASAD SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether he has received complaints in grant of import licence for Penicillin-V; and

(b) if so, the action taken thereon?

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

(b) A technical inspection of all the units which have applied for import of Penicillin V is being undertaken to ascertain the essentiality, if any, for import of Penicillin V.

[Translation]

Export of Aluminium Products to United States

1338. SHRI KALI PRASAD PANDEY: Will the Minister of COMMERCE be pleased to state:

(a) whether in a report of Los Angeles Office of the Engineering Export Promotion Council, it has been mentioned that there is ample scope for export and sale of Indian aluminium products in United States market;

(b) if so, whether Government have taken any steps in this regard; and

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

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

(b) and (c). The Engineering Export Promotion Council has circulated the report among prominent manufacturers/exporters of aluminium products in India for their study and immediate action. EEPC's foreign offices in Chicago and Los Angeles are also following up vigorously with potential US buyers for generating enquiries for business negotiations with Indian manufacturers.

EEPC also proposes to send a composite Study-cum-Sales Team Comprising of exporters of aluminium products having potential in the US market for sales promotion.

EEPC also proposes to invite potential buyers from the US interested in aluminium products to visit India and see for themselves the capability of Indian aluminium manufacturers and to negotiate business with them.

[English]

Loan provided for Coastal Protection Works in Kerala

1339. SHRI VAKKOM PURUSHOTHAMAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) the amount of loan provided to the State Government of Kerala for Coastal Protection Works during the last three years;

(b) whether the State Government has submitted a new project report for coastal protection and reconstruction of the old sea-walls to Union Government;

(c) if so, whether Government have considered the project report; and

(d) if so, the action taken thereon and the amount of assistance to be given for this purpose?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) The loan assistance provided to the State Government of Kerala for coastal protection works during the last three years is as under:

Year	Assistance (Rs. Crores)
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1985-86	2.31
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1986-87	2.50
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1987-88	2.50
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(b) No, Sir.

(c) and (d). Do not arise.

Erosion of Bank of River Bhagirathi at Uluberia

1340. SHRI BASUDEB ACHARIA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are aware of the serious situation at Uluberia due to erosion of the bank of river Bhagirathi; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). The Government of West Bengal has taken urgent palliative measures at an estimated cost of Rs. 10 lakhs to restore the damage caused due to subsidence to the embankment.

NABARD Refinance to Orissa

1341. SHRI SOMNATH RATH: Will the Minister of FINANCE be pleased to state:

(a) whether the National Bank for Agricultural and Rural Development (NABARD) has stopped refinance in some States and if so, the details thereof and the reasons therefor;

(b) the amount proposed to be ad-

vanced by NABARD in Orissa during 1988-89 and the amount invested so far;

(c) the central cooperative banks in Orissa which are disqualified for refinance because of overdues; and

(d) the amount of overdues in Orissa and the steps taken to collect the same?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) It was noticed by Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) that some cooperative banks were not fully complying with instructions relating to interest rates, conversion of loans etc. and directives in this regard were violated in 12 States and one Union Territory namely, (1) Andhra Pradesh, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Karnataka, (6) Kerala, (7) Madhya Pradesh, (8) Maharashtra, (9) Orissa, (10) Punjab, (11) Tamil Nadu, (12) West Bengal and (13) Union Territory of Pondicherry. In view of this NABARD vide its circular dated 29th November, 1988 addressed to the Managing Directors of State Cooperative Banks and State Land Development Banks of these States withheld refinance facilities till an undertakings is furnished by the concerned institutions that they would follow the instructions/guidelines issued by the RBI/NABARD. NABARD has reported that refinance facilities have been resumed in all States, except in Maharashtra since undertakings from the apex banks in the State are still awaited.

(b) NABARD has reported that it has disbursed in Orissa State during 1988-89 (upto 17.2.89) a sum of Rs. 27.7 crores as refinance under schematic lending against the target of Rs. 67.49 crores for the year.

(c) It is reported that Angul and Boudh CCBs are ineligible for credit limits from

NABARD for 88-89 on account of high overdues.

(d) NABARD has further reported that the total overdues as on 30.6.1987 at the level of State Co-operative Banks stood at Rs. 31.69 crores whereas at the level of CCBs, it stood Rs. 74.62 crores. NABARD has further reported that Orissa SCB, CCB and the State Machinery have to take suitable action for recovery overdues.

Opening of Branches of Commercial Banks in Rural Areas

1342. SHRI H.N. NANJE GOWDA:
PROF. RAMKRISHNA
MORE:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have directed the commercial banks to keep pending opening of branches in urban and metropolitan areas till the deficient requirement in rural and semi-urban areas is met;

(b) if so, the details of the commercial banks which have followed the directions of Government and opened branches in the rural areas; and

(c) the details of locations in rural areas where commercial banks have opened branches and the time by which the target of opening banks in rural areas will be attained?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India (RBI) has reported that it has not issued any directions to commercial banks to keep pending the licences in respect of centres in urban and metropolitan areas till the requirements in rural and semi-

urban areas are met. However, the banks are advised to open branches at rural and semi-urban centres on priority. RBI upto 31.1.1989 has allotted 5359 eligible rural and semi-urban centres for opening branches under the current Branch Licensing Policy for 1985-90 and banks had opened branches at 2627 such centres. RBI has advised the banks to open branches at the remaining rural and semi-urban centres expeditiously preferably by 31.3.1989 with a view to implementing the Service Area Approach to rural lending.

Export Performance of Private Sector Companies

1343. DR. DATTA SAMANT: Will the Minister of COMMERCE be pleased to state:

(a) whether the export performance of major private sector companies is falling since last few years;

(b) the export made by Tata, Birla, J.K. Bajaj, Shriram Mafatlal, Mehendra, Kirloskar and Walchand groups of companies

in 1986-87 and 1987-88; and

(c) the efforts Government are contemplating to boost the export by big industrial house?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) According to a study made by Reserve Bank of India on the export performance of 581 large companies, the percentage of exports to sales of these companies has gone down from 4.3 in 1984-85 to 3.6 in 1986-87.

(b) Annual Export Performance data by individual large houses is not maintained by the Ministry. A Statement indicating export performance over the 5 year period 1983-84 to 1987-88 of some companies belonging to these concerned houses is given below.

(c) Export Policy is common to all categories of exporters. No special dispensation is given for large houses. However, dialogue is maintained with their associations and several individual houses to achieve better export performance.

STATEMENT

Export Performance of Major Groups of Companies

Name of the Group	No. of Companies in the group as on 31.3.87	No. of companies for which information is available	Export 1983-84 to 1987-88 (5 Years agg.) Rs. Crores.
1	2	3	4
1. Tata	83	15	1458.23
2. Birla	159	17	535.37
3. J.K. Singhanian	53	6	112.19
4. Bajaj	25	2	326.59 (2)

1	2	3	4
5. Shriram	24	1	3.81
6. Mafatlal	48	10	402.78
7. Mahendra	9	3	161.11
8. Kirloskar	21	N.A.	N.A.
9. Walchand	18	2	88.25

Notes: The above information is based on the available data supplied by the private sector companies.

(1) Department of Company Affairs, Ministry of Industry

(2) This includes inward remittance of Foreign Exchange against sale of scooters.

Purchase of Rubber by STC

(d) if so, the details thereof?

1344. SHRI S.G. GHOLAP: Will the Minister of COMMERCE be pleased to state:

(a) the quantity of rubber purchased from foreign countries through S.T.C. during the last three years:

(b) the selling price thereof in India;

(c) whether Government have given subsidy on it; and

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (d). The buffer stocking scheme for natural rubber operated by the Government aims to provide remunerative returns to the growers as well as supply of rubber to the user industry at reasonable prices. At times Government have to bear the losses suffered by STC if any on this operation. This quantity of rubber imported during the last three years and its selling price has been as under:-

Quantity in Tonnes
Price in Rs./Tonnes

Year	Quantity	Selling Price Range
1	2	3
1985-86	38538	Rs. 16500 (P)
1986-87	40228	Rs. 16500 (P)
1987-88	41984 (P)	Rs. 17000 (P)

(P) Provisional

Group Insurance Scheme for Fishermen

1345. SHRI A. CHARLES: Will the Minister of FINANCE be pleased to state:

(a) the major segments of people both in the organised and unorganised sectors covered by the group insurance scheme of the Life Insurance Corporation;

(b) whether there is any group insurance scheme for the benefit of the traditional fishermen;

(c) if so, the details thereof; and

(d) if not, whether there is any proposal to start such a scheme for the welfare of the fishermen, who constitute one of the most weaker sections of the community?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The major segments of people both in organised and unorganised sectors covered by Group Insurance Schemes of Life Insurance Corporation of India are Employer-Employee groups and Non-Employer-Employee group. Non-Employer-Employee group consist of voluntary Associations formed by persons engaged in same professional occupations or vocations. These Associations may be Trade Unions or may have been formed by economically weaker sections of the society namely, Taxi Drivers, Agricultural Labourers, Building Workers, Fishermen and other such workers engaged in similar vocations.

(b) Yes, Sir. The Life Insurance Corporation of India has a Group Insurance Scheme to offer for economically weaker sections of the society like rickshaw pullers, auto-rickshaw drivers, construction workers, barbers and other semi-skilled workers which can also cover group of fishermen, provided they have their Association or Body

to take the responsibility of administering the Scheme.

(c) The LIC of India has finished several group insurance schemes for the benefit of fishermen covering the lives between ages 18 and 60 years for the maximum sum assured of Rs. 5,000/- per member namely, Bhogpura Island Fishermen Society, Vishakhapatnam, Vizianagram Island Fishermen Society, Vishakhapatnam, Kerala Pradesh Matsya Pravarthaka Sangham, Kozhikode, etc.

(d) Does not arise. As the group of fishermen can also be covered under the LIC's existing Group Insurance Scheme for unorganised sectors, there is no necessity to have a fresh Scheme for them.

Train Service Between Bangalore-Shimoga

1346. SHRI V.S. KRISHNA IYER: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government are aware that there is a demand for the introduction of a day time train or a diesel car between Bangalore and Shimoga; and

(b) if so, the action taken/proposed to be taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) A convenient and popular overnight service and a day time travel facility with changeover at Birur are adequately serving the traffic.

Railway Lines In Kerala

1347. PROF. P.J. KURIEN: Will the Minister of RAILWAYS be pleased to state:

(a) whether any new survey/construction of new line is proposed to be undertaken in Kerala during 1989-90;

(b) if so, the details thereof; and

(c) details of the pending proposals in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). No, Sir. However, work is satisfactorily progressing on three other sanctioned 'New Lines' projects: Ernakulam-Alleppey, Alleppey-Kayankulam and Trichur-Guruvayur.

[Translation]

Setting Up of Branches in India by Foreign Companies

1348. SHRI BALWANT SINGH RAMOOWALIA:
SHRI DINESH GOSWAMI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have recently given further relaxation in the rules to foreign companies to set up their branches in India;

(b) if so, the details thereof;

(c) the number and names of the foreign companies which had their offices in the country in 1988; and

(d) the total amount of foreign exchange brought to India by the persons working in these offices?

THE MINISTER OF STATE IN DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). It has been decided to permit liaison offices of

foreign companies to participate in the promotion of Indian exports. The details of this facility were indicated in reply to Lok Sabha Unstarred Question No. 1215 answered on the 18th November, 1988.

(c) and (d). The announcement with regard to the facility was made by the Reserve Bank of India through a Press Note issued on 3rd December, 1988. It is, therefore, too early to compile the kind of information asked for.

[English]

Reimbursement of Cess Imposed on Pepper

1349. PROF. K.V. THOMAS: Will the Minister of COMMERCE be pleased to state:

(a) whether Government contemplate to reimburse the 3.5 per cent cess imposed on pepper, on contracts made before imposition of cess;

(b) if so, by when; and

(c) the total amount involved therein?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Yes, Sir.

(b) and (c). The total amount involved and the payment would depend on the acceptance of claims after final scrutiny by the Ministry of Finance?

Identification of Centres by LIC for Grant of Housing Loans

1350. SHRI S.M. GURADDI:
SHRI T.V. CHANDRASHEKHARAPPA:
SHRI S.B. SIDNAL:

Will the Minister of FINANCE be pleased to state:

(a) whether the Life Insurance Corporation propose to identify 300 centres in the country for intensive grant of housing loans;

(b) if so, the details of centres identified so far; and

(c) the details of loans proposed to be provided by the Life Insurance Corporation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). For the purpose of intensive housing development and grant of loans on a large scale a per the salient features of "Own Your Home" Scheme, the LIC of India have identified more than 300 centres in the entire country. While the Southern Zone, comprising 17 Divisions, may have 81 centres, the Eastern Zone consisting of 13 Divisions has been earmarked as many as 66 centres. There will be about 55 centres in the 11 Divisions of the Central Zone. In the Northern Zone, comprising 9 Divisions, 46 centres have been identified. As many as 55 centres may come up in the 11 Divisions of the Western Zone.

[Translation]

Loco Shed at Loop Lines Sahib Ganj (Eastern Railway)

1351. SHRI SETH HEMBROM: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways have decided to close down Loco Shed at Loop Lines, Sahib Ganj (Bihar) on Eastern Railway; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) As part of Railway's policy to phase out steam traction.

[English]

FTZ in Madras and Pondicherry

1352. SHRI P.R.S. VENKATESAN: Will the Minister of COMMERCE be pleased to state:

(a) whether Government of Tamil Nadu and Union Territory of Pondicherry have sent any proposal to establish a Free Trade Zone (FTZ) in Madras and Pondicherry;

(b) if so, when was the proposal sent and details thereof; and

(c) the reaction of Government in this regard?

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

(b) and (c). Proposals were received from the Govt. of Tamil Nadu in 1976 and from the Union Territory of Pondicherry in 1978 for establishing Export Processing zones within the respective territories. These were considered along with requests from other States and a decision was taken in 1983 to establish four new Export Processing Zones in the country located at Noida (UP), Falta (West Bengal), Madras and Cochin.

Cauvery Water Disputes

1353. SHRI V. KRISHNA RAO: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Chief Ministers of Karnataka and Tamil Nadu have indicated that the Cauvery Waters Dispute would be settled through discussions; and

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

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Centre has not received any formal communication from the Chief Ministers of Karnataka and Tamil Nadu indicating settlement of dispute through mutual discussions.

FERA Violation Cases

1354. SHRI H.M. PATEL: Will the Minister of FINANCE be pleased to state:

(a) the number of investigations under Foreign Exchange Regulation Act (FERA) completed in 1988; and

(b) the details of such cases?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). During the year 1988, the Directorate of Enforcement (FERA) had completed investigations in 9,826 cases. As the number of cases in which investigations were completed is very large, the time and labour involved in collecting and furnishing case-wise details will not commensurate with the result.

Sick Small Scale Industrial Units

1355. SHRI BHADRESWAR TANTI: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of small scale industrial units in the country are sick; and

(b) if so, the amount of loans given to such units by nationalised banks during 1987-88 and 1988-89 so far?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve Bank of India has reported that total number of sick small scale industrial units and outstanding bank credit as at the end of June, 1987 (latest available) stood at 1,58,226 units involving Rs. 1,542.25 crores. The data has revealed that in terms of number 7.8% of borrowing SSI units were sick with their outstanding bank credit forming 15.7% of the aggregate advances to SSI units.

Action against Bank Official Responsible for Bad Debts

1356. SHRI HAROOBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any norm prevailing in the nationalised banks on the question of taking action against the staff held accountable for sanctioning a loan which later on turns out to be wholly or partly not recoverable;

(b) whether there is any similar norm in respect of taking action against Chairman/ Managing Director or any officer higher than Branch Managers; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India has reported that it has not prescribed any norms for taking action against the staff found accountable for sanctioning a loan which later on turns out to be wholly or partly irrecoverable. Action is generally initiated by the banks against staff members when malafide in sanctioning loans is suspected/established either through their disciplinary proceedings or in consultation with Central Vigilance Commis-

sion, wherever required. No separate norms are followed in taking action against various categories of officers. In respect of various officials in the top management, if any irregularities are noticed, these are also brought to the notice of the Government.

[Translation]

Chhitauni-Bagha Bridge

1357. SHRI MADAN PANDEY: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have considered the report presented by the high-powered committee in regard to Chhitauni-Bagha rail-cum-road bridge in North Eastern Railway;

(b) if so, the nature of proposals received by Government in regard to the construction of this bridge; and

(c) if not, the time by which the said report is likely to be considered by Government?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir. The report of the Committee, appointed by the planning Commission has been submitted and considered.

(b) The construction of a rail-cum-road bridge, or a road bridge, at this location has not been found to be a viable proposition.

(c) Does not arise.

[English]

Decline in Export of Prawns and Shrimps

1358. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether the export of prawns and shrimps to Japan has declined;

(b) whether India's shrimp export to China, Taiwan and Indonesia has also declined;

(c) if so, the reasons for decline in the export of shrimp and prawn to those countries; and

(d) the steps taken to increase their export to those countries?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Exports of Indian shrimps to Japan during the last few years have been fluctuating in quantitative terms though their value has been steadily increasing as the following table will show:

Year	Quantity (Tonnes)	Value (Rs. Crores)
1985-86	35402	257.96
1986-87	30961	282.53
1987-88	32514	292.45
1988-89 (Apr.-Dec.)	22431	245.65
1987-88 (Apr.-Dec.)	23946	219.37

(b) India does not export shrimps to China, Taiwan and Indonesia.

(c) Does not arise.

(d) China, Taiwan and Indonesia are not markets for Indian shrimps, as these countries are leading producers and export shrimps to world markets.

Consumer Price Index

1359. SHRI E. AYYAPU REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Consumer Price Index with 1960 as the base year has registered an increase of 10 per cent in the current financial year; and

(b) whether any assessment has been made with regard to the effect of this increase on various projects under construction with reference to depreciation in the value of the Rupee?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The Consumer Price Index for Industrial Workers (1960=100) has registered an increase of 8.6 per cent in the current financial year till December, 1988 for which the latest data is available.

(b) No such assessment has been made.

Kuttipuram-Guruvayoor Railway Line

1360. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of RAILWAYS be pleased to state:

(a) the latest position with regard to the

construction of the Kuttipuram-Guruvayoor railway line in Kerala; and

(b) when it is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) This line has not been approved for being taken up for construction.

(b) Does not arise.

Cases Pending in Delhi Courts

1361. SHRIMATI PRABHAWATI GUPTA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of cases pending in lower courts, High Court and Supreme Court in Delhi as on 31 December, 1988;

(b) the number of cases disposed of by these courts during the year 1987 and 1988; and

(c) the steps taken by Government to clear the arrear of pending cases?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): (a) and (b). As on 31.12.88, a total number of 199138 cases were pending in the Supreme court. The number of cases disposed of by the Supreme Court during the years 1987 and 1988 were 46132 and 44252, respectively. Similar information in respect of lower courts and High Court in Delhi is being collected and will be laid on the Table of the House.

(c) A statement indicating the steps taken to expedite the disposal of cases is given below.

STATEMENT*Steps Taken from Time to Time to reduce Pendency in Courts*

1. Elimination of arrears in all courts has been discussed in the conference of Chief Justices, Chief Ministers and Law Ministers of States held on 31st August-1st September, 1985 and the Resolutions of the Conference had been commended to the High Courts and the State Governments for implementation.
2. The Code of Civil Procedure was amended in 1976 to abolish Letters Patent Appeals from judgement of Single Judge of the High Court in Second Appeal (vide Section 100-A CPC)
3. The Code of Criminal Procedure, 1973 was amended in 1978 to expedite trial of criminal cases. A bill to further amend the Code has been introduced in the Lok Sabha.
4. The recommendations contained in the 77th Report of the Law Commission on 'Delay and Arrears in Trial Courts' and in the 79th Report of the Law Commission on 'Delay and Arrears in High Courts and other Appellate Courts' suggesting various procedural reforms were sent to the High Courts/State Governments for implementation.
5. A Committee of 3 Chief Justices of High Courts was constituted by the Government in

the year 1984 to study the problem of arrears in High Courts and suggest reforms. The Committee suggested numerous procedural reforms. Some of the suggestions required amendment of legislation and High Court Rules and Orders, whereas, some others required issue of administrative instructions on the part of the High Courts. The suggestions of the Committee, as accepted by the Government, have been sent to the State Governments/Union Territory Administrations and High Courts for adoption and necessary action.

6. The High Courts are taking the following steps to expedite disposal of cases:
 - a) Cases involving common questions are being grouped together.
 - b) Matters are fixed for hearing by giving short returnable dates.
 - c) Printing of records is dispensed with, in many cases; and
 - d) Priority is given to cases requiring quick disposal.
7. The sanctioned strength of the High Court Judges has been increased from 351 in March, 1977 to 450 in February, 1989. The Judge strength of the Supreme Court has been raised from 18 to 26.

8. Another Committee of 3 Chief Justices of High Courts has been constituted by the Government on 17.1.1989 to study the problem of arrears in the courts and to suggest remedial measures.

9. The following steps are being taken in the Supreme Court for speedy disposal of pending cases:

a) Matters involving common question of law are grouped together and listed in groups so that they can all be disposed of together.

b) In most of the matters printing of the appeal record is dispensed with which saves a lot of time and expense of the litigants. In criminal appeals counsel for the appellant is required to file cyclostypled record to save time which would otherwise be taken in getting the record printed so that the matter could be heard early.

c) To save the Court's time, Hon'ble the Chief Justice is taking mentioning, which takes about one hour on each day, after the Court hours.

d) Supreme Court Rules have been amended empowering Hon'ble Judge in Chambers and the Registrar to dispose of certain types of matters

which were previously being listed in the Court. This has been done to save the Court's time.

e) Specialised benches are constituted by Hon'ble the Chief Justice and particular types of matters are assigned to such specialised benches for quick disposal.

f) Computer technology is soon going to be introduced in the Supreme court which is expected to help reduce the backlog of cases considerable.

g) Recently Hon'ble the Chief Justice has directed that the counsel in each matter should file written arguments, if the arguments are to take more than five hours on each side. The oral arguments on each side are not restricted to five hours unless the Court feels that more time is to be given to the counsel in which case a maximum of ten hours are given for oral arguments by counsel of each side. The length of oral arguments by counsel of both the sides has thus been curtailed with a view to securing quick disposal of matters.

h) A Court Administrator-cum-Registrar General, who is a senior Judicial officer, has been ap-

pointed so that in conjunction with the present two Registrars there can be a reorganisation of the working of the Registry and improving its techniques and efficiency.

Study Regarding Setting Up of Bank Branches in Rural and Semi-Urban Areas

1363. SHRI ANANTA PRASAD SETHI:

Will the Minister of FINANCE be pleased to state:

(a) whether any study has been made regarding the setting up of new licensed branches of banks in rural and semi-urban areas; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve Bank of India (RBI) has reported that before formulating the current Branch Licensing Policy for 1985-90 an impressionistic survey was conducted based on the following broad parameters:-

1. The existing number of bank offices (both of RRB and Commercial Banks)/ pending authorisations and the average population coverage.
2. Existing and expected economic activities on the basis of existing/ proposed developmental programmes such as Integrated Rural Development Programmes (IRDP), Drought Prone Area Programme (DPAP, Average

Annual Outlay under Annual Credit Plan (ACP)/Annual Action Plan (AAP) etc.

3. Spatial gaps in the availability of banking facilities.
4. Availability of minimum infrastructure facilities.
5. Viability prospects of the proposed branches.

RBI felt that since the banks having achieved considerable progress in extending their offices in rural and semi-urban areas they should now consolidate their position and concentrate on improving the quality of the service. The objective is to see that the bank branches play the developmental role assigned to them efficiently. It was observed that bank offices were not evenly spread out in the districts and there was a large inter block variation in average population per bank office within the same district. It was, therefore, decided to achieve a coverage of 17,000 population per bank office in the rural and semi-urban areas of each development block and make available at least one bank office within a distance of 10 kms. from every village.

Export of Toys and Sports Goods

1364. SHRI RADHAKANTA DIGAL: Will the Minister of COMMERCE be pleased to state:

(a) whether there is vast scope for exporting Indian toys and sports goods;

(b) if so, the steps taken to increase the export of such items; and

(c) the incentives and support provided to toy and sports goods industry to increase the export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Plastic toys, doll games and tin toys etc. are not being exported regularly, and therefore the export potential of such toys appears to be limited.

Exports of sports goods during the last 3 years indicates a marginal growth in each successive year. This indicates that there is potential for these exports.

(b) The exports of toys and sports goods are eligible for normal export benefits. In the case of export of sports goods (a) specific raw materials and machinery items used in the manufacture of sports goods items have been identified and their imports have been arranged in consultation with other Government Departments, (b) some of the raw materials like willow, cane etc. which are available in some States in India are being made available to the sports goods industry for export purposes.

(c) The following incentives and support are provided to increase the export of toys and sports goods:

a) The exporters are allowed to participate in foreign fairs/exhibitions and one man sales teams are deputed, if found necessary, to foreign countries to know the latest trend in foreign markets and plan strategy accordingly.

b) Export of toys and sports goods are eligible for REP benefits and duty draw back etc. Sports goods are also eligible for CCS.

c) Raw materials like PU leather and selected machinery items which are used in the manufacture of sports goods are placed under OGL and have been made duty free.

Deposits in Bank Branches in Punjab

1365. SHRI KAMAL CHAUDHRY: Will the Minister of FINANCE be pleased to state:

(a) the total amount deposited in the branches of nationalised banks located in various districts of Punjab during 1985, 1986 and 1987 and the percentage of the amount advanced to the people of Punjab as loans; and

(b) the amount out of the deposits advanced to the agriculture and industrial sectors?

THE MINISTER OF STATE IN THE DEPARTMENT ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Total deposits and advances of the scheduled commercial banks located in various districts of Punjab as at the end of December 1985, December 1986 and December 1987 are set out below:-

(Rs. in crores)

Year	Deposits	Credit	C:D Ratio
1	2	3	4
1985	4498	2051	45.6
1986	5408	2394	44.3
1987	6325	2734	43.2

(b) The amount advanced to agriculture and small scale industries sectors as per

Annual Action Plans was as under:

(Rs. in crores)

Year	Agriculture	Small Scale Industry
1	2	3
1985	523	138
1986	621	161
1987	678	209

Opening of Letters of Credit by Branches of State Bank of Indore in Delhi

1366. SHRI RAJ KUMAR RAI: Will the Minister of FINANCE be pleased to state:

(a) the details of letters of credit opened by the State Bank of Indore branches in Delhi since December 1988 to till date;

(b) if so, the details thereof, branch-wise, and the amount involved therein;

(c) whether some irregularities have

come to light in this regard; and

(d) if so, the number of officials found guilty in this regard and the action being taken against them?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The State Bank of Indore has reported that its Delhi based branches have, during the period December, 1988 to 27th February, 1989, opened Letters of Credit as per details given below:

(Rs. in lacs)

Name of Branch	Foreign LCs		Inland LCs		Total	
	No.	Amount	No.	Amount	No.	Amount
1	2	3	4	5	6	7
Chandni Chowk, Delhi	8	66.98	-	-	8	66.98
Connaught Circus, New Delhi	4	11.97	35	282.93	39	294.90
Green Park, New Delhi	-	-	3	20.73	3	20.73
Total :	12	78.95	38	303.66	50	382.61

(c) The State Bank of Indore has also reported that no irregularities have so far come to light in regard to the above mentioned LCs.

(d) Does not arise.

Barter Trade with China

1367. SHRI THAMPAN THOMAS: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have entered into barter trade arrangement with China;

(b) if so, the details of the trade package; and

(c) the time by which this agreement is likely to be implemented?

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

(b) and (c). Do not arise.

World Bank Assistance for Irrigation Projects of Bihar

1368. DR. G.S. RAJHANS: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether some irrigation projects are being implemented in Bihar with World Bank assistance;

(b) if so, the names and the estimated cost of these projects;

(c) when were these projects started; and

(d) the steps taken for the early completion of these projects?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). The following irrigation projects are presently being implemented in Bihar with World Bank assistance:

Sl. No.	Name of the Project	Estimated Cost (Rs. million)	Year of starting
1	2	3	4
1.	Subernarekha Irrigation Project (Inter-State Project with Orissa and West Bengal)	4306.9	1974-75
2.	Bihar Public Tubewells Project	1296.2	1986

(d) Irrigation projects are planned, funded and implemented by the State Governments. Seventy percent of the assistance received from the World Bank is passed on to the States as additional central assistance. The implementation of these projects is being monitored, and State Governments are advised from time to time on

various implementation measures to be taken, including provision of adequate funds.

Production and Export of Iron Ore

1369. SHRI K. PRADHANI: Will the Minister of COMMERCE be pleased to state:

(a) the iron ore exported during the last two years, country-wise;

(b) the foreign exchange earned on this account; and

(c) what steps have been taken to increase the production of iron ore and its export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) During 1986-87 and 1987-88, 325.26 lakh tonnes and 283.05 lakh tonnes respectively of iron ore including iron ore concentrates and pellets were exported from India to Japan, South Korea, Romania, Italy, German Democratic Republic, Czechoslovakia, Yugoslavia, China, Pakistan, France, North Korea, Hungary and Belgium etc.

(b) Foreign exchange earned by India on account of iron ore exports during 1986-87 and 1987-88 is provisionally placed at Rs. 583 crores and Rs. 497 crores respectively.

(c) The following steps have been taken/are being taken to increase production of iron ore and its exports-

- i) to induce mine owners to produce more iron ore of acceptable grade for export, a Scheme of Production Incentive has been in operation since 1984-85.
- ii) Besides above, financial assistance by way of Development Incentive for purchases of Mining Machineries like Pay Loader, Wagon Drill, Compressors, Dumpers etc. are being extended to the Mine Owners since 1975-76.
- iii) In order to boost export of iron ore from Paradip, MMTC is giving incentive by way of Marginal dis-

count towards additional freight in iron ore prices to induce other buyers.

- iv) Besides exporting to traditional buyers, new markets particularly in the Middle East and China are being explored.

Request for Central Assistance for Drainage System of A.P.

1370. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Chief Minister of Andhra Pradesh has sought Central assistance of Rs. 50 crores for implementation of the Master Plan regarding drainage system in the rain and flood affected districts of Andhra Pradesh; and

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

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Yes, Sir.

(b) On the basis of the assessment made by the Central Team, the Central Government has sanctioned a ceiling of expenditure of Rs. 28.76 crores towards relief and restoration of the damage caused due to rains and floods.

[Translation]

WAPCOS Study for Utilising Water from Rivers of Bihar

1371. SHRI YOGESHWAR PRASAD YOGESH: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether a study has been undertaken by Water and Power Consultancy

Services (India) Ltd. for utilising water of Damodar, Phalgu, Sankti and Mahane rivers in Bihar;

(b) if so, the details thereof; and

(c) if not, the reasons therefor and the time by which the study is likely to be undertaken and completed?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) Does not arise.

(c) WAPCOS (India) Ltd. takes up studies on award of contracts of payment basis. No such award has been made to WAPCOS by Bihar for taking up the studies on utilisation of water of rivers Damodar, Phalgu, Sankti and Mahane.

[English]

Functioning of Tobacco Board

1372. SHRI N. VENKATA RATNAM: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have received draft rules and regulations from the Tobacco Board for approval;

(b) if so, when and at what stage these are pending with Government;

(c) whether the Tobacco Board has been functioning on the basis of rules and regulations not approved as yet; and

(d) the guidelines, if any, communicated by Government to the Tobacco Board in this regard?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (d). The

Tobacco Board has been functioning on the basis of Tobacco Board Act, 1975 and the Tobacco Cess Act, 1975. The following Rules and Regulations have been framed:-

(i) Tobacco Board Rules, 1976.

(ii) Tobacco Board (Auction) Rules, 1984.

(iii) Tobacco Cess Rules, 1984.

(iv) Tobacco Board (General) Regulations, 1984.

(v) Tobacco Board (Auction) Regulations, 1984.

The Tobacco Board approved the Tobacco Board (Recruitment) Regulations in its meeting held on 7.9.1982 which were received on 21.10.82 for approval of Government. However, due to introduction of auction system for sale of VFC tobacco at the auction platforms in the year 1984, some new posts were sanctioned to implement the auction system. Therefore, some of the provisions of the Recruitment Regulations were amended in March, 1985. The Executive Committee of the Board considered the Regulations in its meeting held on 5.11.85 and decided to constitute a Sub-Committee to study and recommend the regulations in accordance with the instructions on the subject. The Sub-Committee submitted its report on 19.11.87. The Board in its meeting held on 17.4.88 considered the recommendations on the Sub-Committee and approved the revised Tobacco Board (Recruitment) Regulation which were received on 1.7.88 for approval of Government. These are under examination in consultation with the Ministry of Law/Department of Personnel & Training.

All the appointments/promotions etc. in the Tobacco Board are being made as per

these draft Recruitment Regulations. The policy matters of the Tobacco Board are decided by the Board/its Committees having regard to the provisions of the Tobacco Board Act and Rules and Regulations made thereunder.

Women Judges in High Court.

1373. DR. PHULRENU GUHA: Will the Minister of LAW AND JUSTICE be pleased to state the total number of women judges in the Supreme Court and High Courts, State-wise?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): There are 12 women judges in position in the following High Courts:

1.	Andhra Pradesh	1
2.	Bombay	1
3.	Calcutta	2
4.	Delhi	3
5.	Kerala	1
6.	Madras	1
7.	Orissa	1
9.	Rajasthan	2
Total		12

There is no woman judge in the Supreme Court

Clearance for Singur Project of Andhra Pradesh

1374. SHRI V. SOBHANADREESWARA RAO: Will the Minister of WATER RESOURCES be pleased to state the likely

data by which Singur Irrigation project of Andhra Pradesh will be cleared by Union Government?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): Techno-economic appraisal of the project has been completed.

Writing off of Debts to Farmers

1375. SHRI HUSSAIN DALWAI: Will the Minister of FINANCE be pleased to state:

(a) whether Union Government are aware of the growing tendency of various State Governments to write off debts to farmers;

(b) if so, whether this tendency is within the framework of the fiscal policy laid down by the Reserve Bank of India in consultation with his Ministry; and

(c) if not, what effective steps Union Government propose to take to check this growing tendency in various States?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has reported that some State Governments have been writing off principal amounts or interest due from farmers.

(b) The consistent stand of RBI and Central Government in this regard has been that generalised waivers or write off of farm loans through whatever modality, irrespective of the merits of each case, harm the agricultural credit system.

(c) It is also reported by RBI that a decision has been taken that henceforth State Cooperative Banks and State Land Development Banks would get refinance

from NABARD only if they comply with the conditions relating to issue and repayment of loans, interest rates, etc. stipulated by RBI/NABARD.

Irrigation Projects of Andhra Pradesh for Clearance

1376. SHRI BHATTAM SRIRAMA MURTY: Will the Minister of WATER RESOURCES be pleased to state:

(a) the details of irrigation projects of Andhra Pradesh still pending for clearance by Union Government;

(b) whether a high level Government team propose to visit Andhra Pradesh for sorting out the pending issues in the State; and

(c) the projects which were cleared during the last two years?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) 5 major and 6 medium.

(b) Efforts are made for sorting out the outstanding issues by mutual discussions.

(c) Varadaraja Swami Gudi irrigation project costing to Rs. 1396.67 lakhs was cleared on 16.11.1988.

Committee to Review Exports by Industrial Houses

1377. CH. KHURSHID AHMED: Will the Minister of COMMERCE be pleased to state:

(a) whether a Committee had been set up by the Government to assess the performance of the big industrial houses in the country on the export front;

(b) if so, whether the Committee has submitted its report to the Government; and

(c) if so, the salient features thereof and the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (c). A Panel has been constituted, under the Chairmanship of an Additional Secretary, Ministry of Commerce to review the export performance of Large Industrial Houses. The Panel which has had several meetings with the representatives of some Large Industrial Houses has not yet completed its work.

[*Translation*]

Census of Minor Irrigation Works in Rajasthan

1378. SHRI SHANTI DHARIWAL: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Union Government have decided to start the census of minor irrigation works in the States;

(b) if so, the target fixed for completing this job;

(c) whether the Government of Rajasthan has submitted its report to Government in this regard;

(d) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). 100% Central assistance is being given to the States for carrying out a census of minor irrigation works to be completed by March, 1989.

(c) to (e). Government of Rajasthan have yet to submit the Census report.

Direct Taxes

1379. SHRI JAGDISH AWASTHI: Will the Minister of FINANCE be pleased to state:

(a) the amount of direct taxes out of total taxes received by Government?

(b) the total annual earnings of Government from the Income tax deductions of Central Government and other employees;

(c) the percentage of this amount vis-a-vis the total earnings of Government from taxes; and

(d) the total expenditure borne by Government to collect this amount?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) During 1987-88, the amount of Direct Taxes collected is Rs. 6729.89 crores (Provisional) out of the total revenue collection of Rs. 36,712.13 crores (Provisional).

(b) Rs. 657.37 crores (Provisional).

(c) The total annual earnings of Government from the Income tax deductions of Central Government and other employees is 1.79% approximately of the total collections.

(d) The expenditure borne by Govt. to collect the whole of Direct Taxes during 1987-88 is Rs. 163.36 crores.

[English]

New Trade Treaty with Nepal

1380. SHRIMATI D.K. BHANDARI: Will the Minister of COMMERCE be pleased to state:

(a) whether in order to increase trade between India and Nepal a new Treaty of Trade has been signed; and

(b) if so, the highlights of this treaty?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) No, Sir. The new Trade Treaty with Nepal is yet to be signed.

(b) Does not arise.

Opening of Branches of Lead Banks in Himachal Pradesh

1381. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether there are any Block Headquarters in Himachal Pradesh which do not have the branches of the lead banks of their respective district lead banks; and

(b) if so, the names thereof, district-wise, and the likely date by which such Block Headquarters would be provided with a branch of the nationalised bank functioning as the lead bank of the district?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve Bank of India (RBI) has reported that there are 33 Block Headquarters in Himachal Pradesh which do not have branches of Lead Banks. Districtwise names of these Block Headquarters are indicated below:-

<i>Name of District</i>	<i>Name of Block Headquarters</i>
Chamba	Bharmour, Bhatiat, Tissa and Pangi.

<i>Name of District</i>	<i>Name of Block Headquarters</i>
Hamirpur	Nadaun, Bhoranj and Bijhari.
Kangra	Rait, Panchrukhi, Bhawarnan, Baijnath, Lambagaon, Nurpur, Dehra and Paragpur.
Kinnaur	Nichar and Pooh.
Lahaul & Spiti	Lahaul and Spiti.
Mandi	Drang, Sunder nagar, Gopalpur, Seraj and Dhar-ampur
Sirmur	Paonta and Pachhad.
Shimla	Kumarsain, Jub-bal and Chhohara.
Solan	Nalagarh, Dhar-ampur and Kunihar.
Una	Gagret.

RBI has reported that generally most of the Block Headquarters are well banked and may not be able to sustain additional bank branches for the present. Allowing Lead

Banks to open branches at all the Block Headquarters will result in avoidable branch expansion and duplication of efforts. However, the requests for opening more branches at Block Headquarters will be considered by RBI on the merits of each case.

Performance of LIC

1382. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received the performance of Life Insurance Corporation, zone-wise;

(b) if so, the business achieved in the southern zone from the rural areas as well as the urban areas in 1987-88 and 1988-89 (so far); and

(c) the details of the performance of Life Insurance Corporation in the other zones during the above two years?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) and (c). The zone-wise figures of the total (rural and urban) new business procured by the Life Insurance Corporation of India during the period from 1.4.1987 to 31.3.1988 and from 1.4.1988 to 31.1.1989 are as under:-

Zone	For the period from 1.4.1987 to 31.3.1988		For the period from 1.4.1988 to 31.1.1989	
	No. of Policies (In Lakhs)	Sum Assured (Rs. in Crores)	No. of Policies (in lakhs)	Sum Assured (Rs. in Crores)
1	2	3	4	5
Northern	5.97	1889.5	4.22	1364.7
Central	6.94	1901.5	4.98	1416.0
Eastern	8.37	2129.7	6.00	1556.0
Southern	15.10	3608.8	10.83	2590.0
Western	10.56	2905.0	7.10	950.8
Corporation:	46.94	12434.5	33.13	8877.5

Standard books at Railway Stalls

1383. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether any representation have been received by the Ministry to allow the sale of standard books only from the railway book stalls; and

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

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) Instructions already exist that book-stall contractors should not sell publications of obscene and scurrilous nature, or which may be otherwise objectionable. They should sell books and magazines which are generally required by travelling public.

Setting up of Separate High Court in Goa

1384. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of LAW AND JUSTICE be pleased to refer to the reply given on 12 August, 1988 to Unstarred Question No. 2517 regarding separate High Court in Goa and state:

(a) whether Government have since taken a final decision regarding setting up of a separate High Court in Goa; and

(b) if not, the time by which a final decision is likely to be taken?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): (a) No, Sir.

(b) No indication can be given as to when a decision would be reached.

Prawn Hatchery Projects by MPEDA

1385. PROF. MADHU DANDAVATE:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Marine Products Export Development Authority (MPEDA) have taken up prawn hatchery projects in Orissa and Andhra Pradesh based on imported technology;

(b) if so, whether the MPEDA will be advised to take up similar projects on the west coast in the backward Konkan region of Maharashtra; and

(c) if so, whether a project for suitable modifications of Bada Pokharan Prawn Hatchery in Thana district of Maharashtra will also be taken up as proposed by the State Government?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) MPEDA has established two tiger prawn hatcheries, one each at Gopalpur-on-sea in Orissa and another at Mangamaripetta in Andhra Pradesh with technical know-how from M/s. France Aquaculture, Paris and M/s. Aquatic Forms, Hawaii, respectively.

(b) MPEDA is planning to establish such a hatchery in Maharashtra during the Eighth Plan subject to availability of funds.

(c) MPEDA is at present not pursuing any project for the modifications of Bada Pokharan Hatchery.

Appointments on Compassionate Grounds

1386. PROF. MADHU DANDAVATE:

Will the Minister of RAILWAYS be pleased to state:

(a) whether appointments of depend-

ents are made in the Railways on compassionate grounds;

(b) if so, whether there are delays in making such appointments; and

(c) if so, whether necessary powers can be delegated for making appointments as per well regulated guidelines?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) Yes, Sir; occasionally.

(c) This has already been done. However, occasionally delays in making such appointments arise due to other reasons like non-availability of suitable vacancies particularly in the case of illiterate widows.

Interest Rates for Short Term Agricultural Loans

1387. PROF. MADHU DANDAVATE:

Will the Minister of FINANCE be pleased to state:

(a) whether the National Bank for Agriculture and Rural Development (NABARD) has notified lower interest rates for short term agricultural loans;

(b) if so, whether the consequent loss to the cooperative banking scheme is expected to be compensated by refinance facilities at concessional rates;

(c) if so, whether Government are aware that in actual practice this facility is not available due to the stipulation of minimum involvement which proves to be unrealistic; and

(d) if so, the steps taken to remedy the situation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The rates of interest to be charged on short term agricultural loans not exceeding Rs. 15,000/- were reduced with effect from 1st March, 1988. Thereafter interest rates on loans between Rs. 15,000-Rs. 25,000 have also been reduced with effect from 1.3.1989.

(b) With a view to compensate the Cooperative credit structure as a result of this reduction in the rates of interest with effect from 1.3.1988. NABARD reduced its interest rate on short term refinance from 7% to 3%, 4% or 5% depending upon the extent of refinance in relation to the total outstanding loans.

(c) and (d). NABARD has reported that the reduced rates of refinance would provide additional margin to the Cooperative credit structure and enable it to recover losses arising out of reduction in interest rates. The condition of minimum involvement is not a hinderance in this regard.

<i>Year</i>	<i>BG</i>	<i>MG</i>	<i>NG</i>	<i>Total</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1985-86	9306	3514	537	13,357
1986-87	5835	4679	272	10,786
1987-88	6897.5	4680	242	11,819.5

(b) These condemned wagons are being disposed of through auction/tender sales.

(c) Yes, Sir.

(d) and (e). Do not arise.

Breaking of Condemned Wagons

1388. SHRI MOHANBHAI PATEL: Will the Minister of RAILWAYS be pleased to state:

(a) the number of wagons condemned during the last three years year-wise;

(b) how are these condemned wagons being disposed of;

(c) whether Government have their own wagon breaking yard on the line of ship-breaking yard;

(d) if not, the reasons therefor; and

(e) whether Government propose to establish wagon breaking yard in the country?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Wagons condemned during the last 3 years (In terms of 4-whs.)

Domestic Supply by 100 Per Cent EOUs

1389. SHRI MOHANBHAI PATEL:
SHRI AMARSINH
RATHAWA:

Will the Minister of COMMERCE be pleased to state:

(a) whether 100 per cent foreign owned companies in 100 per cent Export Oriented Units (EOUs) are allowed to sell 25% of their production in the domestic market;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (c). 100% Export Oriented Units may, with the permission of Government sell upto 25% of the production in the Domestic Tariff Area such sales being subject to the payment of appropriate duties. The sale will be available upto the extent of 25% of the total production provided that the total value of the indigenous constituents of the final item of manufacture in terms of raw materials, consumables and components is in excess of 30% of the total cost of all constituents, imported and indigenous excluding water, power, and services. The facility will be restricted to 15% if the level is less than 30% or where Government considers that there is insufficient integration in manufacture. Sale of items listed below will not be allowed:

- (i) Jewellery all types;
- (ii) Diamonds, precious and semi-precious stones, jewels;
- (iii) Motor Cars;
- (iv) Recorded Video and Audio Cassettes; and
- (v) Silver Bullion.

The facility is intended to improve the operational viability of 100% EOUs.

Amendment in FERA

1390. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) what has been the effect of Foreign Exchange Regulation Act, 1973 on foreign companies in India in terms of repatriation of dividends and other funds;

(b) whether FERA has fulfilled its objective of containing out flow of foreign exchange through foreign companies operating in India; and

(c) whether Government are contemplating any major modification in FERA?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Information is being collected and will be placed on the Table of the House.

(c) No, Sir.

Setting up of a Committee to Reassess Availability of Water

1391. SHRI PRAKASH V. PATIL: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government have set up a committee to reassess the water resources potential in the country;

(b) if so, the composition and terms of reference of the Committee;

(c) the time by which the survey works will be completed; and

(d) how many districts of Maharashtra will be taken up for survey?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). With a view to undertake the re-assessment of the country's water resources potential before the commencement of the Eighth Five Year

Plan, a Committee has been constituted to report on the availability of water resources

of entire country by March, 1989. The composition of the Committee is as under:

1.	Member (Water Planning), Central Water Commission	Chairman
2.	Director-General, National Water Development Agency	Member
3.	Chief Engineer (Hydrology), Central Water Commission.	Member
4.	Chairman, Central Ground Water Board.	Member
5.	Chief Engineer (Basin Planning), Central Water Commission	Member
6.	Director (Basin Planning), Central Water Commission	Member-Secretary

(d) Under a separate project, the Central Ground Water Board has completed survey in all the 91 problem villages in Satara district, 76 villages in Latur district and 14 villages in Nagpur district.

[*Translation*]

Train Services at Safdarganj (Barabanki)

1392. SHRIKAMLA PRASAD RAWAT:
Will the Minister of RAILWAYS be pleased to state:

(a) whether Government are aware that Safdarganj Station in Barabanki district of Uttar Pradesh receives maximum loading of goods;

(b) whether there are no trains for Lucknow from this station between 7.30 A.M. and 5.30 P.M. and from Lucknow to

Safdarganj between 11 A.M. and 6 P.M.;

(c) if so, whether Government propose to provide halt for 408 DN, 407 UP and 84 DN, 83 UP trains at Safdarganj Station; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE
MINISTRY OF RAILWAYS (SHRI
MADHAVRAO SCINDIA): (a) No, Sir.

Safdarganj Station in Barabanki district of Uttar Pradesh has very meagre traffic in goods.

(b) No, Sir.

(c) and (d). No, Sir.

Adequate number of trains are already stopping.

Trade Deficit during April-October, 1988

1393. SHRI SHANTILAL PATEL:
SHRI S.M. GURADDI:
SHRI BALWANT SINGH
RAMOOWALIA:
SHRI DINESH GOSWAMI:
SHRI RAJ KUMAR RAI:

Will the Minister of COMMERCE be pleased to state:

(a) whether country's trade deficit during April-October, 1988 has widened further as compared to the corresponding period of the last year;

(b) if so, figures thereof vis-a-vis previous year;

(c) the reasons therefor including the items import of which increased as compared to previous year; and

(d) the steps being taken to check it?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). According to the provisional figures India's trade deficit increased from Rs. 3483.98 crores during April-October 1987 to Rs. 4936.45 crores during April-October, 1988.

(c) The main reason for increase in imports was to meet the requirements for consumption of essential commodities due to drought condition, such as edible oil, cereals, pulses etc.

(d) Steps are being taken to curtail import of bulk commodities through accelerated growth in domestic production.

Goods seized on Indo-Pak Border

1394. SHRI MOHANBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) the details of goods seized on the Indo-Pak border during the current financial year till date and the value thereof; and

(b) the steps being taken to tighten the security on Indo-Pak border to check smuggling?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Available reports indicate that contraband goods like gold, narcotic drugs, Indian and foreign currency worth Rs. 23.54 crores approximately have been seized on the Indo-Pak border during the current financial year upto December, 1988.

(b) The anti-smuggling drive has been intensified and the anti-smuggling machinery throughout the country, particularly, at the vulnerable areas of the coastline and the land borders including the Indo-Pak border and the international airports and seaports remains alert to check and combat smuggling. Close co-ordination is maintained with all the agencies concerned in the prevention and detection of smuggling.

Tourism Finance Corporation

1395. SHRI P.M. SAYEED: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Finance Corporation of India has sponsored the Tourism Finance Corporation;

(b) the main functions of the newly set up Corporation; and

(c) whether the said Corporation has started functioning and the institutions which are likely to be benefited?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The Indus-

trial Finance Corporation of India (IFCI) has sponsored a new institution under the name of "Tourism Finance Corporation of India Limited" (TFCI). TFCI which has become operational with effect from 1.2.1989 apart from financing the projects in tourism/tourism related activities, would also be co-ordinating and formulating guidelines relating to the financing of such projects.

Export Licences to M/s. Maruti Technical Services

1396. SHRI SAMBAJIRAO KAKADE: Will the Minister of COMMERCE be pleased to state:

(a) whether M/s. Maruti Technical Services, a subsidiary of Maruti Udyog Limited had sought export licence to export Tribute Caskets to USA;

(b) whether these export licences were issued in the name of third party by M/s. Maruti Technical Services to M/s. Sevanska JNC, Panama;

(c) whether such transfer of licence was permitted by Government; and

(d) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (d). The export of Tribute Caskets was not under control during export policy 1985-88 and is also not under export control during the existing export policy. The item Tribute Caskets could be exported without obtaining export licence. Hence, the question of issue of export licence to M/s. Maruti Technical Services during the period from 1.4.85 till date does not arise.

Kalwa-Turbha Railway Line

1397. PROF. MADHU DANDAVATE: Will the Minister of RAILWAYS be pleased to

state:

(a) whether programme of shifting wholesale markets in agricultural and other commodities from South Bombay to New Bombay is under implementation;

(b) if so, whether passenger traffic from Thane-Kalyan area to the New Bombay has already increased and is also expected to increase further;

(c) if so, whether Kalwa-Turbha Railway line will also be taking passenger traffic; and

(d) if so, whether necessary financial assistance and EMU coaches are being arranged therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir, by Maharashtra Government.

(b) No, Sir, as the rail link has not been commissioned.

(c) Presently this line is being constructed only as a goods line as a deposit work. City and Industrial Development Corporation (CIDCO) of Maharashtra Government has proposed a traffic survey to assess the need for running passenger services on it.

(d) Arrangements will be made, if and when required.

Directions to States regarding Cases Pending in the High Courts

1398. SHRI P. KOLANDAIVELU: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether Government have given directions to all the States to afford requisite assistance and facilities to the High Courts to

enable them to dispose of pending cases speedily;

(b) if so, the details thereof; and

(c) the number of cases pending in Madras High Court relating to prohibition Law?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): (a) and (b). The resolutions passed unanimously in the joint Conference of Chief Justices, Chief Ministers and Law Ministers held on 31st August-1st September, 1985 with regard to the steps to be taken to dispose of pending cases speedily, and the suggestions of the Committee of 3 Chief Justices to expedite disposal of cases, have been forwarded to State Government/High Courts for implementation.

(c) The information is being collected from the Registry of the Madras High Court and will be laid on the Table of the House.

Realisation of Tax Dues from Indian Express Newspapers (Bombay) Pvt. Ltd.

1399. SHRI P. KOLANDAIVELU: Will the Minister of FINANCE be pleased to refer to the reply given on 4 November, 1988 to Unstarred Question No. 280 regarding tax dues from Indian Express Newspapers (Bombay) Pvt. Ltd. and state:

(a) whether the Commissioner of Income-tax (Appeals) has since disposed of the pending appeal for realisation of the demand of Rs. 26,82,164/- from Indian Express Newspapers (Bombay) Pvt. Ltd.;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) No, Sir.

(b) Does not arise.

(c) The demand relates to Assessment Years 1981-82 and 1984-85. Appeal for Assessment Year 1984-85 was fixed for hearing on 7.12.88, but the Company sought adjournment. Both the appeals have now been fixed for 7.3.1989.

Newsitem Regarding Alleged Tax Evasion

1400. SHRI C. JANGAREDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the newsitem regarding alleged tax-evasion by certain film stars appearing in the Times of India dated 24 January, 1989; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Yes, Sir.

(b) The concerned Income-tax authorities are seized of the relevant matters. The law, no doubt, takes its own course.

Balurghat-Eklakhi Railway Line

1401. SHRI ANANDA PATHAK:
SHRI BASUDEB ACHARIA:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the construction of Balurghat-Eklakhi railway line has been

started;

(b) if so, what is the overall progress; and

(c) what is the target date of completion of this project?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) 3%.

(c) Target date for its completion has not yet been fixed.

Action Against Union Bank of India Officials

1402. SHRI SAMBHAJIRAO KAKADE: Will the Minister of FINANCE be pleased to state:

(a) whether recently some senior officials of the Union Bank of India have been asked to proceed on leave immediately;

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

(c) whether the said orders have been complied with the concerned officers; and

(d) if not, the reasons therefor and the action taken against them?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Union Bank of India has reported that no senior officer employee of the bank has recently been asked to proceed on leave immediately.

(b) to (d). Do not arise.

[*Translation*]

Revival of Tea Gardens in U.P.

1403. SHRI HARISH RAWAT: Will the Minister of COMMERCE be pleased to state:

(a) whether Union Government have formulated any scheme in cooperation with the Government of Uttar Pradesh to revive old tea gardens and to plant new tea gardens in the hill areas of the State;

(b) if so, the total amount spent thereon and the number of tea gardens so revived during the last one year;

(c) whether Union Government are providing special assistance to the State Government for this purpose; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (d). Yes, Sir. Two sub-groups with representatives of Tea Board, Govt. of UP and others have been constituted to prepare a comprehensive project report for revitalising existing tea gardens in Dehra Dun and Kumaon regions. During the financial year 1988-89 a sum of Rs. 1.98 lakhs has been disbursed to the tea estates in UP under the development grant. Besides a sum of Rs. 9.50 lakhs has also been sanctioned during the year for undertaking an indepth study for establishing new units and for preparing rehabilitation schemes for 6 existing tea estates in the State for submission of financial institutions.

Promotional Avenues for Grade 'B' Officers in Railways

1404. SHRI HARISH RAWAT: Will the Minister of RAILWAYS be pleased to state:

(a) whether any memorandum was

presented to him by the grade 'B' officers in the Departments of Railways for better service conditions and promotional avenues:

(b) if so, when the memorandum to this effect was presented;

(c) whether instructions for improving promotional avenues in regard to grade 'B' officers have been issued; and

(d) if not, the reasons for delay in this regard and by what time instructions to this effect will be issued?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes Sir. Memoranda were presented by the Indian Railway Class-II Officers' Federation in the months of February and April, 1988. The points raised in these memoranda, including the issue of promotion of Group 'B' officers, were examined and the position in this regard was advised to the Federation.

(c) and (d). Instructions already exist regarding the percentage of vacancies in Group 'A' to be filled in by promotion of Group 'B' officers to Group 'A'.

Ramnagar-Marchula-Bhikiasen- Chaukhutia Railway Line

1405. SHRI HARISH RAWAT: Will the Minister of RAILWAYS be pleased to state:

(a) whether his Ministry have issued order to conduct a survey for constructing Ramnagar-Marchula-Bhikiasen-Chaukhutia railway line; and

(b) if so, amount proposed to be spent thereon during 1989-90?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) Rs. 5 lakhs.

Direct Payment to Beneficiaries Under IRDP

1406. SHRI RAM PUJAN PATEL: Will the Minister of FINANCE be pleased to state:

(a) the names of development blocks alongwith their respective districts and States where direct payment is being made to the beneficiaries under the Integrated Rural Development Programme (IRDP);

(b) whether Government propose to widen the arrangements for direct payment; and

(c) if so, by what time?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The Scheme of disbursement of subsidy and loan in cash under Integrated Rural Development Programme (IRDP) is operative presently in 22 selected blocks on an experimental basis. The list of these blocks is given in the Statement below.

(b) and (c). The extension of this scheme to a few more development blocks is likely to become operational very shortly.

STATEMENT

Blocks Selected in Consultation with Concerned State Governments for Disbursement of Loan and Subsidy in Cash Under IRDP as per the Recommendation of Kaul Study Group

State	District	Blocks
1	2	3
Andhra Pradesh	Srikakulam	Gara
Assam	Kamrup	Chaygaon
Bihar	Vaishali	Haijpur
	Lohardagga	Bhandra
Gujarat	Mehsana	Kheralu
Haryana	Ambala	Naraingarh
Himachal Pradesh	Solan	Kunihar
Jammu & Kashmir	Anantnag	Khowerpora
Karnataka	North Kanara	Honawar
Kerala	Trichur	Wadakkancherry
Madhya Pradesh	Khandwa	Baladi
	Raisen	Gairatganj
Maharashtra	Nasik	Dindori
	Nanded	Kinwat
Orissa	Kalahandi	Boden
Punjab	Faridkot	Faridkot
Rajasthan	Pali	Sojat
Tamil Nadu	Tiruchirapalli	Mannachanallure
Tripura	West Tripura	Bishalgarh

1	2	3
Uttar Pradesh	Sultanpur	Amethi
	Jaunpur	Buxa
West Bengal	Nadia	Haringhata

[English]

Performance of EPZs

1407. SHRI P.M. SAYEED: Will the Minister of COMMERCE be pleased to state:

(a) whether the all India convention of the Federation of Indian Export Processing Zones (EPZs) Industries Association was held at Madras in February, 1989;

(b) the number of units approved so far and the number of units actually working in Export Processing Zones; and

(c) the targets fixed for exports from 1986-87 onwards and the actual achievements?

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

(b) and (c). A Statement is given below.

STATEMENT

No. of Units Approved and Actually Working and targets of Exports and the Actual Achievements in respect of Export Processing Zones

Name of the Zone	No. of units approved	No. of units working	Exports (Rs. Crores)					
			1986-87		1987-88		1988-89	
			Target	Achievement	Target	Achievement	Target	Achievement
1	2	3	4	5	6	7	8	9
Kandla Free Trade Zone	148	110	300	236.26	300	185.05	200	211.68
Santacruz Electronics Export Processing Zone	134	87	100	102.36	120	110.14	140	144.85
Madras Export Processing Zone	119	29	30	10.04	30	16.45	30	15.39
Falra Export Processing Zone	130	29	10	7.00	20	16.05	30	17.12
Falra Export Processing Zone	59	5	30	3.89	10	1.86	20	5.12
Cochin Export Processing Zone	62	6	NIL	0.94	5	3.94	8.5	4.81

ment
(upto
31-1-89)

Seizure of Contraband Gold

1408. SHRI P.M. SAYEED: Will the Minister of FINANCE be pleased to state:

(a) the quantity of contraband gold seized by various Government agencies assigned the duties of apprehending smugglers during the last one year; and

(b) the value of gold thus seized; and

(c) the gold seized during the past one year by the Coast Guards and Customs, separately?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). During the year 1988, a total quantity of 6094 Kgs. of contraband gold worth Rs. 200 crores approximately has been seized by the Customs authorities.

(c) The Customs authorities along the Coastline maintain close co-ordination with the coast Guard and joint operations are planned and carried out resulting in seizure of contraband goods on the sea. The Coast Guard also intercepts smugglers on its own and hands over the contraband goods as well as the persons involved to the Customs authorities of jurisdiction for further investigation, departmental adjudication and prosecution in Courts of Law in suitable cases. Separate statistics of such seizures are, however, not maintained.

New Railway Line Projects

1409. SHRI PRAKASH CHANDRA:
SHRI DHARAM PAL SINGH
MALIK:

Will the Minister of RAILWAYS be pleased to state:

(a) the number and names of the railway

projects under which new railway lines are to be constructed during the next two years; and

(b) the funds allocated for this purpose?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). The details of new railway lines to be constructed during the year 1989-90 and the funds allocated for each of them are given in the Pink Book which forms a part of the Railways' Budget documents for 1989-90.

The names of any additional new line projects to be taken up during 1990-91 and the funds to be allocated for each of them are not known at present.

Krishna Water Dispute

1410. SHRI PRAKASH CHANDRA:
SHRI DHARAM PAL SINGH
MALIK:
SHRI M. RAGHUMA REDDY:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether any solution has been found to Krishna Water Dispute between Andhra Pradesh, Karnataka and Tamil Nadu;

(b) if so, the details thereof; and

(c) if not, the time by which it is likely to be resolved?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). The Krishna Water Dispute Tribunal gave its award in 1976. According to Section 6 of Inter-State Water Dispute Act, 1956, the decision of the tribunal is final and binding on the parties to the dispute. Tamil Nadu was

not a party to the dispute.

Show Cause Notice to Reliance Industries Limited

1411. SHRI M. RAGHUMA REDDY:
SHRI PRAKASH CHANDRA:
SHRI DHARAM PAL SINGH
MALIK:
SHRI KHURSHID AHMED:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item appearing in the "Indian Express" dated 7th February, 1989 wherein it has been stated that Bombay Customs Collectorate had in February, 1987 served a show cause notice on Reliance Industries Limited, after an on the spot verification of its plant at Patalganga, threatening it with a penalty of Rs. 880 crores and confiscation of the plant;

(b) whether it is a fact that the order has been withdrawn;

(c) if so, the reasons in regard thereof;

(d) whether Government propose to enquire into the matter; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Yes, Sir. The facts are that a "Show cause" notice was issued by the Deputy Collector of Customs Bombay on 10.2.87 to M/s. Reliance Industries Ltd., alleging unauthorised importation of plant and machinery, and alleged misdeclaration and under-invoicing of goods involving alleged evasion of duty of Rs. 119.64 crores. The show cause also required Reliance

Industries Ltd. to explain liability to confiscation of the goods unauthorisedly imported and liability to penalty under the Customs Act, 1962.

(b) to (e). The above show cause notice was adjudicated by the Collector of Customs, Bombay and an adjudication order was issued on 31.1.89 holding that the charges contained in the show cause notice were not established and should, therefore, be dropped. Further steps will be taken as prescribed under the procedure laid down in the Customs Act, 1962.

Inflow of NRI Funds in Various Schemes

1412. SHRI PRAKASH CHANDRA:
SHRI T. BASHEER:
SHRI DHARMA PAL SINGH
MALIK:
SHRI AMAR ROYPRADHAN:
SHRI CHITTA MAHATA:
SHRI M. RAGHUMA REDDY:

Will the Minister of FINANCE be pleased to state:

(a) the quantum of inflow of NRI funds to India through various schemes during the last two years;

(b) whether there is any proposal under Government's consideration to further simplify the rules and streamline the procedures for NRI investment; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) (i) Quantum of inflow of NRI Funds to India, in respect of investments made under various Schemes:

(Rs. in lakhs)

<i>Period</i>	<i>Repatriation basis</i>	<i>Non-Repatriation basis</i>
Jan. 1986-Dec. 1986	18682.90	7652.57
Jan. 1987-March 88	20099.34	7798.60

(Information on the break-up of the figures for 1987 and subsequent quarters, as well as on the inflow after March, 1988 is not readily available).

(ii) Outstanding Balances under NRE and FCNR Deposits:

(Rs. crores)

<i>At the end of</i>	<i>NRE A/C</i>	<i>FCNR A/C</i>
Dec.'87	4980	4422
Dec.'88	*5598	7446

* Provisional

(iii) The NRI Bonds scheme was launched w.e.f. 14th November, 1988. The amount collected upto 17th February, 1989 was US \$ 76.823 million (Rs. 115.44 crores).

(b) and (c). There is no specific proposal presently under consideration. However, the existing rules and regulations are kept under review and suitable changes are made wherever necessary.

IFC Loan to Gujarat Fertilizer Corporation

1413. SHRI K. RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Gujarat Fertilizer Corporation has been given a loan of Rs. 42 crores by the International Finance Corporation (IFC) for the construction of a Fertilizer Plant; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The International Finance Corporation, Washington, has extended a loan of \$ 28 million equivalent (Rs. 42 crores approximately) to the Gujarat State Fertilizers Co. Ltd. to partly finance the foreign exchange requirements of the company for setting up a facility for the production of 50,000 mt per annum of caprolactum.

Trade with USSR

1414. SHRI G.S. BASAVARAJU:
SHRI SHANTILAL PATEL:
SHRI S.B. SIDNAL:

Will the Minister of COMMERCE be pleased to state:

(a) whether the USSR has agreed to the suggestion given by the India for overall trade balance; and

(b) if so, the details of agreement arrived at between the two countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). Trade between India and USSR is conducted in non-convertible Rupees. Annual Trade Plans are drawn listing out items of exports to and imports from USSR covering calendar years. Indo-USSR trade is balanced on overall basis. However, at times some Soviet organisations insist on balancing on specific deals. The matter is discussed during bilateral trade talks from time to time to arrive at a mutually satisfactory solution.

Conference of Chief Electoral Officers of States and Union Territories

1415. **SHRI G.S. BASAVARAJU:** Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether a conference of Chief Electoral Officers of States and Union Territories was held to discuss implementation of certain electoral reforms measures taken by Government recently;

(b) if so, the subjects discussed in this regard; and

(c) to what extent the laws passed by the Parliament are being implemented?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) Yes, Sir.

(b) and (c). The subjects discussed were mainly the revision of electoral rolls in 1989, with special reference to enumeration of persons in the age group of 18 to 21 years

and the preparatory steps to be taken in respect of the general elections due this year.

The Constitution (Sixty-second amendment) Bill, 1988 which seeks to reduce the voting age from 21 to 18 is awaiting ratification by the States in terms of proviso (d) to Article 368 (2) of the Constitution. However, pending the completion of this formality and also the necessary legislative support by way of consequential amendments to the Representation of the People Act, 1950 the Election Commission has ordered a special revision of the electoral rolls in all the States and Union territories for making a note about these eligible citizens who will be completing 18 years of age as on 1.4.1989.

As regards the Representation of the People (Amendment) Act, 1988 necessary notification(s) to bring into force the different provisions of the Act are expected to be issued shortly.

Agreements with Canada

1416. **SHRI G.S. BASAVARAJU:**
SHRI SHANTILAL PATEL:

Will the Minister of COMMERCE be pleased to state:

(a) whether India and Canada contemplate to significantly increase their cooperation in all major sectors;

(b) if so, the details of agreements arrived at between the two countries; and

(c) the improvement likely therefrom in trade between the two countries during the next financial year?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (c). The Government have initiated various measures and identified areas for expanding

Indo-Canadian Trade. The focus is largely on the following aspects:-

- i) exploring possibilities of enhancing bilateral trade with specific emphasis on identifying specific items;
- ii) identifying opportunities for technology transfer and industrial cooperation; and
- iii) identifying sourcing possibilities for exports of commodities to Canada and vice-versa.

A large number of items for exports from India like engineering goods, automobile ancillaries, electronic components, computer software, agro-marine products have been identified and similarly for imports from Canada items like electronic technologies, sophisticated electrical components, telecommunications equipment and technologies have been identified as potential areas. As a consequence of these measures, bilateral trade between the two countries is likely to go up.

Trade Agreement with France

1417. SHRI G.S. BASAVARAJU:
SHRI SHANTILAL PATEL:

Will the Minister of COMMERCE be pleased to state:

(a) whether India and France have signed an agreement on trade in new areas in January, 1989;

(b) if so, the areas identified therein; and

(c) the extent to which the trade between the two countries will be further improved?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). The Seventh

Meeting of the Indo-French Joint Committee was held in New Delhi on 30th and 31st January, 1989. During the meeting, wide ranging discussions were held to expand and consolidate bilateral trade and economic relations between the two countries. It was *inter alia* agreed that there should be diversification of the import-export basket, cooperation in the projects in third countries and establishment of joint ventures between Indian and French enterprises.

(c) As per provisional figures available with DGC&S, exports from India to France during the current financial year are showing a growing trend. During the period April to September, 1988, exports from India to France were valued at Rs. 172.47 crores as compared to Rs. 145.74 crores during the corresponding period of the preceding year.

Locomotives Production at C.L.W.

1418. SHRI BALASAHEB VIKHE
PATIL:
SHRI V. TULSIRAM:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Chittaranjan Locomotive Works has increased its production during the year 1988-89;

(b) if so, the number of electric and diesel locomotives produced during 1988-89, gauge-wise;

(c) the tentative plan of production of such locomotives during the next three years; and

(d) the extent to which these will meet the requirement of the country and curtail the import of such locomotives and foreign exchange saved?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) The number of electric and diesel locomotives produced during 1988-89 (upto January 1989) gauge-wise is as under:-

	Electric	Diesel
B.G.	81	16
M.G.	—	12
N.G.	—	5
Total	81	33

(c) The tentative plan of production of locomotives during 1989-90 and 1990-91 is as under:-

	1989-90		1990-91	
	Elec.	Diesel	Elec.	Diesel
B.G.	100	22	100	20
M.G.	—	12	—	15
N.G.	—	10	—	5
Total	100	44	100	40 + 4*

*For Public Sector Undertakings.

The production programme of locomotives for 1991-92 is under finalisation.

(d) This will meet by and large anticipated requirement of the country for these type of electric locomotives. Import of electric locomotives will be for the limited purpose of updating technology for high performance locomotives. If the additional requirements were to be met by import, this would have meant a foreign exchange outgo of about Rs. 60-70 crores per annum. Since this is met by indigenous manufacture, this could be a notional saving in foreign exchange.

pleased to state:

(a) whether the Export-Import Bank of India is floating the sixth series of its bonds for a notified amount;

(b) if so, the details thereof;

(c) the criteria adopted by Government to check the black money to be deposited with the bank; and

(d) whether the branches of the bank located in foreign countries will also float the loans, if so, the details thereof?

Floating of Sixth Series of Bonds by Export-Import Bank

1419. SHRI BALASAHEB VIKHE PATIL:
SHRI V. TULSIRAM:

Will the Minister of FINANCE be

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Export-Import Bank of India has already floated its Sixth Series of Bonds on February 21, 1989, the details of which are as under:

Amount	:	Notified amount of Rs. 48.50 crores with option to retain excess subscriptions upto Rs. 4.50 crores over the notified amount (in all Rs. 53.00 crores).
Interest	:	11.50% per annum
Currency	:	20 years

(c) Exim Bank has reported that the subscribers to bonds are in main banks/institutional investors.

(d) No, Sir.

Action Plan by EEPIC

1420. SHRI BANWARILAL PUROHIT: Will the Minister of COMMERCE be pleased to state:

(a) whether the Engineering Export Promotion Council (EEPC) has submitted to Government corporate action plan for export from 116 companies;

(b) if so, whether Government held discussions with individual companies on their export plan and targets:

(c) if so, the details of the outcome of discussions; and

(d) to what extent the export of engineering goods will be boosted?

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

(b) Out of 97 individual companies called for discussion so far 67 companies attended. Government held discussion with all the 67 individual companies.

(c) and (d). The discussions of the Ac-

tion Plans are meant to identify the problems of exporters in achieving their targetted exports, to sort out short-term problems expeditiously and to find solutions to major policy issues which require interaction with the other wings of Government. These form part of a strategy adopted by the Government to boost the exports of engineering products. During the last two years, the exports of engineering products have shown a rising trend.

Suggestions of Institute of Chartered Accountants regarding Company Law and Income-Tax Law

1421. SHRI H.N. NANJE GOWDA:
PROF. RAMKRISHNA
MORE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Institute of Chartered Accountants of India has urged upon the Government to harmonise the provisions of the Companies Act and the Income-tax Act in the wake of amendments made in both the Acts in the last two years;

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

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

**THE MINISTER OF STATE IN THE
DEPARTMENT OF REVENUE IN THE
MINISTRY OF FINANCE (SHRI A.K.**

PANJA): (a) Yes, Sir. A letter from the Institute of Chartered Accountants of India has been received by the Central Board of Direct Taxes. The Institute has requested for harmonisation of the provisions of the Companies Act with that of the Income-tax Act on the issues relating to depreciation and accrual system of accounting in the context of the levy of minimum tax on book profits of a company under section 115-J and in the matter of adoption of uniform accounting year under the Income-tax Act.

(b) and (c). The matter is under consideration in consultation with the Department of Company Affairs and a decision will be taken in due course.

Income-Tax Raids in Delhi

1422. SHRI H.N. NANJE GOWDA:
PROF. RAMKRISHNA
MORE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Income-tax Department conducted raids on the premises of export houses and petrol pumps owners in Delhi on 9 December 1988 and seized crores of rupees, valuables, incriminating documents etc;

(b) if so, the details and outcome thereof; and

(c) the further action contemplated by Government against the owners of export houses and petrol pumps?

**THE MINISTER OF STATE IN THE
DEPARTMENT OF REVENUE IN THE
MINISTRY OF FINANCE (SHRI A.K.
PANJA):** (a) No, Sir.

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

**Baggage Allowance to Indians Working
Abroad**

1423. SHRI T. BASHEER: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration for enhancement of baggage allowance to Indians working abroad;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

**THE MINISTER OF STATE IN THE
DEPARTMENT OF REVENUE IN THE
MINISTRY OF FINANCE (SHRI A.K.
PANJA):** (a) No, Sir.

(b) Does not arise.

(c) Since the 25th November, 1986, Indians working abroad for not less than one year and returning after termination of work are allowed to bring, free of duty, used household articles and personal effects up to a value of Rs. 20,000/- subject to conditions stipulated in the relevant Rules. This is in addition to the free allowance to Rs. 1250/- which is allowed to all persons, other than tourists, coming to India. Indians working abroad and returning after a minimum stay of two years, under Transfer of Residence, are allowed to import duty free their used household personal effects, subject to the fulfilment of certain conditions. Having regard to the interests of the domestic industry, these allowances are presently considered adequate.

**Improvement of Railway Station in
Bombay**

1424. DR. DATTA SAMANT: Will the

Minister of RAILWAYS be pleased to state: involved?

(a) whether the Railways have taken a decision to improve the conditions of Kalyan, Bandra, Dadar and Andheri railway stations in Bombay; and

(b) if so, the details of the improvements proposed and the expected expenditure

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). The following improvements are planned to be undertaken in a phased manner, at Dadar, Andheri and Kalyan railway stations:

Sl. No.	Name of Station	Amenity	Amount
1	2	3	4
1.	Kalyan	1. Extension of foot-over bridge	7.75 lakhs
		2. Additional platform No. 7.	8.50 lakhs
		3. Improvement to circulating area, face-lifting of station building, improvement of waiting hall and S.M's office, extension of platform No. 4, 5 & 6.	135.00 lakhs
		4. Extension of cover over platform Nos. 5 & 6.	4.69 lakhs
2.	Dadar	1. Extension to cover over platform Nos. 3 & 4.	6.95 lakhs
		2. Carriage watering facilities on platform Nos. 7 & 8, improvement to cloak room facilities, provision of master water cooler etc.	7.35 lakhs
		3. Face-lifting of station building.	9.00 lakhs
		4. Provision of waiting room on platform No. 5 for non-suburban passengers.	2.00 lakhs
3.	Andheri	1. Extension to cover over platform Nos. 4 & 5.	9.66 lakhs
		2. Provision of additional foot-over bridge.	28.90 lakhs
		3. Face-lifting of station building.	9.00 lakhs

1

2

3

4

4

Bandra

No improvements are proposed to be undertaken at Bandra railway station for the present.

Konkan Railway Project

struction so far;

1425. DR. DATTA SAMANT: Will the Minister of RAILWAYS be pleased to state:

(c) the total area brought under irrigation so far;

(a) whether Planning Commission has given sanction of first stage of Konkan Railway Project (Mangalore to Udippi); and

(d) the financial assistance provided by Government on its construction so far;

(b) if so, the total cost for the same and when the work is expected to start?

(e) the funds required to complete the construction work of this canal; and

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes, Sir.

(f) what arrangements have been made in this regard?

(b) Rs. 52.60 crores. The work will start in 1989-90.

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) The foundation stone of the project was laid on 31st March, 1958.

Completion of Indira Gandhi Canal Project

1426. SHRI PRATAP RAO B. BHOSALE:
SHRI VIRDHI CHANDER JAIN:

(b) The expenditure incurred upto March 1988 on canal works is Rs. 603.39 crores and the outlay for 1988-89 is Rs. 60 crores.

Will the Minister of WATER RESOURCES be pleased to state:

(c) An irrigation potential of 5.70 lakh ha. in Stage-I and 99,000 ha. in Stage-II has been created till March '88.

(a) the date on which the construction work on Indira Gandhi Canal Project formerly Rajasthan Canal was started;

(d) and (f) The project is being implemented under the State Plan for which block grants and loans are provided by the Central Government. However, with a view to provide additional resources for early completion of the Project the following Central Assistance has so far been provided:

(b) the expenditure incurred on its con-

<i>Assistance</i>	<i>Upto March 1988</i> <i>(Rs. Crores)</i>	<i>Provision 1988-89</i>
1. Advance Plan Assistance	45.00	—
2. Border Area Development Grant	15.00	21.00 (Rs. 10 crores released)
3. Drought Relief	9.00	11.00

The water courses components of the project is also receiving Central assistance under the CAD Programme on a matching basis for which, so far, Rs. 87.50 crores has been provided for projects in the State including Indira Gandhi Nahar Project. The State Government has proposed Stage II of the project for external assistance, and is working out the project details.

(e) The State Government have estimated the further amount required to complete the canal works as Rs. 790 crores.

Import of Cars

1427. SHRI S.G. GHOLAP: Will the Minister of COMMERCE be pleased to

state:

(a) the number of motor cars imported in last three years and at what prices; and

(b) how the imported cars are sold and to whom?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Statement I showing the overall number and value of cars imported during the preceding three years, for which data has been tabulated by the Director General of Commercial Statistics, is given below.

(b) Statement II is given below.

STATEMENT-I

Item	1984-85		1985-86		1986-87	
	Quantity	Value (Rs. Lakhs)	Quantity	Value (Rs. Lakhs)	Quantity	Value (Rs. Lakhs)
1	2	3	4	5	6	7
1. Motor cars new assembled	172	317	275	305	402	417
2. Jeep and land rover type vehicle assembled	2	3	8	7	7	10
3. Second Hand or used motor cars (incl. jeep and land rover) assembled	28	14	128	77	276	234

(Source: Directorate General of Commercial Intelligence and Statistics, Calcutta)

STATEMENT-II

Category of importer under Chapter IX of
the Import policy, 1988-91

How the cars are sold and to whom

1

2

- | | | |
|--|---|--|
| 1. Category A: Import by Indian Nationals returning to India for permanent settlement | : | No restriction on sale in the Open market. |
| 2. Category B: Import by Foreign Ladies, including persons of Indian Origin, married to Indian Nationals | : | Car cannot be sold for a period of 5 years from the date of import. |
| 3. Category D: Import by Branches/Offices of Foreign Institutions (Corporate or otherwise) | : | -do- |
| 4. Category F: Import by Accredited Journalists/Correspondents of Foreign News Agencies | : | -do- |
| 5. Category G: Import by Air Companies | : | -do- |
| 6. Category H: Import by Indian Firms executing Contracts abroad | : | -do- |
| 7. Category I: Import by charitable and Missionary Institutions | : | -do- |
| 8. Category J: Import by Honorary Consuls of Foreign Governments | : | Car cannot be sold for a period of 10 years from the date of import. |

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9. Category C: Import by Foreign Nationals and Foreign Experts working in India. : Car cannot be sold in the Open market at any time. They can (i) Re-export the car out of India or (ii) Sell the car to STC or (iii) Transfer the car to another eligible foreign national.
10. Category E: Import by Rupee Company having Foreign Collaboration : Car cannot be sold for a peirod of 10 years from the date of import. After ten years they can sell the car to S.T.C.
11. Category K: Import by Tourist/Hotels/Travel Agents : Car cannot be sold within a period of five years from the date of import and until the imported cars have covered a minimum of two lakhs Kms. from the said date, whichever is later, or until the Dept. of Tourism permits the sale of the imported cars earlier.

Railway Line from Kumarghat to Dharamnagar and Agartala

1428. SHRI BASUDEB ACHARIA:
SHRI BAJU BANRIYAN:
SHRI AJOY BISWAS:

Will the Minister of RAILWAYS be pleased to state:

(a) whether the survey for Dharamnagar-Kumarghat railway line project has been completed;

(b) whether the project is likely to be completed and commissioned by the end of 1989;

(c) whether the survey of Kumarghat-Agartala railway line project has been completed; and

(d) the allocation of funds made for this project during 1989-90?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes, Sir.

(b) Yes, Sir.

(c) No, Sir. Final Location Survey is in progress.

(d) Rs. 3.5 crores (for Dharamnagar-Kumarghat)

Incorporation of Separate Chapter in Negotiable Instruments Act

1429. SHRI V.S. KRISHNA IYER: Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal to incorporate a separate chapter XVII containing sections 138 to 142 in the Negotiable Instruments Act;

(b) if so, the main considerations for incorporation of this new chapter; and

(c) whether there will be any provisions for the erring banks if they willfully or by oversight return the cheque being unpaid?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) A new Chapter XVII has already been incorporated in the Negotiable Instruments Act, 1881 by virtue of Section 4 of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment) Act, 1988 (66 of 1988).

(b) The main considerations, inter alia include to enhance the acceptability of cheques in settlement of liabilities by making the drawer liable for penalties in case bouncing of cheque is due to insufficiency of funds in the account or for the reason that it exceeds the arrangements made by the drawer. However, there are adequate safeguards to prevent harassment of honest drawers.

(c) Section 31 of the Negotiable Instruments Act, 1881 already provides that the drawer of a cheque having sufficient funds of the drawer in his hands properly applicable to the payment of such cheque must pay the cheque when duly required so to do, and in default of such payment, must compensate the drawer for any loss or damage caused by such default.

Production and Productivity of Cardamom

1430. PROF. P.J. KURIEN: Will the Minister of COMMERCE be pleased to state:

(a) the total production of cardamom in the country at present;

(b) the per acre productivity;

(c) how does it compare with the other cardamom producing countries:

(d) the specific steps taken to reduce the cost of production and increase per acre productivity; and

(e) the details of new schemes formulated for the development of cardamom cultivation in the country?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) The received estimates of production of cardamom (small) during 1988-89 are 4000 tonnes.

(b) The average productivity has been estimated at around 67 Kg./ha. and 70 kg./ha.

(c) Productivity of Cardamom in Guatemala is reported to be around 250 kg./ha.

(d) and (e). Major schemes for Cardamom cultivation to increase production and reduce cost of production include Schemes for developing water resources for irrigation,

Replantation subsidy schemes, Research and Extension Schemes.

Concealed Income Unearthed

1431. PROF. P.J. KURIEN: Will the Minister of FINANCE be pleased to state:

(a) the details of the evaded income unearthed during the past three years with year-wise break-up;

(b) the number of persons/companies involved in the evasions; and

(c) the action taken against them?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). With a view to unearth concealed income and wealth, the Income-tax Department conducts searches in the cases of persons (including companies) believed to be evading taxes. The details giving value of prime-facie unaccounted assets seized and the amount of concealed income surrendered for the last three financial years are as under:

Financial Year	No. of searches conducted	Value of prima facie unaccounted assets seized (Rs. in crores)	Amount of concealed income surrendered ended (Rs. in crores)
1	2	3	4
1985-86	6,431	50.32	-
1986-87	7,054	100.70	36.85*
1987-88	8,464	145.02	147.49

(*The explanation to Section 271(1) (c) of Income-tax Act, 1961 was amended to enable surrender of concealed income in the course of search operations w.e.f. 10.9.86.)

Penalty for concealment of income is imposed in cases where concealment is established on completion of assessment

proceedings. The number of cases, including those companies, where penalty for concealment of income was imposed during

1985-86, 1986-87 and 1987-88 are 7156, 8221 and 9976 respectively.

Action by way of launching prosecution proceedings is also taken against persons found to be evading taxes. The number of prosecutions launched for tax evasions during 1985-86, 1986-87 and 1987-88 are 1676, 1426 and 562 respectively.

Objectives of EPZs

1432. SHRI CHINTAMANI JENA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention have been drawn to the newsitem captioned "coke scheme runs contrary to EPZ concept" appearing in the Business Standard dated February 5, 1989;

(b) the aims and objectives of setting of Export Processing Zones (EPZs);

(c) the number of projects set up which are not consistent with the laid down objectives; and

(d) the steps proposed to correct the rules and procedures so that EPZ objectives are followed?

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

(b) and (c). The aims and objectives of Export Processing Zones include, inter-alia:-

(i) Promotion of export oriented industries for earning foreign exchange.

(ii) Promotion of foreign investment, upgradation of technology, establishment of high technology industries and generation of spin-off effects of ancillary industry develop-

ment in the domestic tariff area.

(iii) Generation of employment and upgradation of skills within and outside the Zone.

The approvals accorded for establishment of units in the Zone have been consistent with these aims and objectives.

(d) Does not arise.

Talks on Ganga Water

1433. SHRI CHINTAMANI JENA: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of talks held so far between Union Government and Bangladesh on Ganga Water;

(b) the outcome of the talks;

(c) whether any agreement has been made; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Three times since the conclusion of last (1985) Memorandum of Understanding.

(b) to (d). An agreement has not reached.

Bank Robberies in Punjab

1434. SHRI S.M. GURADDI: Will the Minister of FINANCE be pleased to state:

(a) whether over rupees one crore were looted from a bank in Amritsar on 9 January, 1989;

(b) if so, whether the looting of banks

has further increased for the last one year in the Punjab;

(c) if so, the total number of bank robberies in Punjab during 1988;

(d) whether in January 1989 alone, crores of rupees were looted from the banks in the Punjab; and

(e) if so, the action being considered to check the increasing bank robberies?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (d). Bank of Maharashtra has reported that a burglary took place at its Amritsar branch closing of the branch at 3.00 P.M. on Saturday, the 7th January, 1989 and before opening of the branch at 9.00 A.M. on Monday, the 9th January, 1989. The Bank has further reported that the culprits made away with cash to the tune of Rs. 67,289.65 from the safe. The culprits also cut open 44 safe deposit lockers, the contents of which are not known to the bank. However, as per the representations received so far from the locker-holders it is estimated that valuables and paper securities worth approximately Rs. 35 lakhs have been stolen. However, no case of dacoity/robbery has been reported by public sector banks in Punjab during January 1989.

(b) and (c). As reported by 28 public sector banks the number of robberies/dacoities which took place in the State of Punjab during the years 1987 and 1988 is given below:-

1987	-	26
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1988	-	30
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(e) Bank robberies/dacoities, to a considerable extent, depend on the general security environment in the locality. Banks,

however, have been taking steps to improve their security arrangements so as to offer as little inducement as possible to miscreants to rob banks and also to deter them. As this is a continuous process, security measures implemented by public sector banks are being reviewed from time to time and whenever further improvements are considered necessary, requisite guidelines/instructions are given to the banks. Depending on the risk factor involved, steps have been taken to appoint security guards, instal appropriate alarm systems, etc. in branches. Further in order to motivate bank employees, the general public and the police to resist robbers/dacoits a scheme for giving rewards is in operation.

Terrorist Attacks on Railway Property

1435. SHRI S.M. GURADDI: Will the Minister of RAILWAYS be pleased to state the details of financial loss suffered by the Railways due to terrorist attacks on railway property on Amritsar-Pathankot section on 16 January, 1989?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): There was no incident of terrorist attack on railway property on 16-1-1989 on Amritsar-Pathankot section. However, there was an incident of explosion on the railway track between Kathu Nangal and Jaintipura railway stations on Amritsar-Pathankot section on 15-1-1989—as a result of which portion of the railway line was blown up. The cost of damage to the track on this account was estimated at approximately Rs. 3,000.

USSR Credit to IDBI

1436. SHRI S.M. GURADDI: Will the Minister of FINANCE be pleased to state:

(a) whether USSR has made available credit of Rs. 100 crores to the Industrial

Development Bank of India (IDBI);

(b) if so, whether any agreement in this regard was signed in January this year; and

(c) if so, how IDBI is likely to utilise this amount?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Industrial Development Bank of India (IDBI) has obtained a line of credit totalling Rs. 100 crores from "The Bank for Foreign Economic Affairs of the USSR (BFEA)". A "General Loan Facility Agreement" for the purpose was signed between the IDBI and BFEA on the 25th January, 1989.

(c) This line of credit will be utilised by the IDBI for financing of upto 85% of the value of approved contracts to be concluded between Soviet Exporters and Indian Purchasers.

Setting up of Cashew Board

1437. SHRI VAKKOM PURUSHOTHAMAN:
SHRI MULLAPPALLY, RAMACHANDRAN:
SHRI T. BASHEER:

Will the Minister of COMMERCE be pleased to state:

(a) whether there is a proposal to set up a Cashew Board;

(b) if so, the details thereof and the decision of the Government thereon; and

(c) the functions to be performed by the Board?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Yes, Sir.

(b) and (c). The matter is under examination.

Group Insurance Scheme for Construction Workers

1438. SHRI VAKKOM PURUSHOTHAMAN: Will the Minister of FINANCE be pleased to state:

(a) whether there is demand for increasing the sum of group insurance introduced for the construction workers in Kerala by the Life Insurance Corporation of India from Rs. 7,500/- to Rs. 15,000/-;

(b) if so, whether this proposal has been examined; and

(c) if so, the decision taken by Government thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) There is no demand for increasing the sum of group insurance introduced for the construction workers in Kerala by the Life Insurance Corporation of India from Rs. 7,500/- to Rs. 15,000/-. However, a representation from the group of construction workers led by Shri M.A. John and Shri Elizibius for reinstating the policy which had lapsed with effect from May 1988, and to increase the sum assured from Rs. 7,500/- to Rs. 10,000/- from the scheme anniversary falling in October, 1988 was received.

(b) and (c). The proposals for increasing the sum assured to Rs. 10,000/- from October, 1988 and for reinstating the John Group's policy with effect from May 1988 were both examined by the LIC of India, and it was decided to issue a fresh policy in place of the existing lapsed policy with effect from 1st February, 1989 for the existing sum assured of Rs. 7,500/- per member.

Vacant Posts of Income Tax Commissioners

1439. SHRI MOHD. MAHFOOZ ALI KHAN: Will the Minister of FINANCE be pleased to state:

(a) the number of posts of Income-Tax Commissioners lying vacant at the end of 1988 and the period for which these posts have been lying vacant;

(b) the reasons for not filling up these vacancies;

(c) whether the anticipated target of mobilisation of direct taxes by 1988 has been hampered due to these vacancies; and

(d) the steps taken by Government to fill up the vacancies of the Income-Tax Commissioners?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) All vacancies in the grade of Commissioner of Income Tax were filled up by orders issued on 16.12.1988.

(b) to (d). The questions do not arise in view of (a) above.

Kisan Credit Card and Kisan Kshema Loan Scheme

1440. SHRI MOHD. MAHFOOZ ALI KHAN:
SHRI LAKSHMAN MALLICK:

Will the Minister of FINANCE be pleased to state:

(a) whether Kisan Credit Card and Kisan Kshema Loan Scheme have been recently launched in Mangalore;

(b) if so, the details thereof;

(c) the other States in which such schemes have been launched/or are proposed to be launched; and

(d) the extent to which the schemes are being utilised by farmers?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The public sector banks were advised by the Government in April, 1988 to consider launching of credit card scheme for farmers on the lines of the Dena Krushi Sakh Patra (DKSP). The credit card, among other things would provide following facilities:

(i) It will enable a card holder to secure production credit instantly.

(ii) It will dispense with procedural formalities such as making applications, furnishing land records certificates and documentation for every agricultural season.

(iii) It will also dispense with the necessity to carry cash by the farmer.

Reserve Bank of India (RBI) has reported that as per information available following banks have introduced card scheme for farmers in areas indicated against each of them: (1) Dena Bank—all over India; (2) Canara Bank—through all its rural branches; (3) Andhra Bank—initially in Andhra Pradesh only; (4) Punjab National Bank—in Punjab and West Uttar Pradesh; (5) Indian Overseas Bank—Trichy, Tanjore Districts of Tamil Nadu and East Godavary districts of Andhra Pradesh; and (6) Syndicate Bank, in seven lead districts namely (i) South Kanar (ii) Belgaum, (iii) Nellore, (iv) Nizamabad, (v) Meerut, (vi) Ghaziabad and (vii) Muradabad. Thus Mangalore which is in South Kanara District of Karnataka has dready been covered by the Scheme.

(d) The Scheme has been introduced by the banks on a pilot basis very recently and it is too early to make any assessment of its utilisation by farmers.

Public Deposits by Blade Companies

1441. SHRI MOHD. MAHFOOZ ALI KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve bank of India has received complaints against certain blade companies in the country which attracted huge public deposits and subsequently disappeared with the deposits;

(b) if so, the details thereof stating the amount of deposits involved in each of the blade companies; and

(c) the action taken by Government in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India (RBI) has reported that it has received a number of complaints against some "blade companies". The "blade companies" are reported to be unincorporated bodies engaged in acceptance of deposits from the public and lending the same. Acceptance of deposits by unincorporated bodies are regulated under the provisions of Chapter III-C of Reserve Bank of India Act, 1934. These provisions prohibit acceptance of deposits in excess of the specified number of depositors. The Act also provides for penal action, including fine and imprisonment, against violations of the provisions of the Act.

RBI has further reported that the Bank has, either on its own or jointly with the State Government officials, conducted raids in the office premises of 116 unincorporated bod-

ies in the States of Gujarat, Karnataka, Tamilnadu and Kerala and the Union Territory of Delhi and criminal complaints have been launched against some of these firms for violations of the provisions of Chapter III-C of Reserve Bank of India Act, 1934. In one case the accused pleaded guilty in the court of law and was imposed a fine of Rs. 11000/-. The other cases are in different stages of trial. RBI has also reported that the particulars of amount of deposits with the blade companies are not available as such bodies are not required to send any returns to RBI.

The constitutional validity of Chapter III-C of Reserve Bank of India Act, 1934 has been challenged and the matter is pending in the Supreme Court and is, therefore, sub-judice.

[English]

Train Service between Delhi-Sahibganj and Sealdah

1442. SHRI SETH HEMBROM: Will the Minister of RAILWAYS be pleased to state:

(a) the reasons for changing the name of 13 Up and 14 Down to 33 Up and 34 Down in Sahibganj loop line of Eastern Railway and terminating it at Varanasi; and

(b) whether Government propose to make any alternative arrangement to run direct train from Sealdah to Delhi via Sahibganj loop line for the convenience of the passengers especially adivasis?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) As a result of rationalisation of train services, 13/14 Express was restricted upto Mughalsarai and later extended to Varanasi. The change in name was due to difference in the nature of services.

(b) No, Sir.

[English]

Central Assistance to Tamil Nadu

1443. SHRI P.R.S. VENKATESAN: Will the Minister of FINANCE be pleased to state:

(a) whether any request has been received from the State Government of Tamil Nadu for Central assistance during 1988; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). Yes, Sir. The Chief Minister of Tamil Nadu has requested for special Central assistance of Rs. 150 crores to meet certain additional commitments like interim relief to Government employees, open market purchase of rice, additional outlays on rural employment, social welfare schemes etc. and implement the State's Annual Plan for the current financial year.

Berhampur Railway Station

1444. SHRI SOMNATH RATH: Will the Minister of RAILWAYS be pleased to state:

(a) the amount sanctioned for the improvement and remodelling of Berhampur railway station (Orissa), during the financial year 1988-89;

(b) the amount spent so far and on what items; and

(c) the details of the scheme or programme to improve the status of this railway station?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Rs. 5.44 lakhs.

(b) Rs. 4.00 lakhs have been spent on improvement to retiring room, dormitory, first class waiting room and platform surface.

(c) Further improvements to Berhampur railway station will be done, in a phased manner, on a need based programme subject to availability of funds.

U.S. Aid to India

1445. SHRI SOMNATH RATH:
SHRI T.V. CHANDRASHEKHARAPPA:

Will the Minister of FINANCE be pleased to state:

(a) whether the quantum of U.S. aid to India in the past was much more than what is received at present; and

(b) if so, the main reasons for the decline and the steps being taken by Government to get more aid from the United States?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) It has been explained by the U.S. authorities that the decline in their assistance has been mainly on account of their internal budgetary constraints. Our concern at the cut in aid has been conveyed to the U.S. side.

[Translation]

Unearthing of Black Money by Narcotics Control Bureau

1446. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether the Narcotics Control Bureau, Delhi, have unearthed huge amount of black money;

(b) the amount of black money unearthed as a result thereof from different traders in Delhi;

(c) whether Government have taken any action against them so far;

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

(e) whether it is proposed to conduct such raids in other parts of the country; and

(f) if so, by what time and if not, how Government propose to check the sale of narcotics?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). The Narcotics Control Bureau has been created as the Central authority under the Narcotic Drugs and Psychotropic Substances Act, 1985, *inter alia*, for coordinating the enforcement action by the State and Central enforcement agencies. While they are not specifically concerned with unearthing of black money, during the course of drug law enforcement action, the Narcotics Control Bureau do make seizures of sale proceeds or other monies suspected to be related to drug trafficking. Wherever necessary, the Income-tax Department is also associated in cases involving seizure of money.

During the course of enforcement action, the Narcotics Control Bureau have seized significant quantities of Indian currency, etc. in two cases. In one case on 13.10.88, Indian currency amounting to Rs. 80.17 lakhs, US \$ 1700 and £ 785 were seized alongwith 11.50 kgs. of heroin from one Trideep Banerjee of Delhi. In a follow-up

action Rs. 35,000/- was also seized from one Shankar Singh of Delhi. In the second case, Indian currency amounting to Rs. 1,23,97,000/- was recovered from one Ashwini Kumar Agarwal of Delhi on 19.1.1989 which case has been referred to the Income-tax Department for appropriate action under the Income-tax Act, 1961.

(e) and (f). Drug law enforcement action and organising raids in connection with the same is an on-going process. Government have taken a number of counter-measures to check drug trafficking which, *inter-alia*, include provision of deterrent punishments against drug traffickers; strengthening of preventive and intelligence machinery (especially in and around borders and vulnerable areas); adoption of a liberalised reward scheme for both officers and informers; strengthening of bilateral cooperation between neighbouring countries (including regional cooperation under the aegis of SAARC). The Prevention of Illicit Traffic in Narcotic Drug and Psychotropic substances Act, 1988 provides for preventive detention upto a maximum period of 2 years for drug-related crimes. 244 persons have so far been detained under the said Act.

The Narcotic Drugs and Psychotropic Substances Act, 1985 has also been amended to strengthen it further. The amendments include provisions for forfeiture of property derived from or used in illicit traffic in drugs; criminalising, financing of drug trafficking and death penalty on second conviction of specified offences.

[English]

New Train between Delhi-Allahabad

1447. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to

introduce a new train like "Shatabdi Express" between New Delhi and Allahabad on the occasion of Birth Centenary Celebration of Pt. Jawahar Lal Nehru; and

(b) if so, by what time the same is likely to be introduced and what would be the speed of that train?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) Does not arise.

Seizure of Contraband Goods

1448. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the total value of contraband goods seized during 1986-87, 1987-88 and upto 31st December, 1988 during 1988-89 by the Customs authorities;

(b) whether there has been a qualitative and quantitative change in the pattern of smuggling perceptible during the last few years; and

(c) whether steps have been taken to modernise and expand the administrative machinery for checking the smuggling, traditional as well as non-traditional, by sea, land and air?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) The value of contraband goods seized throughout the country during the last last three financial years is given in the table below:-

<i>Year</i>	<i>Value (Rs. in crores)</i>
1986-87	214.03
1987-88	289.17
1988-89 (Upto December, 1988)	354.84

(b) Available reports and seizures effected indicate that gold, silver, narcotic drugs, synthetic fabrics and Indian and foreign currency continue to be sensitive to smuggling. Seizures of gold have shown a significant increase but this need not necessarily indicate a spurt in smuggling of gold and could be due to more effective anti-smuggling measures.

(c) The anti-smuggling drive has been intensified. Simultaneously, the anti-smuggling machinery throughout the country particularly, at the vulnerable areas of land borders and the coastline and international airports and seaports has been geared up. A new sub-Collectorate with Headquarters at Jodhpur and Divisions located at Sriganganagar, Bikaner, Jaisalmer and Barmer has also been created. Sophisticated equipment like X-ray baggage machines, metal detectors, night vision binoculars have also been supplied to the anti-smuggling formations.

Efficacy of Export-Import Licensing System

1449. SHRI SYED SHAHABUDDIN: Will the Minister of COMMERCE be pleased to state:

(a) the percentage of our annual import and export by value covered by the Licensing system for the last three years for which the data are available;

(b) the proposal if any, for gradual delicensing of the exports and imports; and

(c) the number of export and import licences issued during 1986-87, 1987-88 and upto 31 December, 1988 during 1988-89?

MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Percentage of import and export licence (including shipping bills endorsements) to actual import and export during 1986-87, 1987-88 and 1988-89 (upto November, 1988)

THE MINISTER OF STATE IN THE

Year	Percentage covered by licences	
	Import	Export
1	2	3
1986-87	45.6	3.8
1987-88	46.5	4.1
1988-89 (upto November, '88)	51.7	0.2

(b) Import & Export Policy is under constant review and necessary corrective measures are taken as and when required keeping in view the needs of the economy. In the revised policy for the period 1988-91, there has been a considerable measure of

liberalisation both of imports and exports relative to the policy in force during 1985-88.

(c) Number of Import and Export licences issued during 1986-87, 1987-88 and 1988-89 (upto Nov. 88) are given below:-

Year	Number (actual)	
	Import licences	Export licences (including shipping bill endorsements)
1	2	3
1986-87	85342	10025
1987-88	96046	7528
1988-89 (upto Nov'88)	59677	1034

Measures to Promote Export by State Governments

(a) whether his Ministry has worked out a scheme to evaluate the export promotion efforts undertaken by State Governments;

1450. SHRIMATI JAYANTI PATNAIK:
Will the Minister of COMMERCE be pleased to state:

(b) whether Government propose to provide necessary assistance to the State

Governments to boost exports on the basis of such evaluation; and

(c) the step, taken by Government to promote mineral export from Orissa and Bihar?

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

(b) Does not arise.

(c) Minerals & Metals Trading Corporation (MMTC) is offering a special discount in sale prices to compensate additional sea freight for export from Paradeep, apart from efforts to diversify exports of Iron Ore in world markets particularly Middle East, China etc. Draft project report is being prepared for deepening of Paradeep port and improving infrastructure for accommodating large size vessels.

Regarding Chrome Ore, MMTC is making efforts to enter into new markets. The target for export of Chrome Ore from Paradeep Port during current fiscal year has already been exceeded.

Development of Minor/Lift Irrigation Programme

1451. SHRI AMARSINH RATHAWA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether there is any proposal under consideration of Union Government to adopt a new strategy to give an impetus to the development of minor irrigation in the country;

(b) if so, the details thereof;

(c) the steps taken so far for implementing the new strategy; and

(d) the steps being taken to popularise the lift irrigation programme in the country?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHL): (a) No, Sir.

(b) and (c). Does not arise.

(d) Subsidy is being provided to small and marginal farmers etc. for water lifting devices such as pumpsets, sprinklers/drip systems, hydrams, water turbines and man and animal operated pumpsets. Loans on low rate of interest, subsidy and extension services are being provided to popularise the lift irrigation programme in the country.

Assistance to States for Relief Against Natural Calamities

1452. SHRI E. AYYAPU REDDY: Will the Minister of FINANCE be pleased to state:

(a) the total amount released to the States for expenditure on the relief for natural calamities during the last three years;

(b) the State-wise release of these funds;

(c) the funds un-utilised and surrendered by the States;

(d) whether any assessment has been made in respect of utilisation, non-utilisation and diversion of these funds; and

(e) whether permanent revolving fund for natural calamities is proposed to be created?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). A statement showing State-wise amounts of Central assistance

released for natural calamity relief during 1985-86 to 1987-88 is given below:-

(a) and (d). The final position relating to utilisation of Central assistance given to States for natural calamity relief during

(e) No, Sir.

1985-86 to 1987-88 will be known only after the audited figures of expenditure are available. However, Central teams have visited some of the States for monitoring the utilisation of Central assistance given for natural calamity relief.

Statement

Central assistance released to State for relief of natural calamities during 1985-86 to 1987-88

(Rs. in Crores)

States	Amount Released* in		
	1985-86	1986-87	1987-88
1	2	3	4
1. Andhra Pradesh	63.745	165.810	55.100
2. Arunachal Pradesh	-	-	4.070
3. Assam	16.075	25.625	43.340
4. Bihar	32.565	23.875	54.329
5. Goa	-	-	-
6. Gujarat	16.815	140.535	297.722
7. Haryana	12.510	15.070	34.604
8. Himachal Pradesh	32.695	12.795	28.346
9. Jammu & Kashmir	2.870	13.750	27.703
10. Karnataka	54.530	49.680	19.842
11. Kerala	109.180	19.310	46.322
12. Madhya Pradesh	48.735	36.045	77.402
13. Maharashtra	68.325	99.395	47.165
14. Manipur	0.495	2.795	-

1	2	3	4
15. Meghalaya	1.885	1.165	-
16. Mizoram	-	-	-
17. Nagaland	0.125	-	4.338
18. Orissa	21.385	5.325	42.032
19. Punjab	45.430	11.140	56.562
20. Rajasthan	81.765	150.945	464.475
21. Sikkim	2.265	1.625	3.820
22. Tamil Nadu	45.220	31.275	52.398
23. Tripura	2.600	0.375	-
24. Uttar Pradesh	127.080	56.750	125.772
25. West Bengal	11.845	22.480	36.824
Total	798.140	885.765	1522.166

*Comprises Advance Plan/Plan Assistance for Drought, loan/grant for the foodgrains supplied for drought relief, Non-Plan Grant for Floods, Cyclones etc. and Centre's share of margin money.

New Railway Line between Hassan and Bangalore

1453. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR: Will the Minister of RAILWAYS be pleased to state:

(a) whether a new broad gauge line is proposed to be constructed from Hassan to Bangalore;

(b) if so, the cost of construction for the same; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) and (c). Do not arise.

Clearance of Irrigation Projects of Kerala

1454. SHRI V.S. VIJAYA RAGHAVAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) the names of irrigation projects in Palghat district of Kerala pending for clearance by Union Government;

(b) since when these are pending;

(c) the reasons for not clearing these projects so far; and

(d) the steps taken to speedily clear the projects?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Nil.

(b) to (d). Do not arise.

Completion of On-Going Railways Projects

1455. PROF. NARAIN CHAND PARASHAR: Will the Minister of RAILWAYS be pleased to state:

(a) whether there are any new railway line projects which were taken up for construction/conversion during the 5th and 6th Plans and have still not been completed;

(b) if so, the details of these projects, zone-wise alongwith the estimated cost, reasons for delay and the latest progress in

the construction as on 31 January, 1989;

(c) whether any targets for their completion would be fixed and their construction expedited in the final year of the 7th Plan; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes, Sir.

(b) A Statement giving details, zone-wise, of new line and gauge conversion projects taken up during 5th and 6th Five Year Plans and not yet completed, and their progress as on 31.1.1989, is given below. The works have been progressed according to availability of resources.

(c) and (d). Target dates for completion of certain projects have been fixed, as indicated in the Statement attached. For the remaining projects no target could yet be fixed, on account of the prevailing resource constraints.

STATEMENT

S.No.	Name of Work	Year of W.P.	Length (Km)	Latest Cost	Expected date of completion
1	2	3	4	5	6
(Figures in Rs. crores)					
New Lines					
C.Rly					
1.	Mathura-Alwar	83-84	120	44.23	—
N. Rly					
2.	Nangal Dam-Talwara and taking over Mukerian-Talwara siding	81-82	84 + 29	90.00	—
3.	Jammu Tawi-Udhampur	81-82	53	112.00	—
4.	Bhatinda Bye Pass line	82-83	8	5.49	7/89
N.E. Rly.					
5.	Rampur-New Haldwani	74-75	84	38.52	—
6.	Bagaha-Chhitauni (Restoration)	74.75	28	40.00 60.00	—
				Dep.	

1	2	3	4	5	6
	<i>N.F. Rly.</i>				
7.	Dharmanagar-Kumarghat	78-79	33	41.24	12/89
8.	Balipara-Bhalukpong	78-79	35	14.18	12/89
9.	Silchar-Jiribam	78-79	49	39.57	12/89
10.	Lalabazar-Bhairabi	78-79	48	36.18	3/90
11.	Jogighopa-Guwahati with rail-cum-road bridge across Brahmaputra at Jogighopa	83-84	143 Dep.	Rly 177.52 61.41	—
12.	Amguri-Tuli	78-79	15	8.78	—
13.	Eklakhi-Balurghat	83-84	91	60.00	—
	<i>S. Rly.</i>				
14.	Eranakulam-Alleppey	79-80	57	60.92	12/89
15.	Alleppey-Kayankulam	82-83	43	36.87	—
16.	Chitradurg-Rayadurg	81-82	100	35.00	—
17.	Karur-Dindigul Maniyachi Tuticorin/Talaiyuthu	81-82	328	144.80	—

1	2	3	4	5	6
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S.C. Rly.

18. Telapur-Patancheru

81-82

8

10.97

—

19. Adilabad-Pimpalkutti

83-84

21

17.00

—

S.E. Rly.

20. Howrah-Amta/Champadanga

74-75

74

60.00

—

21. Talcher-Sambalpur

84-85

172

100.00

—

22. Tamluk-Digha

84-85

87

100.00

—

23. Koraput-Rayagada

81-82

164

322.00

3/91

W. Rly.

24. Kota-Chittaurgarh-Neemuch

80-81

222

135.00

12/89

25. Kapadvanj-Modasa

78-79

60

45.00

—

Gauge Conversions

N.E. Rly.

1. Varanasi-Bhatni

77-78

161

70.75

—

1	2	3	4	5	6
2.	Kashipur-Laikua	74-75	60	20.00	—
3.	Samastipur-Darbanga S. R/y.	74-75	37	26.02	—
4.	Mysore-Bangalore S.C. R/y.	79-80	138	58.76	—
5.	Parbhani-Purna and Mudkhed- Adilabad conversion and Purna- Mudkhed Parallel BG line	84-85	248	107.42	—
6.	Guntur-Macherla W. R/y.	74-75	130	66.38	3/99
7.	Nadiad-Kapadvanj	78-79	45	30.00	—

Swan Channel Station Project of Himachal Pradesh

1456. PROF. NARAIN CHAND PARASHAR: Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 25 November, 1988 to Starred Question No. 224 regarding Swan Channelisation Project of Himachal Pradesh and state:

(a) whether the State Government of Himachal Pradesh has since submitted the detailed project report including channelisation of Swan Nadi to Union Government; and

(b) if so, the steps taken/proposed for early construction of this project particularly in view of the extensive damage to life and property as also to the crops due to heavy rains and floods in September, 1988?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) Does not arise.

Opening of Extension Counters by Nationalised Banks

1457. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether there are any guidelines from the Reserve Bank of India to the nationalised banks for the opening of their extension counters in places, neighbouring their branches;

(b) if so, the details thereof and the names of places alongwith the names of the nationalised banks which have been permitted to open extension counters, State-wise upto 28 February, 1989; and

(c) the names of the places, State-wise, alongwith the names of the banks from which the applications for opening these counters are pending and the likely date by which the licences would be issued and the counters opened?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has reported that no guidelines as such have been issued to banks for opening of extension counters. However, the extension counters are intended for such centres which do not have banking facilities within easy reach. While applying for an extension counter, banks have to ensure about their viability and submit relevant information for consideration of proposal by RBI on merits.

(b) The Statewise information on extension counters allowed to public sector banks is being collected and will be laid on the Table of the House to the extent available.

(c) Statewise and bank-wise details of applications pending with RBI for opening of extension counters are given in the Statement below. These proposals are under scrutiny and eligible proposals would be considered by RBI on merits of each case.

STATEMENT

Statewise/Bankwise details of applications pending with Reserve Bank of India for opening of Extension Counters

Name of State/Union Territory	Name of Bank	Name of Extension Counters
1	2	3
Andhra Pradesh	Punjab National Bank	Gandhi Centenary School, Jagannaikpur Kakinada.
"	Vysya Bank Ltd.	Sri Satya Sai Gurukulam, Rajahmundry.
"	Andhra Bank	Siddhardha Residential Junior College, Edupug-allu.
"	"	Hyderabad Railway Station (Nampally).
"	"	Kazipet Railway Station of S. C. Rly.
"	"	Bellampally Railway Station of South Central Railway.
Bihar	Indian Overseas Bank	Society for Rural Industrialisation (Sri) Bariatu, Ranchi.
"	State Bank of India	Bhagalpur Medical College and Hospital, Bhagalpur.
Gujarat	State Bank of India	Sardar Sarover Nigam Ltd., Gandhinagar.
"	State Bank of Saurashtra	M/s. Vareli Textile Ltd., Vareli, Surat.
Punjab	Punjab & Sind Bank	Guru Nanak College, Moga, District Faridkot & National Convent School, Moga.

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M/s. Market Vanaspati and Allied Industries, G.T. Road, Khanna.

D.A.V. College, Guhla, Mandi.

Haryana Urban Development Authority, Sector-16, Faridabad.

S.D. Girls High School, Sonapat.

Humhama

Kasturba Medical College, Hospital Bijai-Mangalore.

Kuvempu vidya Vardhaka Trust, Mysore.

DOS/ISRO HQ. Building, Rajamahai Vilas Extension, Bangalore.

Magalore City Corporation Office, Mangalore.

Ghousia College of Engineering, Ramanagaram, Vondaraguppe, Bangalore.

Nuclear Power Station Complex, Kaiga Uttara
Kannada.

State Bank of Patiala

Punjab National Bank

"

Oriental Bank of Commerce

Elliquai Dehati Bank

Syndicate Bank

Canara Bank

State Bank of India

Canara Bank

Bank of Baroda

State Bank of India

Haryana

"

"

Jammu & Kashmir

Karnataka

"

"

"

"

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		Vysya Bank Ltd.	Adichunchanagiri Institute of Medical Sciences Mandya.
"	"	"	Geetha Shishu Shikshana Sangha Mysore.
"	"	State Bank of Mysore	Post Graduate Centre, Nancihalli, Bellary District.
Kerala		Indian Overseas Bank	St. Thomas College, Ranni Distt., Pathanamihitta.
"		South Indian Bank Ltd.	Lourdes Hospital, Pachalam, Ernakulam.
"		Catholic Syrian Bank Ltd.	All India Prayer Fellowship Rural Development Centre, Paranthal, Pandalam.
"		Vysya Bank Ltd.	Greater Cochin Development Authority, Shopping Complex Marine Drive, Ernakulam.
"		Syndicate Bank	Cochin Stock Exchanges, Cochin.
"		State Bank of Travancore	Manivla Industrial Development Plot, Manvila, Trivan- drum District.
"		"	Central Excise & Income Tax Office Complex, Er- nakulam.
Madhya Pradesh		State Bank of India	MPEB, GPH Compound, Indore.

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"	Bank of Baroda	MGD Girls' Public School, Jaipur.
"	State Bank of Bikaner & Jaipur	Bisalpur Project, Rajmahal, Deoli.
"	"	Tourist Hostel, T.R.D.C. M.I. Road, Jaipur.
"	New Bank of India	Sudhar Sabha Medical & Health Board, Sindhu Wadi, Asha Ganj, Ajmer.
Rajasthan	State Bank of Bikaner & Jaipur	Hotel Jaipur Ashok, Bani Park, Jaipur
"	"	Sudhar Sabha, T.J. Mayani Hospital and Research Centre, Ashaganj, Sindhu Bari, Ajmer.
"	Bank of Baroda	Army Engineering Unit, Nasirabad Dist., Ajmer.
"	State Bank of Bikaner & Jaipur	Zonal Office Premises at Shastri Nagar, Jodhpur.
Tamil Nadu	Syndicate Bank	Vaniyambadi Muslim Education Society, New Town, Vaniyambadi.
"	State Bank of India	General Hospital, M/s. Neyveli Lignite Corporation Ltd., Neyveli.
"	Bank of Madura Ltd.	Khadir Mohideen College, Adiram pattinam.
"	State Bank of India	Dakshina Bharat Hindi Prachar Sabha, Thyagarayanagar, Madras.

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"	State Bank of Hyderabad	EDSI, Egmore, Madras.
"	Indian Bank	MMDA Towers. Madras.
"	Punjab National Bank	M/s. Sakthi Sugars Ltd., Kannariruppur Mathur, Dist. Madurai.
"	Canara Bank	Dr. MGR Medical University, Kotturpuram Madras.
"	"	Christian Fellowship Community Health Centre, San- tipuram, Anna Dist.
Uttar Pradesh	State Bank of India	M/s. India Glycols Ltd., Kashipur, Dist. Nainital, U.P.
"	Corporation Bank	St. Johns' School, DIW, Varanasi.
"	Punjab National Bank	M/s. Amrit Bansapati Co. Ltd., Rajpura.
"	UCO Bank	Tibetan Welfare Office, Dekeyiling Colony, Dehradun.
"	Allahabad Bank	PAC Campus, Sitapur, U.P.
"	Punjab National Bank	UP Rajya Krishi Utpadan Mandi Samiti, Jaunpur (U.P.).
"	Central Bank of India	Gandhi Mahavidyalaya Campus, Orai, Dist. Jalaun.
"	Punjab National Bank	Prakash Tubes Ltd., Kashipur.

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			Bharatpur Zila Khadi Gramodaya Samitee, Bharatpur.
West Bengal	State Bank of India	Taj Bengal Hotel, Calcutta.	
"	"	IAAI, Calcutta Airport International Terminal Building, Calcutta.	
New Delhi	Bank of Baroda	Bal Bharati Public School, Pitampura, Delhi.	
"	Federal Bank Ltd.	St. Antony's Senior Secondary School, C.6, S.D. Area, Haus Khas, New Delhi.	
"	State Bank of Bikaner & Jaipur	Arwachin Shiksha Samiti, Vivek Vihar, Delhi.	
"	State Bank of India	Naval Public School, Chanakya Puri, New Delhi.	
"	Indian Bank	Mamta Modern Senior Secondary School, Vikaspuri.	
"	Bank of Maharashtra	All India Institute of Local Self Government at Institutional Area, Janakpuri, New Delhi.	

Impact of Exchange Rate on Exports

1458. SHRI K. PRADHANI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware that the unrealistic exchange rates have adverse effect on exports;

(b) if so, whether Government are considering the application of a differential exchange rate for exporters; and

(c) whether Government contemplate a special cash compensatory support at 10 percent across the board for all exports?

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

(b) and (c). No, Sir.

Clearance of Irrigation projects of Andhra Pradesh

1459. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government of Andhra Pradesh has sent proposals for approval of four medium irrigation projects viz. (1) Chagadnad Lift Irrigation Scheme (2) Bhupatipalem Reservoir Scheme across Seethapalli Vagu (3) Kowada-kala Reservoir Scheme across Kovvada Kalva and (4) Pedderu Reservoir Scheme across Pedderu river; and

(b) if so, what action has been taken by Government to give clearance to these medium irrigation projects?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b).

Only Pedderu Reservoir Stage-I project report was received. It was cleared during 1977. A revised estimate of this project for ultimate stage was received in November, 1985, when more than 75 percent work had been completed. The question of its appraisal, therefore, was not considered worthwhile.

World Bank Assistance for Flood Controlling Projects

1460. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the World Bank has offered economic assistance for flood control projects;

(b) if so, whether Government have discussed with the World Bank, the question of implementation of the proposed plan for diverting the additional water of the Ganges to drought of affected areas and discharging it in the Cauvery river in the south;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) to (d). Do not arise.

Export Monitoring Cell at Hyderabad

1461. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to set up an export monitoring Cell at Hyderabad; and

(b) if so, the functions proposed to be assigned to this Cell?

loan disbursed by nationalised banks and public financial institutions during the past three years;

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). While Government is keen to involve State Governments in exports, no specific scheme has yet been formulated to set up an Export Monitoring Cell in different States.

(b) whether the share of Andhra Pradesh is very low; and

(c) if so, the remedial steps taken in this regard?

Loan Disbursed by Banks and Financial Institutions to Andhra Pradesh

1462. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of FINANCE be pleased to state:

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The share of Andhra Pradesh in the outstanding credit of Public Sector Banks and credit disbursed by public financial institutions for the last three years was as under:

(a) the share of Andhra Pradesh in total

(Amount in Rs. Crores)

	Outstanding credit of Public Sector Banks				Disbursement by Financial Institutions (April to March)				ive upto March 1988
	Dec. 1985	Dec. 1986	Dec. 1987	Dec. 1988	1985-86	1986-87	1987-88	Cumulat-	

1	2	3	4	5	6	7	8	9
1. Andhra Pradesh	3449	4224	4754	5324	340	367	486	2436
2. All-India	49902	56779	63522	68752	4303	4974	6017	32660
3. % of 1&2	6.91%	7.44%	7.48%	7.74%	7.9%	7.4%	8.1%	7.5%

(b) No, Sir.

(b) Does not arise.

Manufacture of Wagons

1463. SHRI MOHANBHAI PATEL: Will the Minister of RAILWAYS be pleased to state:

(a) the number of railway wagons manufactured in different units during 1988-89;

(b) the number of railway wagon manufacturing units at present and the names of such units which are in private sector;

(c) whether it is a fact that the number

of wagons produced in private sector units is higher than in public sector;

(d) whether Government propose to allow more railway wagon manufacturing units in private sector; if so, the details thereof;

(e) the other measures being taken to procure more railways wagons to meet the increased demand in the country?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Information for 1988-89 would be available only after 31.3.1989. However the planned target for manufacture is as follows:—

<i>Firm</i>		<i>(Figures in four wheelers)</i>
2	3	
1.	Bharat Wagon & Engg. Co. Ltd., Muzaffarpur.	981
2.	Bharat Wagon & Engg. Co. Ltd., Mokameh.	1197.5
3.	Braithwaite & Co. Ltd.	2482.5
4.	Burn Std. Co. Ltd., Burnpur	2755
5.	Burn Std. Co. Ltd., Howrah	3060
6.	Jessop	620
7.	Cimmco Ltd., Bharatpur	1895
8.	Hindustan General Industries	752.5
9.	Modern Industries	667.5
10.	Texmaco Ltd.	3710
11.	Hindustan Development Corporation	715
Total		18836

(b) At present there are 11 wagon manufacturing units. The names of units in Private Sector are as under:—

1. Cimmco
2. Hindustan General Industries
3. Modern Industries
4. Texmaco
5. Hindustan Development Corporation.

(c) The planned production of wagon for 1988-89 for public and private sector is as follow:—

(Figs. in FWs)

(i)	Public Sector	11096
(ii)	Private Sector	7740

(d) As and when some units approach Railway for establishing wagon manufacturing units, their request is considered on merits.

Number of

Azamgarh district
Ballia District
Maunath Bhanjan district

(e) The wagon production capacity is adequate to meet railways present requirements.

[Translation]

Lok Adalats in Uttar Pradesh

1464. SHRI RAJ KUMAR RAI: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of Lok Adalats organised so far in Azamgarh, Maunath Bhanjan and Ballia districts of Uttar Pradesh;

(b) the total number of cases disposed of in these Adalats; and

(c) the number of Lok Adalats proposed to be organised in 1989-90?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) and (b). The number of Lok Adalats organised is as follows:—

Number of cases

Lok Adalats settled

5 13,592

7 7,834

is a newly formed district. One Lok Adalat was arranged earlier at Manu Tehsil on 20.3.1988 and 2,228 cases were settled.

(c) Dates for Lok Adalats in 1989-90 have not yet been fixed, but a few Adalats are expected to be organised in each district in Uttar Pradesh.

[English]

Excess Charges by Porters

1465. PROF. K.V. THOMAS: Will the Minister of RAILWAYS be pleased to state:

(a) whether there is a wide spread complaint that on many of the major stations, there is excess charging of luggage by porters; and

(b) if so, the action taken/proposed in this matter?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Some complaints have come to notice.

(b) Licences of the porters found overcharging are suspended or cancelled.

Railway Bridges in Punjab, Haryana and Himachal Pradesh

1466. SHRI KAMAL CHAUDHARY: Will the Minister of RAILWAYS be pleased to state:

(a) the number of railway bridges in Punjab, Haryana and Himachal Pradesh;

(b) whether these bridges or any bridge out of them need repair;

(c) if so, the details of the repairs done during the last three years ending December, 1988 and the amount spent on such repairs; and

(d) the details of the bridges repaired or proposed to be repaired during the current financial year?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) to (d). Such information is maintained Railway-wise and not State-wise.

All Railway bridges are inspected annually and any repairs as found necessary are carried out. Bridges showing sign of distress are rebuilt or rehabilitated by carrying out

special repairs on a programmed basis.

World Bank Assistance for Development of Children's Programme

1467. DR. PHULRENU GUHA: Will the Minister of FINANCE be pleased to state: whether Government have accepted any World Bank assistance for implementation of children's welfare programme?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): The International Development Association (IDA), the soft lending affiliate of the World Bank, has extended a Credit of \$ 32 million through an agreement signed on 12.5.80 for an integrated nutrition project in selected districts of Tamil Nadu. The project includes the components of nutrition support to children in the age group of 6 to 36 months and pregnant and nursing women, expansion in the scope and coverage of rural health services in the project districts.

Use of Sea Water for Irrigation and Drinking

1468. DR. PHULRENU GUHA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether there is any proposal under consideration of Government to explore the possibility of the use of sea water for irrigation and drinking; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). No such proposal is under consideration. However, the Ministry of Urban Development has provided financial assistance of Rs. 24 lakhs to instal 8 demonstration desali-

nation plants in 8 villages in four States namely, Andhra Pradesh, Gujarat, Rajasthan and Tamil Nadu. These have been installed in two villages of each State.

New Train Between Delhi and Howrah

1469. DR. PHULRENU GUHA: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government are considering to introduce a new mail or super fast train from Delhi/New Delhi to Howrah; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) and (b). No, Sir, However, the frequency of 103/104 New Delhi-Howrah Express is being increased from bi-weekly to 4 days a week in summer time table.

Contract in Turkey by IRCON

1470. SHRI RADHAKANTA DIGAL: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Indian Railway Construction Company Ltd. (IRCON) has taken up a contract in Turkey;

(b) if so, the details thereof along with the amount involved;

(c) whether the Indian Railway Construction Company Ltd. had secured such type of contract in the past also; and

(d) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes, Sir.

(b) Indian Railway Construction Company Ltd. (IRCON), had signed a contract agreement with the Turkish Railways on 9-9-1988 for electrification of approximately 280 track kms. on EskesehirSincan section on turn-key basis on 25 KV 50 Hz system at a cost of US \$ 26.595 million (Rs. 38 crores approx.)

(c) Yes, Sir.

(d) IRCON had already completed railway electrification of about 1191 track kms. in India on Delhi Ring Railways, Delhi-Mathura, Mathura-Gangapur City, Kotra-Jhansi sections, Kribhco siding near Surat and Tughlakabad electric loco shed.

In addition IRCON is currently executing electrification work of 1178 track kms. on Tundla-Agra-Bayana, Nagpur-Ballarshah and Nagpur-Gondia-Paniahob sections. Construction of 6 Nos. traction substations in Agra-Tundla, 4 Nos. in Nagpur-Ballarshah, 1 No., Nagpur-Gondia and 1 No. in Ballarshah-Kazipet sections is also in advance stages of execution.

Housing Scheme of GIC

1471. DR. KRUPASINDHU BHOI: Will the Minister of FINANCE be pleased to state:

(a) whether the General Insurance Corporation (GIC) has sought the clearance of his Ministry to enter into housing business; and

(b) the details of the schemes proposed to be launched by GIC in different states?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). No, Sir. However, the General Insurance Corporation of India has a proposal under consideration to set up a housing finance company in

association with the Indian Overseas Bank.

Balance of Payment Position

1472. DR. KRUPASINDHU BHOI: Will the Minister of FINANCE be pleased to state:

(a) whether the country's balance of payment position is very precarious;

(b) if so, the reasons therefor; and

(c) the efforts made by Government for maintaining its viability without affecting growth and capital formation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Full balance of payment data are available for the financial year as a whole only upto 1986-87. Similar data for the year 1987-88 is likely to be finalised after some time. During 1988-89, the foreign exchange reserves (excluding Gold and Special Drawing Rights) declined from Rs. 7287 crores as on 1.4.88 to Rs. 5541 crores on 1.2.89. The decline in reserves, as per available indications, is due primarily to sharp increase in international prices of some of the major bulk commodities like steel, non-ferrous metals, petrochemicals and other imports; increase in import of petroleum products, fertilizers and steel; imports of wheat, rice and other items necessitated by the unprecedented drought of last year and lower net receipts of aid and higher repayments to the IMF as compared to last year.

(c) A Special Action Plan drawn by Government for Balance of Payments turnaround aims at measures to generate additional exports, contain imports and augment foreign exchange earnings through NRI Deposits/Bonds, additional direct/indirect investments and increased tourism receipts.

Steps to promote saving habits among Rural people

1473. SHRI RADHAKANTA DIGAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Life Insurance Corporation has taken any steps to promote saving habits among the rural people;

(b) if so, the steps taken by LIC in expanding its business in the rural areas;

(c) the States where efforts have been made in this regard; and

(d) the response of different States thereto?

THE MINISTER OF STATE IN THE DEPARTMENT ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) The important steps taken by Life Insurance Corporation of India in expanding its business in rural areas are as follows:—

- (1) LIC is opening more and more branches located in mofussil centres with large rural areas under their jurisdiction.
- (2) LIC is appointing more and more development officers in rural areas.
- (3) LIC has framed special stipendiary Scheme of Rural Career Agents to recruit persons with rural background. Under this Scheme a monthly stipend for 3 years is given to the Agents so as to provide them some support till they are able to build up some amount of commission income.

(4) LIC has introduced a special plan called new "Jana Raksha Plan" specially suited for people in rural areas. Under this Plan, if, after payment of premiums for 2 years, the policyholder is not able to pay any future premium, the policy is kept in full force for a further period of 3 years.

(c) The LIC has made efforts to increase its business in rural areas in all the States.

(d) As a result of the above efforts, the Corporation has been able to get a good amount of rural business in all states.

Reservation Quota at Satara

1474. SHRI PRATAPRAO B. BHOSALE: Will the Minister of RAILWAYS be pleased to state:

(a) the present reservation quota in each class from Satara Railway Station in different trains;

(b) whether Government review the reservation quota from time to time from a particular railway station;

(c) if so, when the last review of reservation quota of Satara railway station was done;

(d) whether Government propose to review the existing reservation quota of Satara railway station; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIRPRASAD): (a) The following reservation quotas are being operated at Satara:

Train No.	Reservation quota	
	II Class	
	Berths	Seats
83 Kolhapur-Nagpur Express	5	-
304 Kolhapur-Bombay VT Express	-	5
312 Kolhapur-Dadar Express	5	-

(b) to (e). The reservation quotas are normally reviewed twice a year. The quota at Satara was last reviewed in February, 1989, but it could not be increased due to full utilisation of the same at other quota holding stations.

Extension of Trains to Satara Railway Station

1475. SHRI PRATAPRAO B. BHOSALE: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to

extend the existing passenger trains between New Delhi and Pune to Satara railway station;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether Government propose to introduce new passenger trains from Satara railway station and also between New Delhi and Satara during the remaining period of Seventh Five Year Plan;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) Does not arise.

(c) For want of traffic justification.

(d) No, Sir.

(e) Does not arise.

(f) For want of traffic justification.

[*Translation*]

Expansion of Trade Relations with Australia

1476. SHRI KALI PRASAD PANDEY: Will the Minister of COMMERCE be pleased to state:

(a) whether any special initiative has been taken for strengthening and improving economic and trade relations between India and Australia;

(b) if so, the details of action taken in this regard; and

(c) the details of the agreements concluded between the countries during the recent visit of Australian Prime Minister to India?

THE MINISTER OF COMMERCE (SHRIDINESH SINGH): (a) and (b). Various measures to improve bilateral trade between India and Australia were discussed during the visit of the Australian Prime Minister to India in February, 1989. Australia has agreed *inter alia* to stage display of Indian Engineering products in Australia and host-

ing of mission to Australia of Indian automobile parts manufacturers.

An Engineering display in 1987, an office and business machines display in 1988 and participation in Bi-centennial International Trade Fair in July, 1988 were organised to improve our exports, in Australia.

During the third meeting of the India/Australia Joint Business Council held in New Delhi in February, 1989 between the businessmen of the two countries, items for increasing export flows from India and certain promotional measures were also identified.

(c) The following Memorandum of Understanding were signed between India and Australia during the Australian Prime Minister's visit:-

- (1) EOU on Concessional Finance for Projects of Mutual Benefit.
- (2) MOU on Railways.
- (3) MOU on Telecommunications.
- (4) MOU on Meteorology.

[*English*]

Import of Potash by MMTC from Canada

1477. SHRI SRIBALLAV PANIGRAHI: Will the Minister of COMMERCE be pleased to state:

(a) whether the Minerals and Metals Trading Corporation of India Ltd., (MMTC) has entered into a long term contract with a Canadian company for import of potash;

(b) if so, whether it is a counter-trade

agreement; and

(c) the other countries from which MMTC is buying potash?

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

(c) The other countries from which Minerals and Metals Trading Corporation of India (MMTC) is buying potash are GDR, USSR, Jordan, West Germany, France and USA.

Irrigation Potential of Orissa

1478. SHRI SRIBALLAV PANIGRAHI: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the achievement of irrigation potential has lagged behind the target fixed during the Seventh Five Year Plan in Orissa till date;

(b) if so, the steps taken to achieve the target during the remaining period; and

(c) the details of programme being adopted to increase the irrigation potential in the State of Orissa?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATIKRISHNASAHU): (a) Targets for creation of potential during the Seventh Five Year Plan were fixed for 706 Th. ha. It is expected that against this, the actual achievement may be 619 Th. ha.

(b) and (c). In order to create additional irrigation potential, under Special Foodgrains Production Programme, the Government of India has earmarked Rs. 9.37 crores, for the State, to achieve an additional potential of 51.41 Th. ha. in the Mahanadi Delta Basin.

Supply of Gold by MMTC to EOUs

1479. SHRI SRIBALLAV PANIGRAHI: Will the Minister of COMMERCE be pleased to state:

(a) whether some Export Oriented Units (EOUs) in the country had sought the help of the Minerals and Metals Trading Corporation of India Ltd., (MMTC) to supply them gold for making jewellery;

(b) if so, the details thereof;

(c) whether MMTC has taken any steps to import gold for those units; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (d). Government has notified a scheme for stock and supply of gold by MMTC to units in 100% Export Oriented Complexes. Initially a stock of one tonne of gold to be held in custody by MMTC was imported and is being supplied to different units.

Import of Steel by MMTC

1480. SHRI SRIBALLAV PANIGRAHI: Will the Minister of COMMERCE be pleased to state:

(a) whether the MMTC propose to import steel;

(b) if so, the countries from where steel is proposed to be imported; and

(c) the type of steel and quantum thereof imported by MMTC from those countries in last three years?

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

(b) Iron and Steel items are being imported from the following countries:-

Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, China, Czechoslovakia, Finland, France, West Germany, Holland, Hungary, Indonesia, Italy, Japan, Korea (North), Korea (South), Liechtenstein, Luxembourg, Norway, Poland, Romania, Saudi Arabia, Singapore, Spain, Sweden, Switzerland, Turkey, UK, USA, Venezuela, Yugoslavia, Zimbabwe etc.

(c) Various types of Iron & Steel imported are given below:-

i) Pig Iron, (ii) Semis (Billets, Blooms), (iii) Finished Steel, (iv) Alloy and Stainless Steel.

The quantum of Iron & Steel items imported during the last three years are given below:-

Year	Quantum (In lakh tonnes)
1987-88	8.66
1986-87	7.85
1985-86	5.00

Tripartite Trade Protocol with Egypt and Yugoslavia

1481. DR. KRUPASINDHU BHOI: Will the Minister of COMMERCE be pleased to state:

(a) whether a tripartite trade protocol

has been signed between India-Egypt and Yugoslavia; and

(b) if so, the areas identified under the protocol to further strengthen the economic ties among these three countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). A Protocol to the Trade Expansion and Economic Cooperation Agreement of 1967 between India, Egypt and Yugoslavia was signed in Belgrade on 27 December, 1988. The Protocol has extended the validity of the Agreement for a further period from 1 January, 1989 to 31 March, 1993 and has made some modifications in the list of products on which the three countries grant tariff preference to each other.

India, Egypt and Yugoslavia also signed a Protocol on Economic and Technical Cooperation in Cairo on 12th February, 1989. Under this Protocol the three countries have agreed to further explore and utilise all possibilities for economic cooperation among their organisations in the fields of industry, science and technology, agriculture, transport, tourism and other areas of common interest, particularly through joint ventures.

[Translation]

Grant from World Bank

1482. SHRI JAGDISH AWASTHI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have received any grant from World Bank for the development of Railways recently;

(b) if so, the amount thereof;

(c) whether any special scheme has

been chalked out for the development of railways out of this grant; and

(d) if so, the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No 'grant' has been received by Government from World Bank for the development of Railways.

(b) to (d). Do not arise.

[English]

Loans to Small and Medium Newspapers

1483. SHRI PRATAPRAO B. BHOSALE: Will the Minister of FINANCE be pleased to state:

(a) whether small and medium newspapers have demanded financial loans to modernise their plants and machinery;

(b) if so, the details thereof;

(c) whether Government propose to take any action on their request;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (e). Reserve Bank of India has reported that advances granted to small and medium newspaper units which satisfy the investment criteria laid down for small scale industrial units are treated as priority sector advances. the concessions in the rates of interest, margin, etc. as are normally available to other small scale industrial units are to be extended to such small and medium newspaper units

also.

Branches of National Australia Bank

1484. SHRI HARIHAR SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether the National Australia Bank has its branches in India; and

(b) if so, their number and other details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) Does not arise.

IDBI Assistance to Sikkim

1485. SHRIMATI D.K. BHANDARI: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India (IDBI) has provided financial assistance to big and small industries of certain States;

(b) if so, the details thereof;

(c) whether the IDBI proposes to give financial assistance to Sikkim for setting up small scale industries in the State; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Industrial Development Bank of India (IDBI) provides financial assistance to big and small industries in the States/Union Territories. A statement showing State-wise assistance sanctioned and disbursed by the IDBI during the period July 1964 to June 1988 is

given below.

(c) and (d). The IDBI also provides financial assistance for setting up small industries in Sikkim under its Refinance Scheme through Sikkim Industrial Develop-

ment and Investment Corporation Limited and eligible banks in the Region. Such cumulative assistance sanctioned by the IDBI to Small Scale Sector in Sikkim amounted to Rs. 5.4 crores as at the end of June, 1988.

STATEMENT

State-wise Assistance Sanctioned and Disbursed by the IDBI during the Period July 1964-June 1988*

(Rs. in crores)

<i>State</i>	<i>July 1964 Sanctions</i>	<i>June 1988 Disbursements</i>
<i>1</i>	<i>2</i>	<i>3</i>
1. Andhra Pradesh	2685.1	1660.2
2. Arunachal Pradesh	12.0	8.6
3. Assam	237.5	196.3
4. Bihar	790.1	456.5
5. Goa	317.9	240.3
6. Gujarat	3548.0	2629.4
7. Haryana	822.1	601.6
8. Himachal Pradesh	364.8	249.2
9. Jammu & Kashmir	269.0	217.6
10. Karnataka	1974.0	1555.5
11. Kerala	826.6	673.4
12. Madhya Pradesh	1464.7	980.9
13. Maharashtra	3952.6	2940.3
14. Manipur	21.2	14.1

1	2	3
15. Meghalaya	47.4	39.1
16. Mizoram	19.9	16.0
17. Nagaland	18.8	17.2
18. Orissa	965.7	710.2
19. Punjab	953.7	681.2
20. Rajasthan	1204.4	886.5
21. Sikkim	14.7	12.9
22. Tamil Nadu	2879.1	2173.8
23. Tripura	16.0	14.3
24. Uttar Pradesh	3142.7	2224.0
25. West Bengal	1543.0	1009.5
26. Union Territories	582.5	464.4
Total	28673.7 @	20673.9\$

* Comprising direct assistance, refinance of industrial loans and bills rediscounting assistance.

@ Includes assistance of Rs. 0.4 crore to Bhutan.

\$ Includes assistance of Rs. 0.3 crore to Bhutan.

Revenue Collection

1486. SHRIMATI D.K. BHANDARI: Will the Minister of FINANCE be pleased to state:

(a) whether the revenue collection has increased considerably during the current financial year;

(b) if so, the details thereof, State and Union Territory-wise;

(c) the total collection of revenue under direct taxes, customs and central excise duties, separately;

(d) whether Government provides financial assistance to the States and Union Territories for development works from this collection; and

(e) if so, the details of share of Sikkim for its development works?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI A.K.
PANJA): (a) Yes, Sir.

(b) and (c). Two statements I & II showing states/Union Territory-wise tax realisation during the year 1988-89 (upto January, 89) are given below.

(d) The devolution of Central Taxes and Duties is made on the basis of recommendations of the Finance Commission set up by the Government from time to time.

(e) The total Central assistance to the State is Rs. 67.59 crores against the plan outlay of Rs. 63 crores. Rs. 4.59 crores given to meet the non-plan expenditure.

STATEMENT I

State/Union Territory wise Central Excise and Customs Realisation During the year 1988-89 (upto January)

<i>States/Union Territory</i>	<i>Central Excise (Rs. in lakhs Provisional)</i>	<i>Customs</i>
1	2	3
Uttar Pradesh	124229	38290
Maharashtra	409987	585932
Madhya Pradesh	71434	5126
West Bengal (includes Sikkim Andaman & Nicobar islands)	90498	160610
Orissa	17154	8219
Delhi (includes Haryana)	72793	67258
Rajasthan	48760	8840
Chandigarh (includes Punjab, Himachal, J & K)	35265	8659
Tamil Nadu (including Pondicherry)	116512	183670
Assam (includes Manipur, Meghalaya Mizoram, Nagaland, Tripura, Arunachal Pradesh)	45177	78
Gujarat (includes Dadra & Nagar Haveli, Daman & Diu)	162442	104318
Andhra Pradesh	92897	36932

1	2	3
Karnataka	80727	28242
Bihar	57494	951
Kerala (includes Lakshadweep)	35520	30599
Goa	8223	3339
Total	1469112	1271063

STATEMENT-II

State-wise/Union Territory wise collection of Direct taxes (including Income-tax Corporation tax, Wealth tax, Gift tax, Estate duty & Expenditure tax) during 1988-89 (upto January, 1989).

State/Union Territory	Direct Taxes (Rs. in Crores) (Provisional)
1	2
1. Andhra Pradesh	137.95
2. Arunachal Pradesh	(Separate figures are not maintained collection included in Assam State)
3. Assam	46.72
4. Bihar	71.65
5. Gujarat	293.82
6. Goa	(Separate figures are not maintained collection included in Karnataka)
7. Haryana	39.13
8. Himachal Pradesh	(Separate figures are not maintained collection included in Punjab State)
9. Jammu & Kashmir	-do-
10. Karnataka	219.19

1	2
11. Kerala	92.81
12. Madhya Pradesh	93.08
13. Maharashtra	1828.02
14. Manipur	(Separate figures are not maintained and included in Assam)
15. Meghalaya	-do-
16. Nagaland	-do-
17. Mizoram	-do-
18. Orissa	23.08
19. Punjab	154.62
20. Rajasthan	49.81
21. Sikkim	(Separate figures are not maintained but included in West Bengal State)
22. Tamil Nadu	297.52
23. Tripura	(Separate figures are not maintained included in Assam State)
24. Uttar Pradesh	482.12
25. West Bengal	474.51
26. Delhi Union Territory	644.58
27. Central T.D.S.	566.69
	Rs. 5515.30

Eighth Engineering Trade Fair

(a) whether a largest-ever Engineering Trade Fair was held in New Delhi;

1487. SHRIMATI D.K. BHANDARI: Will the Minister of COMMERCE be pleased to state:

(b) if so, the special features thereof;

(c) the details of foreign business delegations which visited the fair; and

(d) to what extent this fair shall help to promote trade and industrial cooperation with foreign countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) A large Engineering Trade Fair was organised by the Confederation of Engineering Industry in Pragati Maidan, New Delhi from 19th to 26th February, 1989.

(b) The special features of the fair were the participation of U.S.A. with the status of "partner country", and the participation of other developed countries like Austria, Canada, FRG, U.K. etc. in the Technology Transfer Show section of the fair. Numerous seminars and conferences on sub-contracting, trade and industrial cooperation, telecommunication and exports to South East Asia, etc. were also organised during the fair.

(c) Business delegations, inter-alia, from USSR, USA, UK, Bangladesh, Turkey, Sudan, Malaysia and International Trade Centre, Geneva etc. visited the fair.

(d) The fair has helped in bridging the communication gap and also in creating greater awareness abroad about the Indian Engineering industry and its capabilities.

GIC Schemes to Cover Housing Loans by Lending Institutions

1488. **SHRI HARIHAR SOREN:** Will the Minister of FINANCE be pleased to state:

(a) whether the General Insurance Corporation (GIC) has sought the approval of Government for its proposed scheme to cover failure of borrowers to pay back housing loans and interest thereon to lending institutions;

(b) whether GIC has also requested Government to allow it to invest funds to be collected under its new house holders insurance policy in "Special deposits" with Government over and above the normal investment in this category; and

(c) if so, the steps taken by Government to approve the proposal of GIC?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIR IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) GIC has been working out a proposal in consultation with the Government but no final scheme has been submitted by the GIC.

(b) and (c). GIC has mooted a proposal in this regard but has not given a final shape to the same for consideration of the Government.

Collection of Customs Duty and Countervailing Duty

1489. **SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI:** Will the Minister of FINANCE be pleased to state:

(a) the total amount of Customs duty and countervailing duty separately collected during the last three financial years;

(b) whether the countervailing duty is equal to the central excise duty and the same is collected to compensate the loss of Government revenue if the goods were to be produced in India;

(c) whether the State Governments are getting the pro-rata share from the countervailing duty as they do from the central excise duty;

(d) if not, whether there is any proposal for giving the share of countervailing duty to the States; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.

PANJA): (a) The total amount of customs duty and additional customs duty (commonly referred as countervailing duty) collected during 1985-86 to 1987-88 is given below:

(Rs. Crores)

Year	Addl. customs duty @	Total customs duty @
1985-86	1474.01	9517.57
1986-87	.	11470.72
1987-88	1608.07	13635.75

(* Not readily ascertainable in view, inter-alia, of the change of Tariff with effect from 28.2.1986. @ As per Departmental records.).

(b) Additional duty of customs, leviable under Section 3 of the Customs Tariff Act, 1975 on an imported article, is equal to the excise duty for the time being leviable on a like article, if produced or manufactured in India. Generally stated, additional duty of customs affords protection to the indigenous industry.

(c) Additional duty, being a duty of customs is not shareable with the States.

(d) No, Sir.

(e) Does not arise.

Income Tax Raids in Kerala

1490. SHRI SURESH KURUP: Will the Minister of FINANCE be pleased to state:

(a) whether any tax raids were conducted in Kerala during 1988;

(b) if so, the details thereof;

(c) the details of the cash, incriminating documents, etc. seized from these raids; and

(d) the action taken against the culprits?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). Yes, Sir. The Income-tax Department conducted 131 searches during the period from 1.1.88 to 31.12.88 in Kerala. During the course of these searches, prime facie unaccounted assets such as cash, jewellery and other assets amounting to Rs. 230.78 lakhs (Rupees Two crore thirty lakh seventy-eight thousand) were seized. During these searches, the persons searched have admitted concealment of income aggregating to Rs. 213.89 lakhs (Rupees Two crore thirteen lakh eighty nine thousand). Appropriate action under the Direct Tax enactments is taken in all these cases.

Fly-overs in Kottayam District

1491. SHRI SURESH KURUP: Will the Minister of RAILWAYS be pleased to state:

(a) the number of fly-overs proposed to be constructed by the Railways in the Kottayam district of Kerala; and

(b) the time by which these fly-overs are likely to be completed?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) and (b). The Railways undertake such works jointly with the State Governments as per the priority accorded by them. No such proposal in the District of Kottayam has been included in the priority list furnished by the State Government.

Raids by Customs Authorities

1492. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the number of raids conducted, cases filed and value of goods seized by the customs authorities during the last three years, year-wise;

(b) the classification of goods seized;

(c) whether any particular rise has been noticed in the case of particular class or classes of goods;

(d) whether this phenomenon is related to the domestic demand; and

(e) the steps taken to control/check distribution/sale of such goods in the domestic market and the power exercised by the Customs authorities in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) The number of seizures effected, the number of persons prosecuted and the value of contrabands seized by the Customs authorities during the last three calender years are given in th table below:-

	<i>(Rs. in crores)</i>		
	1986	1987	1988*
Number of seizures effected	52,194	55,873	62,293*
Number of persons prosecuted	2,597	2,531	2,281*
Value of contraband seized (Rs. in crores)	217.52	251.47	443.15*

*Figures are provisional.

(b) Goods seized include, gold, watches, synthetic fabrics, electronic goods, silver, Indian and foreign currency and narcotic drugs.

(c) and (d). Approximately 6094 Kgs. of gold worth Rs. 200 crores approximately have been seized during the year 1988 showing a significant increase over the seizures of 2255 Kgs. worth Rs. 65.78 crores approximately and 2174 Kgs. worth Rs. 46.66 crores approximately in 1987 and 1986 respectively. However, since smug-

gling is a clandestine activity, it is not feasible to estimate the increase/decrease in quantity of a particular commodity being smuggled into the country at any given time. The upward trend in the seizures need not necessarily be due to either a spurt in smuggling or an increase in the domestic demand and could be due to more effective preventive and anti-smuggling measures.

(e) The anti-smuggling agencies including the Directorate of Revenue Intelligence target their intelligence against syndicates

involved in organised smuggling and strike at appropriate time to neutralise their activities. Further, special operations are conducted against open display and sale of smuggled goods.

The Customs officers are empowered to arrest and prosecute the persons involved in smuggling and also initiate departmental proceedings for confiscation of the contraband goods and impose personal penalties on the persons concerned. The smugglers are also detained under the Cofepusa Act, 1974.

Cases Pending in Supreme Court

1493. SHRI AMAR ROYPRADHAN:
SHRI CHITTA MAHATA:

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

<i>Cases pending</i>	<i>Cases pending as on 31.12.87</i>	<i>as on 31.12.88</i>
(1) Regular Hearing Matters	39316	40906
(2) Admission & Miscellaneous	136432	158232
Total	175748	199138

(d) Various steps have been taken from, time to time, to reduce pendency, such as, grouping of matters regarding common questions of law, constitution of specialised benches and filling up of the vacancies of judges.

Bank Loans to NCCF

1494. DR. A.K. PATEL: Will the Minister of FINANCE be pleased to refer to reply given on 19 August, 1988 to Unstarred Question No. 3460 regarding bank loans to NCCF and state:

(a) whether the requisite information

(a) the number of cases pending in the Supreme Court as on date;

(b) whether there has been an increase in the number of cases pending in Supreme Court;

(c) if so, the complete details in this regard for the last two years; year-wise; and

(d) the steps proposed to be taken?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND):

(a) As on 31.1.39 200566 cases were pending.

(b) and (c). The pendency of cases during the last 2 years, category-wise, is as follows:-

has since been collected;

(b) if so, whether the same will be laid on the table of the House as promised; and

(c) the remedial steps and disciplinary action Government propose to take against the involved erring officers of the concerned banks and the National Consumers Cooperative Federation (NCCF)?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). A report in implementation of the Assurance has al-

ready been laid on the Table of the House on 28th February, 1989.

(c) Reserve Bank of India's guidelines in the matter of sanction of loans by banks already exist. The matter has been referred to Central Bureau of Investigation and based on its report suitable action against delinquent officials will be taken.

Modernisation with Japanese Assistance

1495. SHRI PARASRAM BHARDWAJ: Will the Minister of RAILWAYS be pleased to state:

(a) whether Japan has offered assistance for a multimillion dollar workshop and train modernisation plan; and

(b) if so, the details thereof and the reaction of Government in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) and (b). No, Sir. However, Japanese Government has shown interest for cooperation in some Railway Projects.

[*Translation*]

Train Accidents

1496. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of RAILWAYS be pleased to state:

(a) the number of persons killed and injured in railway accidents which took place during the last three months, zone-wise; and

(b) the estimated loss suffered by the Railways as a result thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) The number of per-

sons killed and injured in train accidents, railway zone-wise, during the period November, 1988 to January, 1989 is as under:-

Railway	No. of persons	
	Killed	Injured
Central	-	21
Eastern	1	-
Northern	7	34
North Eastern	5	13
Northeast Frontier	-	9
Southern	9	63
South Central	1	13
South Eastern	8	6
Western	1	8

(b) The cost of damage to railway property has been estimated at Rs. 256.7 lakhs.

[*English*]

Cost and Productivity of Railway Employees

1497. SHRI SYED SHAHABUDDIN: Will the Minister of RAILWAYS be pleased to state:

(a) the average annual cost per Railway employee during the last three years, year-wise;

(b) the average number of employees during the year, during this period, year-wise;

(c) the estimated productivity per employee during this period, year-wise; and

(d) the reason for the higher rise in employee expenditure as compared to rise in productivity during this period?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) and (b). A statement is given below.

(c) Productivity on Indian Railways is broadly measured in terms of traffic units per employee. Productivity per employee for last

3 years is shown against item (3) of the Statement attached.

(d) There is no direct relationship between productivity of the employee and average wage, as the latter is dependent on a common wage structure for the Central Government, including Railways, on the recommendations of the successive Pay Commissions, with benefit of neutralisation for rise in cost of living.

STATEMENT

	1985-86	1986-87	1987-88
1. Average number of employees	1,603,360	1,596,183	1,607,269
2. Average Annual Cost per employee (in rupees)	16,883	20,860	24,808
3. Productivity in terms of traffic units per employee (in thousands)	291	313	326

*Provisional

Jaunpur Town Protection Scheme

1498. SHRI KAMLA PRASAD SINGH: Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 4 November, 1988 to Unstarred Question No. 362 regarding Jaunpur town protection scheme and state:

(a) whether the revised report has since been received from the State Government of Uttar Pradesh; and

(b) if so, the steps taken to protect and Jaunpur town from floods?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) The State Government of Uttar Pradesh has indicated adoption of non-structural measures.

Problems of Export Processing Zones

1499. SHRI K. PRADHANI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware of the problems of Export Processing Zones;

(b) whether some Export Processing Zones have pleaded before Government for extending tax holiday from the present five years to fifteen years; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Representations are received from time to time regarding problems faced by units in the Export Processing Zones. Govt. duly examines these problems with a view to resolving the issues.

(b) Yes, Sir.

(c) It has not been found possible to accept the suggestion.

[*Translation*]

Increase in National Income

1500. SHRI DINESH GOSWAMI:
SHRI BALWANT SINGH
RAMOOWALIA:

Will the Minister of FINANCE be pleased to state:

(a) whether according to the report of Central Statistical Organisation published recently, 3.4 per cent increase has been registered in the national income during 1987-88;

(b) if so, the details thereof; and

(c) the reasons for the unprecedented increase in the rate of inflation during the current year?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). According to the Quick Estimates of national income aggregates released by the Central Statistical Organisation (C.S.O.), through Press Note dated January 27, 1989, the Net National Product (NNP) at factor cost and at 1980-81 prices increased by 3.4 per cent in 1987-88 compared with the increase of 3.6 per cent (Provisional) in 1986-87.

(c) There has been significant declaration in the rate of inflation during the current year. The inflation rate in terms of Wholesale Price Index as on 11.2.89 was 5.4 per cent which is about half the rate of 10.6 per cent recorded in the corresponding period last year.

[*English*]

Replacement of Subsidy

1501. SHRI K. RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Union Government are considering to replace the subsidies given the rural areas by interest-free loans in view of the large scale misuse of subsidies;

(b) if so, the time by which the scheme will be implemented; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) and (c). Do not arise.

12.00 hrs.

[*English*]

(*Interruptions*)

SHRI SHANTARAM NAIK (Panaji): Sir, Speaker of the Andhra Pradesh Assembly is virtually under house arrest. The police are surveilling his House. (*Interruptions*)

[*Translation*]

MR. SPEAKER: What is the matter? Why are you speaking unnecessarily?

[English]

SHRI SHANTARAM NAIK: His movements are restricted, Sir. The Government is indulging in such anti-democracy acts. Democracy is threatened.

MR. SPEAKER: I can't take notice of it.

*(Interruptions)**[Translation]*

MR. SPEAKER: Why do you create disorder, why are you interrupting?

[English]

The Assembly is competent enough to take care of it.

SHRI SHANTARAM NAIK: I agree that the Assembly is autonomous but this has taken place outside the Assembly. This is a threat to democracy.

MR. SPEAKER: That Assembly is competent enough to take care of it.

SHRI SHANTARAM NAIK: It was outside the Assembly.

MR. SPEAKER: Doesn't matter.

SHRI SHANTARAM NAIK: This is the position of the Speaker there. He is your younger brother. You have to look after him.

MR. SPEAKER: What is the matter, why are you making so much of noise?

*(Interruptions)**[Translation]*

MR. SPEAKER: What is the matter, why are you making so much noise?

[English]

MR. SPEAKER: Why are you trying to disturb the proceedings?

(Interruptions)

SHRI RAM PYARE PANIKA (Roberts Ganj): This is very serious, Sir. *(Interruptions)*

[Translation]

MR. SPEAKER: What are you doing, why are you making noise? Sit down.

[English]

SHRI K. MOHANDAS: I want to raise an important point. The Labour Ministry has recently amended the Immigration Rules making it difficult for the people to seek employment in foreign countries. It is a serious situation. I request the Government to withdraw the new Immigration Rules.

[Translation]

MR. SPEAKER: Not like this, please give it in writing.

[English]

Give me some motion. Give me something in writing and I will look into it.

[Translation]

MR. SPEAKER: Yes, this has already been taken up. Shri Purushothaman has already raised the issue.

(Interruptions)

SHRI SUBHASH YADAV (Khargone): Mr. Speaker, Sir, the General Secretary of Janata Party, Shri Maniran Bagri has written a letter to you, the copies of which have been

circulated among the Members of the House also. In his letter, he has used derogatory words for Lok Sabha. I have already written a letter to you in this connection. It is disgrace of the House and the matter should be handed over to the Privileges Committee.

MR. SPEAKER: All right, you give it in writing. I will look into it.

[English]

SHRI K.S. RAO (Machilipatnam): Two days back, when I said that certain State Governments were ruthless in killing legislators and MPs, you said, this House cannot discuss that matter.

MR. SPEAKER: No.

SHRI K.S. RAO: Okay. Now, Sir, when it is the fate of the Speaker of the Legislative Assembly....

MR. SPEAKER: I have already replied to that. I can't take it up here.

SHRI K.S. RAO: To whom should we represent about this matter?

MR. SPEAKER: The law will take its own course.

SHRI RAM PYARE PANIKA: This is very serious. (*Interruptions*)

PAPERS LAID ON THE TABLE

[English]

Report of the Election Commission of India for years 1986 and 1987

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): I

beg to lay on the Table a copy of the Report (Hindi and English versions) of the Election Commission of India for the years 1986 and 1987. [Placed in Library See No. LT 7418/89]

Review on the working of and Annual Report of the Cashew Corporation of India Ltd., Cochin and of the Cashew Export Promotion Council of India, Cochin for 1987-88

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): I beg to lay on the Table:—

(1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956:—

(i) Review by the Government on the working of the Cashew Corporation of India Limited, Cochin, for the year 1987-88.

(ii) Annual Report of the Cashew Corporation of India Limited, Cochin, for the year 1987-88 along with Audited Accounts and comments of the Comptroller and Auditor General thereon. [Placed in Library. See No. LT—7419/89]

(2) (i) A copy of the Annual Report (Hindi and English versions) of the Cashew Export Promotion Council of India, Cochin, for the year 1987-88 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Cashew Export Promotion Council of India, Cochin, for the year 1987-88. [Placed in Library. See No. LT—7420/89]

Notification under Central Excises and Salt Act, 1944

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): I beg to lay on the Table:—

- (1) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944:—
- (i) G.S.R. 1074 (E) published in Gazette of India dated the 16th November, 1988 together with an explanatory memorandum seeking to exempt certain specified goods if manufactured in rural areas by certain specified organisation.
- (ii) G.S.R. 1075 (E) published in Gazette of India dated the 16th November, 1988 together with an explanatory memorandum seeking to prescribe concessional rate of excise duty of 40 paise per metre on black and white cinematograph film, unexposed, and 80 paise per metre on other type of unexposed cinematograph film.
- (iii) G.S.R. 1103 (E) published in Gazette of India dated the 28th November, 1988 together with an explanatory memorandum seeking to extend the scope of such video cassettes which are made from imported tapes on which CVD at the rate of Rs. 10 per square metre has been paid.
- (iv) G.S.R. 1104 (E) published in Gazette of India dated the 28th November, 1988 together with an explanatory memorandum seeking to limit rate on the specified type of cassettes made out of video tapes manufactured and cleared before 14th October, 1988.
- (v) G.S.R. 1112 (E) published in Gazette of India dated the 1st December, 1988 together with an explanatory memorandum exempting from the whole of the duty of excise in respect of certain specified excisable goods manufactured in rural areas by certain specified organisation.
- (vi) G.S.R. 1113 (E) published in Gazette of India dated the 1st December, 1988 together with an explanatory memorandum exempting excise duty on food preparation, falling under sub-heading No. 1901.19 of the Central Excise Tariff and intended for free distribution among economically weaker sections of the society under approved programme of the Government.
- (vii) G.S.R. 1114 (E) published in Gazette of India dated the 1st December, 1988 together with an explanatory memorandum seeking to extend the concessional rate of duty to strips and the like of synthetic textile materials used in knitted fabrics.
- (viii) G.S.R. 1156 (E) published in Gazette of India dated the 8th December, 1988 together with an explanatory memorandum seeking to prescribe a concessional rate of basic excise duty Rs. 6 per Kilogram on polypropylene Multi Filament Yarn.
- (ix) G.S.R. 1160 (E) published in Gazette of India dated the 9th December, 1988 together with an explanatory memorandum seeking to prescribe an effective rate of excise duty of Rs. 1200 per tonne in respect of copper plates, sheets, blanks including circles and strips falling under heading No. 7409, if supplied to Government of India Mint.
- (x) G.S.R. 1161 (E) published in Gazette of India dated the 9th December, 1988 together with an explanatory memorandum seeking to reduce the basic central excise duty on goods and materials of Chapter 72 and 73 obtained by breaking up of ships, boats and other floating structures manufactured in India, from Rs. 1400 per tonne to Rs. 1115 per tonne.
- (xi) G.S.R. 1182 (E) published in

Gazette of India dated the 16th December, 1988 together with an explanatory memorandum seeking to reduce the rate of which credit of money would be available for use of rice bran oil in the manufacture of vanaspati.

(xii) G.S.R. 1198 (E) published in Gazette of India dated the 23rd December, 1988 together with an explanatory memorandum seeking to revise the fuel-efficiency norms of such motor cars and extending the validity of the notification No. 469/86-CE upto 31st March, 1990. The revised fuel-efficiency norms take effect from the 1st April, 1989 together with corrigendum thereto published in notification No. G.S.R. 1218 (E) in Gazette of India dated the 28th December, 1988.

(xiii) G.S.R. 1211 (E) published in Gazette of India dated the 27th December, 1988 together with an explanatory memorandum seeking to extend for a further period of three months, the concessional rate of excise duty in respect of certain specified resins and plastics.

(xiv) G.S.R. 1233 (E) published in Gazette of India dated the 30th December, 1988 together with an explanatory memorandum rescinding Notification No. 133/68-CE dated the 22nd June, 1968.

(xv) G.S.R. 1235 (E) published in Gazette of India dated the 30th December, 1988 together with an explanatory memorandum seeking to continue the benefit of concessional rate of excise duty mentioned in Notification No. 1/87-CE dated the 1st January, 1987 for one more year upto 31st December, 1989.

(xvi) G.S.R. 1236 (E) published in

Gazette of India dated the 30th December, 1988 together with an explanatory memorandum making amendment to Notification No. 1/87-CE dated the 1st January, 1987 seeking to extend the concessional rate to three more electricity Units.

(xvii) G.S.R. 24 (E) published in Gazette of India dated the 12th January, 1988 together with an explanatory memorandum seeking to exempt button cells from excise duty in excess of 15 per cent *ad valorem*.

(xviii) G.S.R. 64 (E) published in Gazette of India dated the 30th January, 1988 together with an explanatory memorandum seeking to exempt the whole of the excise duty on potassium metal and potassium amide consumed within the factory of manufacture of heavy water. [Placed in Library. See No. LT-7421/89]

(2) A copy of the Notification No. G.S.R. 105 (E) published in Gazette of India dated the 16th February, 1989 together with an explanatory memorandum regarding exemption to His Excellency Mr. Kenan Evren, President of the Republic of Turkey and other members of the delegation who visited India from 22nd to 26th February, 1989 from the foreign travel tax, under section 41 of the Finance Act, 1979. [Placed in Library. See No. LT-7422/89]

(3) A copy of the Notification No. G.S.R. 1206 (E) (Hindi and English versions) published in Gazette of India dated the 26th December, 1988 together with an explanatory memorandum extending the validity of Notification No. 277/87-Cus. dated the 13th July, 1987 upto 28th February, 1989, under section 159 of the Customs Act, 1962. [Placed in Library. See No. LT-7423/89]

Nationalised Banks (Management and Miscellaneous Provisions) (Amendment) Scheme 1988

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): On behalf of Shri Eduardo Faleiro, I beg to lay on the Table:—

- (1) A copy of the Nationalised Banks (Management and Miscellaneous Provisions) (Amendment) Scheme, 1988 (Hindi and English versions) published in Notification No. S.O. 1234 (E) in Gazette of India dated the 30th December, 1988, under sub-section (6) of section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 [Placed in Library. See No. LT-7424/89]
- (2) A copy of the Nationalised Banks (Management and Miscellaneous Provisions) (Amendment) Scheme, 1988 (Hindi and English versions) published in Notification No. S.O. 1235 (E) in Gazette of India dated the 30th December, 1988, under sub-section (6) of section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980. [Placed in Library. See No. LT-7425/89]
- (3) A copy of the Review* (Hindi and English versions) on the working of the Deposit Insurance and Credit Guarantee Corporation, Bombay, for the year ended the 31st December, 1987. [Placed in Library. See No. LT-7426/89]

Statement explaining reasons for not laying the Annual Report and Audited Accounts of Videsh Sanchar Nigam, Bombay for 1987-88 within stipulated time

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI GIRIDHAR GOMANGO): I beg to lay on the

Table a statement (Hindi and English versions) explaining reasons for not laying the Annual Report and Audited Accounts of the Videsh Sanchar Nigam Limited, Bombay, for the year 1987-88 within the stipulated period of nine months after the close of the Accounting year. [Placed in Library. See No. LT-7427/89]

Copy of the Hundred and Thirty-First Report of the Law Commission

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): I beg to lay on the Table a copy of the Hundred Thirty-First Report (Hindi and English versions) of the Law Commission on role of the legal profession in Administration of Justice. [Placed in Library. See No. LT-7428/89]

Tobacco Board (Second Amendment) Rules, 1988; Tobacco Board (Auction) Amendment Regulations, 1988; Tobacco Board (General) Amendment Regulations, 1988; and Annual Report and Review on the working of Federation of Indian Exports Organisations, New Delhi for 1986-87

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): On behalf of Shri P.R. Das Munshi, I beg to lay on the Table:—

- (1) A copy of the Tobacco Board (Second Amendment) Rules, 1988 (Hindi and English versions) published in Notification No. G.S.R. 1188 (E) in Gazette of India dated the 21st December, 1988 under sub-section (3) of section 32 of the Tobacco Board Act, 1975. [Placed in Library. See No. LT-7429/89]
- (2) A copy of each of the following Notifications (Hindi and English versions) under sub-section (5) of section 33 of the Tobacco Board Act, 1975.
 - (i) The Tobacco Board (Auction) Amendment Regulations, 1988 pub-

*Annual Report along with Audited Accounts was laid on the Table of Lok Sabha on 29th April, 1988

lished in Notification No. 11/3/88-EP (Agri. VI) in Gazette of India dated the 21st December, 1988.

(ii) The Tobacco Board (General) Amendment Regulations, 1988 published in Notification No. 2/4/85-EP (Agri. VI) in Gazette of India dated the 21st December, 1988. [Placed in Library. See No. LT-7430/89]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Federation of Indian Export Organisations, New Delhi, for the year 1986-87 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Federation of Indian Export Organisations, New Delhi, for the year 1986-87. [Placed in Library. See No. LT-7431/89]

[Translation]

Review on the working of and Annual Report of Indian Railway Finance Corporation, New Delhi for 1986-87

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): I beg to lay on the Table a copy each of the following papers (Hindi and English Versions) under sub-section (1) of section 619 A of the Companies Act, 1956:—

- (1) (i) Review by the Government on the working of the Indian Railway Finance Corporation Limited, New Delhi, for the years 1986 to 1988.
- (ii) Annual Report of the Indian Railway Finance Corporation Limited, New Delhi, for the years 1986-88 along with Audited Accounts and comments of the Comptroller and Auditor General thereon. [Placed in Library. See No. LT-7432/89]

12.04 hrs.

COMMITTEE ON PUBLIC UNDERTAKINGS

Fifty-third Report

[English]

SHRI VAKKOM PURUSHOTHAMAN (Alleppey): I beg to present the Fifty-third Report (Hindi and English versions) of the Committee on Public Undertakings on Action Taken by Government on the recommendations contained in their Forty-seventh Report on Indian Airlines—Fare and cost aspects.

12.04 1:2 hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF INFORMATION AND BROADCASTING (SHRI H.K.L. BHAGAT): Will your permission, Sir, I rise to announce that Government Business in this House during the week commencing Tuesday, the 7th March, 1989 will consist of:

- (1) Consideration of any item of Government Business carried over from today's Order Paper.
- (2) Discussion on the Report of the Commission on Centre-State Relations.
- (3) General discussion on the General Budget for 1989-90.

SHRI P. KOLANDAIVELU (Gobichettipalayam): Sir, I request that the following may be included in the next week's agenda:—

Tenkasi Town in Tamil Nadu should be

[Sh. P. Kolandaivelu]

classified as 'C' class city for the purpose of grant of HRA/CCA to Central Government employees. 26 establishments of Central Government are situated in and around Tenkasi. Today Tenkasi is an unclassified city. The population of this town was 54,000 in 1986. This itself qualifies the declaration of Tenkasi city as a 'C' class city. Government has already agreed in National Council of Joint Consultative Machinery for the Central Government employees on 19.8.1988, on the issue of upgradation of cities whose population is marginally less. This is a fit case for classification as 'C' class city.

SHRI G.M. BANATWALLA (Ponnani): Sir, a part of my statement about Bombay police firing was disallowed. Please allow that part also.

MR. SPEAKER: Whatever is under the rules will be allowed. Be it Banatwalla or any other Member. It has to be done under the rules and inside that parameter. It is my responsibility and your responsibility to make me able to carry it out.

SHRI G.M. BANATWALLA: Sir, the Government of India has rightly banned the blasphemous novel of Salman Rushdie, "Satanic Verses". It is, however, regrettable that several Western countries continue to patronize the book and its author and publishers. There is widespread righteous indignation against their attitude. Government of India should represent to the Governments of Great Britain and other countries through diplomatic channels not to give any quarter to blasphemy against any religion.

The matter be included for discussion in the business for next week.

PROF. SAIFUDDIN SOZ (Baramulla): Sir, I request that the following item may be included in the next week's agenda:—

All India Institute of Medical Sciences has a 350 member strong medical faculty, properly trained and competent to run this

prestigious institution. But it is not being allowed to function as a Referral Hospital.

Due to total lack of coordination among hospitals in Delhi, AIIMS remains under great strain due to ever-growing rush of patients. Strangely enough, first rate medical facilities in Safdarjung Hospital, just across the road, remain un-utilised.

Sporadic strikes by faculty members and others are nothing more than symptoms of the disease.

I would strongly urge the Minister of Health to organise a structural and qualitative change in AIIMS.

SHRIMATI JAYANTI PATNAIK (Cuttack): Sir, I request that the following may be included in the next week's agenda:—

Revision in royalty rates of coal has become due since February, 1985. The study group constituted by Ministry of Steel and Mines has submitted its recommendations long back. Royalty rates for all other minerals were revised in May, 1987 but royalty rates for coal have not been revised jeopardising State Government's efforts to mobilise additional resources. As prices of coal have been revised several times since February, 1985, Ministry of Steel and Mines should notify revised rates of royalty of coal immediately.

SHRI SOMNATH RATH (Aska): Sir, I request that the following may be included in the next week's agenda:—

Krishi Vigyan Kendra near Bhanjanagar, Ganjam district, Orissa, which is financed by the Indian Council of Agricultural Research (ICAR), was established four years back. Site for the Kendra has already been given by the State Government. Communication facilities are available but the Central has not made any progress. I urge upon the Government to advise ICAR to ensure that the Krishi Vigyan Kendra functions efficiently soon.

SHRI JAGANNATH PATTNAIK (Kalahandi): Sir, the following items may be included in the next week's agenda:—

Price rise in some of the essential commodities has become a matter of great concern. All round efforts should be made to see that it remains within a reasonable limit.

Despite the good monsoon in the country, there are areas suffering with severe drought due to lack of good monsoon. The House should discuss the matter.

[Translation]

SHRI NANDLAL CHOUDHARY (Sagar): Mr. Chairman, Sir, the following item may be included in the next week's list of business:

Only 3 percent of the total area of Sagar district in Madhya Pradesh is under irrigation. The approval to the proposed Bina River Project is being delayed. The project should be cleared immediately.

SHRI HARISH RAWAT (Almora): Mr. Speaker, sir, I request that the following item may be included in the next week's list of business presented by the hon. Minister of Parliamentary Affairs:

(i) The undue delay by Bachhawat Commission in presenting the final report regarding the pay scales of the working and non-working journalists of newspapers and news agencies is a matter of great concern. People had hoped that the Commission would provide them some relief from the burden of price rise.

(2) The commission was asked to submit its report by 31st December. Now it has been reported that its term has been extended upto 31st March, the date by which it will submit its final report. The people have their own apprehensions whether the

commission would be able to complete its work by the stipulated date. Boycott of the proceedings by the newspaper owners has deteriorated the situation. The Government should direct the commission to submit its final report positively by the 15th March.

Therefore, the matter needs to be discussed in the House.

[English]

SHRI BHADRESWAR TANTI (Kaliabor): Mr. Speaker, Sir, the following item may be included in the next week's business.

Assam is a major producing State of tea in the country. 66 per cent of foreign exchange is earned by Assam alone on account of tea. The State of Assam is losing a lot of revenue also. Hence, I request that the Government should seriously consider to shift the head offices of tea companies from Calcutta to Assam so that revenue is not lost.

SHRI H.K.L. BHAGAT: The wishes of the hon. Members have been noted for the Business Advisory Committee.

12.11 hrs.

MOTION OF THANKS ON THE
PRESIDENT'S ADDRESS—Contd.

[English]

MR. SPEAKER: The House will now take up further consideration of the following motion moved by Shri V.N. Gadgil and seconded by Shri R.L. Bhatia on the 23rd February, 1989:—

"That an Address be presented to the President in the following terms:

'That the Members of Lok Sabha

assembled in this Session are deeply grateful to the President for the Address which he has been pleased to deliver to both Houses of Parliament assembled together on the 21st February, 1989."

Hon. the Prime Minister.

THE PRIME MINISTER (SHRI RAJIV GANDHI): Mr. Speaker, Sir, I first like to thank the hon. Members for the high order of debate that has taken place on the President's Address, keeping with our parliamentary tradition and befitting of our flourishing democracy.

This is the last year of this Lok Sabha.

AN HON. MEMBER: Not Parliament.

SHRI RAJIV GANDHI: I said Lok Sabha....Something wrong with your head-
phone?

SHRI DINESH GOSWAMI (Guwahati): President said: "Parliament".

SHRI S. JAIPAL REDDY (Mahbubnagar): Something wrong with the Head of the Government... (*Interruptions*).

[*Translation*]

MR. SPEAKER: What is this, why do you behave like this?

[*English*]

SHRI RAJIV GANDHI: It is appropriate to look back at the challenges that we have encountered, our responses to those challenges and the tasks that lie ahead.

Sir, our vision that has guided us has been moulded by the vision of Gandhiji and Panditji, the vision of Indiraji. It is on that basis that we have faced these challenges. Our struggle has been to strengthen the unity and integrity of India. If you think back, at the time that this Lok Sabha was elected, there were tremendous doubts and ques-

tions in everybody's mind throughout the nation on these basic questions. Today that has been entirely removed.

Our struggle has been to remove poverty and to remove unemployment. We have worked during these years to build India's rightful place in the world. We have looked at a number of areas; the first and most important is peace and stability because without peace and stability there can be no development — peace and stability nationally in our region and internationally. We have worked to accelerate the economy because we felt that these are the two basic things that are needed for the development of our nation. We have brought peace and stability to Assam, to Mizoram, to Tripura, Darjeeling areas...

AN. HON. MEMBER: What about Punjab?

SHRI RAJIV GANDHI: I will talk at length on Punjab; relax.

SHRI BASUDEB ACHARIA (Bankura): There is Bodo agitation also.

MR. SPEAKER: Please do not interrupt.

[*Translation*]

SHRI RAJIV GANDHI: I do not mind. Let them be happy with such things.

[*English*]

Sir, regionally, Afghanistan is coming back to normal. We have reduced our tensions with China, to some degree with Pakistan and Sri Lanka, which was boiling over, is very rapidly coming back to normal.

Globally, the dialogue between the Soviet Union and the United States, which was at a complete standstill, is restored. The talks in disarmament are moving. The tension spots around the globe are slowly reducing in tension. We have worked during this period for a new world order; for new

international political relations; for new military relations in disarmament, and for new economic relations.

Nationally, our economy has been targetted at two things basically — at removing poverty and reducing unemployment. To do this we had needed rapid growth because without rapid growth we could not generate the resources that were required for investment in these two critical areas. We have looked for science and technology to be brought into the service of the poor as a multiplier of development, as a key in the development process. We have looked at the delivery system and streamlined the delivery system to see that our programmes are more effectively brought into the homes of the weaker sections. Most of all, we have strengthened our economy enough for it to start becoming competitive globally. This has been seen in the way our exporters have met the global challenges. We have looked at these challenges with new approaches and they have yielded encouraging results.

As I said, tensions have been reduced nationally, regionally and globally. Our economy has done well in very difficult circumstances. In the North East we have almost completely ended insurgency. We were tough with the insurgents. We gave no quarter. Yet we showed that the Government was ready to talk and to listen subject to only two conditions — violence to be given up and anything that is to be talked would be talked about only under our Constitution. We have shown that solutions are possible within the system as it exists today, without need for modification. We have shown that we are able to rise above party interests to national interests to bring about solutions. We have brought about full democratic participation in the North East. It is not a question of whether the Opposition or the Congress wins an election or loses an election. What is important is that the people of North East have had an opportunity to decide after many long years. We have ushered in democracy in the North East. We have set the stage for peace and stability and for development. And we offered to those few individuals in the North

East who are still outside the mainstream and outside the system to work with them, as we have done with the others, abjuring violence, working within the Constitution to find solutions to their problems.

There is a new problem coming up in Assam. It is a problem that the Assam Government must look after. The Home Ministry will give them all the assistance that will ask for. One problem, tension area, that has been difficult during these four years has been Punjab, Sir. In Punjab we have given no quarter to terrorism.

SHRI S. JAIPAL REDDY: What about Rode?

SHRI RAJIV GANDHI: Terrorists have been faced with tougher force than ever before. We worked with all to try and bring about peace. We started a political process. It had to be aborted because those in authority were not willing to stand firm against the forces of terrorism. Sir, we have stood firm; the people of Punjab have stood with us. I take this opportunity to think for a moment about all the martyrs and patriots who have given their lives in Punjab for national unity and integrity. I would also like to take this opportunity to thank those opposition parties who have worked with us in very difficult circumstances in Punjab. I speak specifically of the two Communist Parties in Punjab.

At the same time, I would like to point out that there have been occasions when we have not had the type of support from some sections, from some political parties that we would have expected in Punjab. Some examples Sir. We did not get unanimous support from the Opposition Parties on an issue as clear as 'Black Thunder'. Could any question be asked? But we did not get unanimous support. There were those amongst the Opposition who said that "Black Thunder" was wrong. I am very sad. Then, there are those who are today talking of a Sikh State. It is very unfortunate that some of the members of the Opposition did not realise what they were supporting these last few days.

[Sh. Rajiv Gandhi]

I would like to ask a few questions. May I read out a small section from a booklet Sir? This is a small booklet which, I believe, has been sponsored by certain members from the opposition parties. It says, "For the solution in Punjab firstly, the solemn commitment made before Independence" — I am not aware of any such solemn commitment — "for creation of an autonomous Sikh State within India should be honoured."

(Interruptions)

SHRI S. JAIPAL REDDY: What is he reading from?

[Translation]

SHRI NARAYAN CHAUBEY (Midnapore): What is the name of the book and who is its author?

(Interruptions)

[English]

SHRI RAJIV GANDHI: This is a booklet called 'The Sikh Case'. It is prepared by the Bhagat Mukti Morcha of Punjab.

(Interruptions)

[Translation]

MR. SPEAKER: Why are you making noise?

(Interruptions)

[English]

MR. SPEAKER: I will ask him. Please sit down.

(Interruptions)

SHRI V. SOBHANADREESWARA RAO (Vijayawada): He said that it should be above Party lines. Is it above Party lines?

(Interruptions)

SHRI RAJIV GANDHI: I must remind the hon. members of the House...

(Interruptions)

[Translation]

MR. SPEAKER: What are you doing?

[English]

SHRI SAIFUDDIN CHOWDHARY (Katwa): He has to give the name of the author... (Interruptions)

[Translation]

MR. SPEAKER: He can give the name only if you let him to do so. You are not keeping quiet.

[English]

SHRI RAJIV GANDHI: If you give me an opportunity, I will give the name.

(Interruptions)

[Translation]

MR. SPEAKER: That is what he is telling.

(Interruptions)

MR. SPEAKER: That is what he is telling.

(Interruptions)

MR. SPEAKER: Please sit down.

[English]

SHRI RAJIV GANDHI: Sir, the first thing I would like to say is when I speak of Members of the Opposition I mean Members of the Opposition not Members of the Opposition in either House. When I speak of Members of Opposition in the House I speak of Members of the Opposition in the House. But Members of Opposition include, when I

am saying that, look please understand I am including people in the Opposition who are not in the House but who have at times taken a position. Sir, I would like to read.

(Interruptions)

[Translation]

MR. SPEAKER: Why do you make noise?

[English]

SHRI V. SOBHANADREESWARA RAO: You cannot give an impression to the people outside the House that the Opposition is supporting that. Sir, why should he comment like that?

SHRI NARAYAN CHOUBEY: He is clubbing everything together. He is wrong.

SHRI RAJIV GANDHI: I am reading the first sentence of the foreward of this little booklet. This booklet was prepared by the Punjab Unit of the Bharat Mukhti Morcha at the instance of Shri Ram Jethmalani, M.P.

[Translation]

MR. SPEAKER: What is this all?

[English]

SHRI RAJIV GANDHI: "Is an endeavour to place before the general public and particularly the Opposition Leaders the Punjab problem and to suggest a just and amicable settlement."

Then the last sentence of the foreword or one of the last sentences of the foreword says:

"Special thanks are due to Mr. Ram Jethmalani who read the draft and made useful suggestions."

Now, I go to the suggestions which have been put to the Opposition Leaders as a just and amicable solution. The first solution that

is suggested...

(Interruptions)

SHRI S. JAIPAL REDDY: We have not seen the book. In all probability this book may have been published by RAW, by the Home Ministry.

MR. SPEAKER: Look here. You can disclaim that. You can rebut that. But what is in print is in print.

(Interruptions)

SHRI RAJIV GANDHI: Sir, what I was trying to point out...

(Interruptions)

SHRI RAJIV GANDHI: Sir, the first...

(Interruptions)

SHRI S. JAIPAL REDDY: He is trying to convey wrong signals.

(Interruptions)

SHRI RAJIV GANDHI: I am only trying to show you that there are things that perhaps you are not aware of and...

(Interruptions)

SHRI BASUDEB ACHARIA: We are aware of it. We have rejected it.

(Interruptions)

SHRI RAJIV GANDHI: Then, this is what I was talking about.

SHRI K.P. UNNIKRISHNAN (Badagara): We have rejected your assessment of Bhindranwale as a Saint also.

SHRI RAJIV GANDHI: It says that first... Sir, let me read out the solution. (Interruptions)

SHRI SAIFUDDIN CHOWDHARY: You are reading what we have rejected.

*(Interruptions)**[Translation]*

MR. SPEAKER: You have already rejected it.

(Interruptions)

MR. SPEAKER: Please listen. Why do you make a noise?

[English]

Will you sit down?

*(Interruptions)**[Translation]*

MR. SPEAKER: What objection do you have?

[English]

When you are not concerned with it.

*(Interruptions)**[Translation]*

What is your objection?

[English]

SHRI RAJIV GANDHI: Let me read this and I will tell you what I am trying to say.

*(Interruptions)**[Translation]*

SHRI HARISH RAWAT (Almora): Let him tell with whose support he has won.

(Interruptions)

MR. SPEAKER: You come to your point.

SHRI RAJIV GANDHI: I am coming to that.

[English]

Sir, the suggestions are, "firstly, the solemn commitment made before independence for the creation of an autonomous Sikh State within India be honoured."

Do we really want this?

Second, "Repeal the laws separating religion and politics."

Do we want this?

Third Sir, under the heading "Permanent Solution"...

*(Interruptions)**[Translation]*

MR. SPEAKER: What is wrong with you?

*(Interruptions)**[English]*

SHRI RAJIV GANDHI: Sir, sometimes the truth can be a little difficult to swallow.

[Translation]

MR. SPEAKER: It is not good on your part to interrupt like this.

*(Interruptions)**[English]*

PROF. MADHU DANDAVATE (Rajapur): Mr. Speaker, if the Prime Minister permits me to intervene for a second...

SHRI RAJIV GANDHI: No, Sir. I don't at the moment.

PROF. MADHU DANDAVATE: All right. Thank you.

SHRI RAJIV GANDHI: Thank you Dandavateji.

PROF. MADHU DANDAVATE: Thank you for your audacity. (*Interruptions*)

SHRI RAJIV GANDHI: "There being no..." This is the permanent solution, Sir... "There being no alternative to the formation of an autonomous State within India, the structure of such a State is what should engage the deliberations of the Opposition leaders."

And it goes on: "It must have full internal autonomy with complete control over its economy. Only Defence, Foreign Affairs Communications and Currency to be Central subjects." Is this any different from the Anandpur Resolution, Sir? (*Interruptions*) In the whole book, there is not mention of one person that the terrorists have killed. There is no mention of the martyrs who have died fighting for the unity and integrity of India. (*Interruptions*) The book spreads poison and nothing else, Sir. (*Interruptions*)

What I am asking, Sir is: what action have the friends of the gentleman who has sponsored this book taken against that gentleman? Was he not elected by the support of certain Opposition parties? (*Interruptions*)

PROF MADHU DANDAVATE: He asks the question; and he does not allow us to intervene. He asks the questions, and does not want an answer. (*Interruptions*)

SHRI S. JAIPAL REDDY: On a point of order, Sir.

SHRI RAJIV GANDHI: Some Members... (*Interruptions*)

SHRI S. JAIPAL REDDY: Can he keep on making statements without allowing us to speak, Sir? How can he get away with baseless and malicious statements? (*Interruptions*)

SHRI RAJIV GANDHI: I do not want to

argue the substance of that book. (*Interruptions*) What I am looking for is action by the members of the Opposition against the gentleman. That is what I want to see. (*Interruptions*)

SHRI HANNAN MOLLAH (Uluberia): What is the basis of his charge against the Opposition?

SHRI RAJIV GANDHI: Sir, I am not making any charge against the Opposition... (*Interruptions*) What I am asking is—I am asking the Opposition to take action against the gentleman, and to clarify... That is what I am asking for, Sir.

PROF MADHU DANDAVATE: He asks the question: 'What action you have taken,' And he does not want me to intervene and tell him clearly—so that all the controversies remain.

SHRI RAJIV GANDHI: Sir, he will have an opportunity to answer. (*Interruptions*)

SHRI BASUDEB ACHARIA: When?

[*Translation*]

MR. SPEAKER: You will get an opportunity afterwards.

[*English*]

He has said that.

SHRI S. JAIPAL REDDY: Just now.

PROF MADHU DANDAVATE: I will not defy you and intervene; but I should be given an opportunity to clarify the position of the Opposition. (*Interruptions*)

SHRI RAJIV GANDHI: One or two hon. Members... (*Interruptions*)

[Translation]

MR. SPEAKER: You are the only person who is wasting time, please sit down. You have already been given an opportunity. You spoke a lot, now let him make his submission. I gave you the whole day yesterday, but you didn't come.

[English]

Please sit down. I gave you the whole day, yesterday, to say certain things. And now let him say this. I gave you full day yesterday, because you did not come; but still I allowed you. Let us see. But not like this. You will have enough time. You were allowed enough time. You have been given enough time. You will have enough time. Now sit down. (Interruptions)

Behave like an hon. Member. Please sit down. Mr Jaipal Reddy, you are very much acrimonious. Please sit down. Please sit down now. I will name you otherwise. You sit down. You have tested my patience enough. Please sit down now. (Interruptions)

SHRI S. JAIPAL REDDY: You name the Prime Minister.

MR. SPEAKER: I will name you. Please sit down. Will you sit down, please?

(Interruptions)

SHRI RAJIV GANDHI: If the hon. Member wants time to answer this, I am willing to have a debate on the connections of certain members of the Opposition, connections with the terrorists. I am willing to have a debate. I will give you plenty of time.

DR. DATTA SAMANT (Bombay South Central): Let us have the debate now, Sir. This is too much. (Interruptions)

SHRI S. JAIPAL REDDY: Here and now, Sir. (Interruptions)

SHRI RAJIV GANDHI: Certain members, I said; not you, Acharia Ji. (Interruptions)

SHRI S. JAIPAL REDDY: Here and now we should have the debate. (Interruptions)

SHRI BASUDEB ACHARIA: When you are charging the members of the Opposition...

SHRI RAJIV GANDHI: It is not you, Acharia Ji. (Interruptions) Not Members of Parliament, necessarily. I am saying: members of the Opposition.

(Interruptions)

SHRI RAJIV GANDHI: Let me point out. I have not charged anybody. I have raised a particular issue. I would like to see action. I have not seen action.

(Interruptions)

MR. SPEAKER: Look here. There is a certain decency. Mr. Jaipal Reddy, you are crossing all the limits.

[Translation]

Why are you making noise, why are you interrupting?

[English]

Now you better behave. I will give you a chance.

(Interruptions)

MR. SPEAKER: You will be given a chance. You do not listen. You go on shouting all the time. You are so irrepresible, and this is not the proper way. Why can you not sit down?

(Interruptions)

MR. SPEAKER: Professor Sahib, tell him. Otherwise, I am going to name him. I am exasperated with him.

PROF. MADHU DANDAVATE: With your permission, I would like to point out to

you. Sir, he says, "I have some questions to the Opposition" and when we say "I am prepared to intervene and clarify the points so that you might not have any discussion on that", he is not prepared to yield. Anyway, I do not want to foist myself on you as well as the Prime Minister and the House, but give me an opportunity when his speech has been completed, I would like to clarify that point which he has raised.

[*Translation*]

MR. SPEAKER: Please sit down.

[*English*]

PROF. MADHU DANDAVATE: Mr. Speaker, all that I am requesting you is, since he has made a very highly controversial and provocative point, since he has not yielded, it is left to him. (*Interruptions*) Sir, can I not make a submission to you? Mr. Prime Minister, I am making a submission to the Speaker. I was saying that I do not want to interrupt the speech of the Prime Minister since he said, "I do not want to yield", I do not want to thrust myself on him or on the House, but after his observations are completed, I would like to clarify the points.

[*Translation*]

MR. SPEAKER: I have listened to you, now you listen to me. He has given assurance to give you an opportunity.

[*English*]

He has said it.

SHRI CHANDRA PRATAP NARAIN SINGH (Padrauna): You stopped me from speaking, but Prof. Dandavate is speaking and you are allowing him.

MR. SPEAKER: He asked my permission and I gave him permission. I gave him permission to speak and he spoke, and I have asked him to sit down. Mr. Jaipal has not got my permission and he is not on

record. And he is not going to be on record. Whether you or Mr. Jaipal, without my permission nothing goes on record.

(*Interruptions*)

[*Translation*]

MR. SPEAKER: Please take your seat.

[*English*]

This is the last warning to you. If you do not sit down, I will name you just now. It is enough of it.

(*Interruptions*)

MR. SPEAKER: I have heard. I have heard you. Now you sit down.

DR. DATTA SAMANT: He is saying that the Opposition is having links with the terrorists. Why not remove it from the records?

MR. SPEAKER: He is not saying that. He said something and you said something. He has a right to say something. You have a right to say something.

(*Interruptions*)

MR. SPEAKER: He may have some information in his possession.

(*Interruptions*)

MR. SPEAKER: Professor, he says that you will have an opportunity.

PROF. MADHU DANDAVATE: His saying is not sufficient. You are the Speaker. You have to decide. He is the leader of the House. You are the Speaker of Lok Sabha.

SHRI RAJIV GANDHI: Sir, unfortunately, yesterday I could not be present in the House. I believe some members from the Opposition have said that adequate attention was not paid to Punjab in the President's Address. Sir, we are paying the utmost attention to Punjab.

[Sh. Rajiv Gandhi]

I would like also to point out — this is a matter of interest — that in the seventy-one point, I think it was seventy-one or seventy-two point programme of the National Front — seventy-one point programme — Punjab appears as point-number 67. The relevance given to Punjab in the National Front Programme is No. 67! And what does it say? What is the earth-shattering statement that the National Front makes about Punjab? It states that immediate steps will be taken. That is all. Point 67 "immediate steps". Nothing more than that. No thinking has gone into it. This is the importance that the National Front has given to it... *(Interruptions)*

SHRI BASUDEB ACHARIA: Immediate steps will be taken to give it priority... *(Interruptions)*

SHRI RAJIV GANDHI: Sir, I do not know whether you have become a Member of the National Front or not. They are quite capable of protecting themselves... *(Interruptions)* Why are you protecting them?

Sir, the fact is that we have been taking Punjab very seriously... *(Interruptions)* We have taken Punjab seriously. I made two visits to Punjab... *(Interruptions)*

SHRI S. JAIPAL REDDY: What about Rode?

(Interruptions)

MR. SPEAKER: Should I now name you? You have crossed all the limits. All the time you are jumping up. There should be some decency. There should be some sort of a decorum in the House. You are all the time interrupting everything. Have you taken the monopoly of interrupting everything?

(Interruptions)

MR. SPEAKER: Now you are exceeding every limit.

*(Interruptions)**

MR. SPEAKER: He is not going on record.

(Interruptions)

SHRI RAJIV GANDHI: Sir, we have been taking Punjab very seriously. We saw the problem in Punjab, as I have said on a number of occasions in this House and outside, as a problem to be tackled on two fronts... *(Interruptions)*

SHRI V. SOBHANADREESWARA RAO: What is the ultimate result?... *(Interruptions)*

SHRI RAJIV GANDHI: On the one front, there is the problem of breaking the back of the fundamentalist and the linkages of the religious and fundamentalist terrorists with their supporters outside and with the religious institutions inside. The second is the hard action to see that the crime comes to an end. We have worked on both fronts. I visited Punjab twice last year... *(Interruptions)* Let me finish now.

Sir, twice I visited Punjab. Everywhere that I went, I got a very warm welcome, an enthusiastic welcome and an affectionate welcome... *(Interruptions)* Sir, the hon. Members have not gone to Punjab and they talk from here. Let them go there. Sir, one thing is very clear in Punjab that the people of Punjab have had enough of terrorism. The people of Punjab want peace. They want development and that is their priority today... *(Interruptions)*

I have checked my impression and I have found that the people of Punjab are convinced that terrorism must be ended and work for development must start. As I said, during these years we have broken the nexus with fundamentalism and secessionism... *(Interruptions)*

SHRI RAJIV GANDHI: Today there is only perhaps one group left which has any religious background at all. All the rest have been shattered and completely destroyed. This is a fact.

Sir, the gurdwaras today are no longer sanctuaries. The devout Sikhs in Punjab were shocked, shattered and distressed when they saw the type and the level of the desecration that was going on inside the gurdwaras by the so-called religious fanatics. They are extremists and terrorists of the highest order with no religion in themselves.

The Golden Temple has been restored to its pristine purity. The full *maryada* is being observed in the Golden Temple after a very long time. Over 20,000 devotees visited the Golden Temple on Makar Shankranti day. The social reform movement that had started based on terror and intimidation, has completely petered out; it is finished. Schools and colleges are normal or very near to normal. Over 50,000 children took their school leaving examination. The economy in Punjab is strong and robust in spite of the drought in '87 and floods in '88. The voluntary protection forces in the villages are working. Public activities like public meetings and other activities have started again. As I said, barring one or two groups, the terrorists have ceased to be a political force in Punjab. They are a criminal force. But they have ceased to be a political force. Today they are mixed up in drug trafficking, in smuggling and in looting. Amongst the people there is widespread revulsion of such criminal activities. Now is the time for us to double our efforts against terrorism and the criminals. And we are going to initiate just that. We are going to have very strong measures against those that are involved in such crimes. But now, that the political linkage has been broken with the terrorists, now that religious fundamentalism and terrorists have been separated, is the time, we feel, to start a normalisation process in Punjab. The first thing that we would like to do is to release the Jodhpur under-trials. All the Jodhpur under-trials will be released. Those that have other charges, will have normal prosecutions against them through the due process which will be done by the Punjab Government. Then the Punjab Government will start withdrawing the cases for objectionable speeches and I think, the written material — I forget what the exact terminology is

— the cases that are there against those individuals. We will remove the restrictions under the Foreigners Act for people to visit Punjab. The Disturbed Areas Act will be limited to the seriously disturbed areas of Punjab only and not to the whole of Punjab. The Special Armed Forces Act will also be limited to those parts of Punjab which are severely affected and not the whole of Punjab. TADA will be used very rarely. The National Security Act amendment will be withdrawn and it will revert to the parent Act. But most important is that the police functioning will be brought back to normal as rapidly as possible. A monitoring mechanism to guard against excesses will be set up very rapidly. Committees will be set up to monitor their functioning. We will set up district committees immediately and perhaps, if they are successful, sub-divisional committees which will look after the development process in Punjab. They will be Chaired by the D.Ms. and non-officials will be associated with the committees. Certain powers of decision-making, specially in the anti-poverty programme, will be given to these committees. They will also have an advisory role and a role for grievance redressal where problems can be brought and can be just sorted out. We are also organising a Village Defence Organisation which will be basically a non-political organisation consisting mainly of ex-servicemen, ex-policemen, ex-BSF, ex-CRPF, ex-uniform personnel, which will motivate the local people and run small village defence units.

The Panchayat elections which had been announced in September but for various reasons could not be held, mainly because of the floods, will be held starting in May this year and we hope they will be completed by the middle of the year.

We had promised to consult the Opposition Parties in Punjab and we will be doing that. The Cabinet Committee has had a number of internal meetings and they are ready now. So, we will start that process also. We would like suggestions from them on how to fight against terrorism and how to accelerate the return to normalcy.

[Sh. Rajiv Gandhi]

One other question has been raised a number of times and I believe that nobody wants to listen to an answer. That is the case of the Delhi riots and what has been done. 225 cases have been registered, with over 2,300 accused. More than half the cases are in the judicial process. Eleven cases have been concluded, with convictions against ninety people and six life imprisonments. To say that nothing has happened is categorically wrong. The legal process in India is a little slow. We are all aware of that. But it is also sure that it is working, it is grinding away in the right direction. Let us be clear, there is going to be no soft-peddling of the Delhi riot cases of those that have been involved in it. I have said so on the floor of this House before and I reiterate that today... (*Interruptions*).

We would wish to see the political process in Punjab completely restored. But there will be no relenting against the fight, against the terrorists and the criminals. We can only contemplate a return to the political process after we have countered terrorism without fear and without compromise.

Coming to Centre-State relations, which has been raised by a number of speaker, we have repeatedly said that we stand for good Centre-State relations and we have worked for that. Yes, of course, we have differences. We all have differences. We have differences with non-Congress governments in Opposition States, we also have differences with Congress governments in the States. It is not a question of Opposition or Congress, it is a question of a certain perspective from the Centre and a perspective from the State. Neither is right and neither is wrong. Each has a responsibility, each sees a picture, and the relations will develop as the nation moves ahead, as we establish our institutions, as we build our institutions. We have worked in that way. I see some of our Leftist Members smiling. Let me remind them that it was with our help that you were able to prevent the break up of Bengal. Let me remind you... (*Interruptions*).

That is the sort of help that we have been giving. That is, when it comes to the crunch, we have stood with the States. We have not let down the States at any time. Whether it is question of national calamities or difficulties that the States go through, we have always done our best to work with the States. Where we have felt that the States are doing something which is prejudicial to the interest of the strength of the Central Government, to the interest of the unity and integrity, in a long term perspective that we see from the Centre, we may be corrected ten years from now when others look back and look at history and say 'yes it could have been otherwise'. Well, that is our view on an issue and it is our responsibility to protect the unity and integrity of the country and not to show weakness in such areas. Our attempt will always be to sit down across the table and discuss these issues and sort them out and that is how we would like to deal with you.

I just like to quote a couple of quotations from Gandhiji. Our attitude to Centre-State relations is based on these quotations and on Gandhiji's view. At the Round Table Conference in 1931, Gandhiji described the Congress in the following terms. I quote:

"It is what it means: "national". It represents no particular community, no particular class, no particular interest. It claims to represent all Indian interests and all classes."

He went on to add:

"Above all, the Congress represents in its essence the dumb semi-starved millions scattered over the length and breadth of the land in its 700,000 villages. Every interest which, in the opinion of the Congress, is worthy of protection has to subserve the interests of these dumb millions and so you do find now and again apparently a clash between several interests. But if there is a genuine real clash, I have no hesitation in saying on behalf of the Congress that the Congress will sacrifice every interest for the sake of the interest of these

millions."

(Interruptions)

SHRI BASUDEB ACHARIA: It was a different Congress party. (Interruptions)

SHRI V. SOBHANADREESWARA RAO: That was not this Congress. That was a different Congress. (Interruptions)

SHRI RAJIV GANDHI: Sir, some of them perhaps took objection to some of the words that Gandhiji used such as "represent to particular community or class."

(Interruptions)

SHRI RAJIV GANDHI: Perhaps that is why they had to leave the Congress because we represent all communities and all classes, and some people found that a little difficult.

SHRI BASUDEB ACHARIA: You represent only one community. (Interruptions)

SHRI RAJIV GANDHI: If the hat fits, everybody is welcome to wear it. (Interruptions) Sir, turning to our economic performance, during these years our basic thrust, as I said, has been on removing poverty and on removing unemployment. The Seventh Plan was built around these thrusts. We have had significant achievements during these four years. The 1987 drought was handled impeccably and I would like to thank all the Governments that were involved, all the administrations that were involved but most of all, I would like to thank the farmers, the 'khet mazdoor' in the field. I would like to thank the mazdoor in the industries and the infrastructure which kept it going.

SHRI BASUDEB ACHARIA: What about 1,70,000 industrial units which were closed down and workers have been out of job?

SHRI RAJIV GANDHI: Sir, during the drought, the momentum of growth was maintained. For the first time, in such a

severe drought, we had a positive growth rate not only positive growth rate but a growth rate of 3.6% and I would like to remind some of our friends who today are sitting opposite us that there was a drought when we were sitting opposite them in 1979.

13.00 hrs.

It was a very mild drought, Sir, nowhere near as severe as the drought we had this time and during that drought, the growth rate was minus 4.7 per cent. (Interruptions). That is the performance we have to compare. Sir, this year, the growth rate will be just under 10 per cent giving an average of over 5 per cent which is above the 5 per cent target that we set for the Seventh Plan. I thought I heard someone say that the economy has been an epitome of stagnation. All I can say is that perhaps they have not kept their eyes and ears open, or perhaps they have not wanted to see.

Sir, we have made good use of the rain, the grain output is above a very ambitious target that we have set, it will perhaps cross a 170 million tonnes which is 20 million tonnes over and above the previous peak that we had in 1983-84. It is a record crop for cotton, for sugarcane and for oilseeds. During this period we have also had a very good response from industry. The average growth rate has been 8 per cent in the first three years and is likely to be above 9 per cent for the Eighth Plan. The economy is clearly on an accelerating growth path. The Central Plan outlay for the Sixth Plan was 90 per cent of the projected outlay. It was a new record for the Sixth Plan. For the Seventh Plan it is going to be 115 per cent, another new record, and this is in real terms. Like I have said, Sir, this Government is committed to the planning process and we have demonstrated it unlike some others who just rolled along. For this achievement, this is the national achievement, and for that we must also thank all our friends because the nation includes everybody. But I would particularly like to thank the kisans, the khet mazdoors—the mazdoors who have made this possible. It is the people of India who have stood up to

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the drought, who have seized the opportunities of the good rainfall, who have brought our economy above the targeted growth path. The economy is buoyant and the growth has been accompanied by poverty alleviation plus substantial employment generation. Consider the expenditure on the poverty alleviation programmes. And here I would like to include not just the allocations for the rural development departments, but also the other departments which are dedicated to poverty alleviation, which means the rural development department for the anti-poverty programme plus the welfare programme for the poor, plus the human resource development programmes for the poor. The expenditure figures in 1980-81 was 1.6 per cent, of GNP. In 1985-86 we had raised this to 2.3 per cent, in 1989-90 we have raised it to 2.5 per cent. Over Rs. 9000 crores if committed for the poorer sections in our society.

Sir, there have been some new initiatives in the Budget. The ICDS programme which looks after perhaps the weakest sections in our society, i.e., the children of the poor, has been expanded by approximately one-third to reach 2,200 blocks. It is only limited. We wanted to do more. But we were not able to do more, not because of paucity of funds or lack of will to give the funds but because the infrastructure and the people required to run the programme were not available at the grassroot level to do a faster and more rapid expansion.

Sir, in this Budget, we have given saarees free for destitute women. Productive employment will give a new thrust to accelerated growth. We have done this by soaking up surpluses from the rich, specially for the Jawaharlal Nehru Rojgar Yojana. This will be supplemented by merging and re-vamping the NREP and RLEGP programmes. The administrative measures will focus on unemployment and the unorganised labours. We will upgrade employment policy in the Planning Commission. We will also see how we can strengthen the Depart-

ments that are looking at rural works and rural development to include rural employment and also the National Commission on Rural Labour. We will ask the Urban Development Ministry to give a new thrust to employment intensive sectors like the construction sector and the services sector. All economic Ministries will be focussing, will set their focus on activities that have implication for increased employment. The work has already been started on this.

Sir, the allegation that some Members have made that the anti-poverty programme are starved is absolutely not true. Some said that the anti-poverty programmes are starved. Some said, there is nothing in the Budget for poverty removal. How myopic can they be? If they have not read it, they could have at least heard it.

SHRI BASUDEB ACHARIA: Will are not discussing the Budget. That will come later on.

SHRI RAJIV GANDHI: What it really shows is poverty of truth amongst some Members.

THE MINISTER OF ENERGY (SHRI VASANT SATHE): Some Members. Don't jump up.

SHRI RAJIV GANDHI: Some feel guilty.

The War on poverty has been not just a war fought by funding standard departments more. It is a war that we are fighting by including hi-tech, middle technology and low technology. For example, for drinking water, we are using high technology such as satellite imagery and certain types of nuclear soundings. On the low side is our programme for guinea-worm eradication. We have changed the method of implementation of our scientific programmes and converted them into a societal technology mission which focus technology for solutions to problems of the average person in his daily needs. It is the first time that high technology has been so focussed. It is giving a multiplier effect to the investments and resources that

we are committing to these programmes.

Immunisation, for example, has vaccines as very high-tech, the cold chain system as the middle technology and disposable syringes as low technology. In agriculture, bio technology of the highest levels is being used to help our farmers and low technologies are being used to include oil *ghanis* in the oilseeds programme. The overall approach is imaginative, innovative and modern.

But there is one area of the economy which is causing us concern, and that is prices. They are running higher than we would like and it is causing special difficulties for the poorer and the weaker sections and specially in certain sensitive commodity areas. Prices need to be controlled and we will take action. There are two types of action; certain action has already been visible in the Budget that has been laid on the Table of the House. One of the areas that pushes prices up is the deficit. This year we have reduced the deficit for the first time after many years from the previous year.

One of the Members has spoken, I believe, outside the House, who said that the problem is whether the deficit will be exceeded or will it be maintained. I would like to just point out for his benefit that at the time when the Budget was being handled by some who are in the Opposition today the deficit drifted to Rs. 4,500 crores above the Budget estimates. Since then, in 1987-88 it was only Rs. 126 crores above the Budget estimates and in 1988-89, it was only Rs. 456 crores above the Budget estimates.

We have kept a very tight lid on the deficit and we are going to keep it on this year also.

I am specially glad to see all our Ministers thumping the tables because they are the ones who will be running for flexibility in these areas and I would like to remind them at that time.

PROF. MADHU DANDAVATE: Whatever you say, they will always thump.

SHRI RAJIV GANDHI: We will also use the PDS to control inflation. In the last two years, over 9,000 new outlets have been increased. This is one and a half to twice the target that was set.

The other area of worry is the balance of payments. Control on the deficit will help control the balance of payments also. The Budget measures have already been taken and other measures to boost the exports. It is the bulk purchases which are causing some of the problems. Sophisticated indirect measures are needed to restrict the rise in imports. For example, curbs in certain areas compatible with economic efficiency, fiscal curbs on luxury goods which have large import contents and we have already looked to that. We will be doing more. One area that I have been speaking about for a long time which is now coming to a stage where we will be ready perhaps to bring a Bill, hopefully during this Session but definitely by the next Session, is the area of panchayati raj and devolution. Let me here again say very categorically. This is not an issue of Centre versus State and that is not how we would like to look at it. That is not how we would like to work it. It is not an issue of Congress versus non-Congress. We have no intention of bypassing the State Governments. Let me clarify. We are not attempting to rule the districts from Delhi. What we want to do is to help the people to rule their own lives. We are not attempting to erode the States' authority. We are only attempting to reinforce the people's authority. We are not attempting to alter the basic structure of the Constitution. But, we are attempting to realise the vision in the Constitution.

PROF. N.G. RANGA (Guntur): Go back to Mahatma Gandhi.

SHRI RAJIV GANDHI: We are determined to realise Gandhiji's dreams of democracy commencing from the villages. The Constitution conferred on the States, the responsibility for realising that dream but that dream has not been fulfilled. We are determined to realise that dream.

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When we are ready we will call a Conference of State Chief Ministers. The fear that State Chief Ministers will not be consulted is only a paranoia and perhaps motivated malice.

Sir, we have brought out the National Perspective Plan for women. It has certain recommendations and the following measures, we feel, we can start implementing immediately. Sir, the asset distribution should be jointly in the names or singly in the names of the women for the Wasteland that are distributed, for the surplus ceiling lands, for house-sites, for the Indira Awas Yojana. In the Poverty Alleviation Programmes, 30 per cent will be women beneficiaries. Reservations in local bodies shall be recommended to the States. Reservations in National Development efforts such as the Planning Commission and other areas, we will try and see that it comes in and we will commend it for the States also to do the same. We will also try and see that the right proportion of women are in the recruitment organisations such as the UPSC and we will commend it also to the States Governments. (Interruptions)

SHRI V. SOBHANADREESWARA RAO (Vijayawada): We have already done this in our State of A.P. (Interruptions)

SHRI RAJIV GANDHI: We will have a Commissioner for the rights of women who will take timely action in cases of atrocities.

Sir, on the international front, India's prestige has risen to a level that it had never been at before. Our foreign policy has given broad support to the initiatives that were started by Pandit-ji and Indira-ji. We have been successful in contributing to the change in the international climate, to the change in the regional climate. We have been part of the efforts for reducing tensions in many parts of the world. My visit to China was the culmination of a process started by Indira-ji. A Joint Working Group will be set up to jointly consider measures for fair, reason-

able and a mutually acceptable solution. It will also look at steps to maintain peace and tranquility in the border areas. Agreements on bilateral cooperation were signed. A Committee was set up and they will look at economic relations, trade relations and relations in Science and Technology. Special emphasis was laid on building future relations between India and China on the principles of *Panchsheel*. We have also decided to work together on the principles of *Panchsheel* for a new, more equitable world order-political and economic.

Sir, China and India constitute over one-third of humanity. We can make major contribution to world peace and prosperity.

Sir, my visit to Pakistan, after the restoration of democracy in Pakistan, has started the process of improving relations between our countries. A dialogue that was initiated with their Prime Minister has helped reduce some of the tensions and work in the other tension-areas has started in earnest. We look forward to improved long-term relations and we look forward to complete normalisation. Sir, Sri Lanka, after a long help is returning very rapidly to normalcy and to a normal democratic path. The Agreement of 1987 has been almost completely implemented. The turn-out of voters in spite of threats has been very heartening and the devolution has been particularly good. The IPKF continues its operations and it will do so till the Tamils and the Government of Sri Lanka feel that they are necessary. We would like to thank the IPKF for the job they have done. We commend the job that they have done. We salute their achievements.

On disarmament and non-violence, India has a unique record particularly in bringing both these ideas home to the world. After many decades of struggle, for the first time, major countries in the world are accepting non-violence and non-alignment as basic tenets for the development of civilisation. These are ideas going back to Gandhiji and Panditji and these are the ideas that we have to build the future of the world upon. And at this juncture, when there are rapidly

changing relationships in the world, it is all the more important for us to work towards these ends.

Sir, in conclusion, I would like to appeal to all Members to join us in supporting the Motion of Thanks to the President and to thank him for his gracious Address to Parliament. Thank you.

PROF. MADHU DANDAVATE: Mr. Speaker. I am happy that you have given me an opportunity to clarify only one point..... (Interruptions)

I think, I am speaking with your permission. Kindly tell him. (Interruptions)

[Translation]

SHRI RAMESHWAR NEEKHRA (Hosangabad): Mr. Speaker, I will like to request the hon. Member, through you to restrain Shri Jaipal Reddy of his party. He is in the habit of interrupting us and now he expects us to listen to him seriously.

MR. SPEAKER: You also want to emulate Shri Jaipal.

SHRI RAMESHWAR NEEKHRA: We do not want to emulate him but this is our request.

[English]

PROF. MADHU DANDAVATE: Mr. Speaker, Sir, in the course of his intervention, the Prime Minister has made certain comments. Sir, it is not customary for any Member to make any reply. But I sought his permission. He said: "not now." And you said: "afterwards I can make the observation." I will only pick up one point to put the record straight. As far as my party—and I may say that even the position of the opposition Member—is concerned, Sir, not only we are opposed to theocratic State in the country as a whole but we are also totally opposed in this land of Gandhi for any autonomous State which will be restricted to any religion and any community in any part

of India. That is one thing. Secondly.....(Interruptions)

SHRI SHANTARAM NAIK (Panaji): Show it in action.

PROF. MADHU DANDAVATE: Please. Let me clarify second point. He read out one booklet published by Bharat Mukti Morcha. I may humbly point out to you that even the title of the booklet and what is contained inside the booklet is so contradictory that those who have written that booklet, probably, there appears to be a bundle of contradiction. I will just point out to you one contradiction. He has said that the booklet is titled, "Case for a Sikh State." Whereas, inside, it is said, this State, that is, autonomous State and ' quote:

"It should be comprised of all contiguous Punjabi speaking areas without bringing in the consideration of any community. The time-tested Sachar/regional formula is ideally suited."

Even if they are proposing this, that would conflict with a Sikh State. And I wish to make it clear that in this House, on behalf of my party and on behalf of the opposition as such that the division of India in 1947 was the first and the last. And we shall not tolerate any division of the country on the basis of religion and community. And as far as that point is concerned, I moved an amendment. Sir, you blessed it. That was also accepted. And we are informing all those who are connected with this Mukti Morcha that that is not the position not only of Janata but any other opposition party in this country.

SHRI RAJIV GANDHI: Sir, I would like to thank the hon. Member for the stand that he has taken. I would also like to point out that(Interruptions)

PROF. MADHU DANDAVATE: Just a minute, I forgot one point. Another point; I said that 1947 division was the first and the last. Here is a Constituent Assembly Member, Prof. Ranga. Even Congress leaders who accepted the division of India under

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compelling situation made it clear that we have not accepted the two nation theory based on religion. Therefore we are proud that India is the second largest country in the world where there is the largest Muslim population. It is not Pakistan; but it is India. Because we have not accepted the two nation theory.

SHRI RAJIV GANDHI: Sir, the name that I read out in the book, Mr. Jethmalani, I believe has also written a letter commending that book to various people. To the best of my recollection the Hon. Member was elected from a State where the Hon. Member's party supported him to win...*(Interruptions)*... sponsored him.

I would look forward to the Janata Party or the Janata Dal or whatever it is now I am not too sure, or Front or whatever it is. *(Interruptions)*... should take some action against the gentleman. Has any action been taken?

Yes, I know Hon. Member Dandavateji's position on this. I have no doubt on Dandavateji's integrity or nationalism or patriotism. But what action are they taking with that Member? *(Interruptions)*

PROF. MADHU DANDAVATE: Leave it to us. We have never asked the Prime Minister what action he will take against the person who had taken a contradictory stand on the Muslim Personal Law and also on Shah Bano's case...*(Interruptions)*... We will sort it out. We will assure the House...*(Interruptions)*... It is not for him to suggest that we do this.

DR.V. VENKATESH (Kolar): About Mandal Commission I want to ask Sir.

MR. SPEAKER: No. Not allowed. This is not a debate.

SHRI RAJIV GANDHI: Sir, the letter was written in the beginning of September 1988. It is now five months, six months

already.

MR. SPEAKER: A number of amendments have been moved by Members to the Motion of Thanks. Shall I put all the amendments to the vote of the House together or does any Hon. Member want any particular amendment to be put separately? I find nobody is pressing. I shall now put all the amendments together to the vote of the House.

The amendments were put and negatived

MR. SPEAKER: I shall now put the main Motion to the vote of the House.

The question is:

"That an Address be presented to the President in the following terms:-

'That the Members of Lok Sabha assembled in this session are deeply grateful to the President for the Address which he has been pleased to deliver to both Houses of Parliament assembled together on the 21st February, 1989.'

The motion was adopted.

MR. SPEAKER: We shall reassemble at 2.30 p.m. after Lunch.

The Lok Sabha adjourned for Lunch till half past Fourteen of the clock.

The Lok Sabha re-assembled after Lunch at thirty-six minutes past Fourteen of the Clock

[MR. DEPUTY SPEAKER *in the chair*]

RAILWAY BUDGET 1989-90—GENERAL DISCUSSION

[*English*]

MR. DEPUTY SPEAKER: Now, we shall take up general discussion on the Railway Budget for 1989-90. Prof. Madhu

Dandavate may initiate the discussion.

PROF. MADHU DANDAVATE (Rajapur): Mr. Deputy Speaker, Sir, in offering my observations on the Railway Budget for 1989-90, at the very outset, I would like to make it clear that my criticism would not be directed against the Minister nor the officials of the Railways because I know it from personal knowledge that as far as the Railway cadre is concerned, that is one of the best in the world. That's why wherever the talk of rehabilitation of ruined railways was to be undertaken as in Nigeria, it is our cadre of the Railways that was sought for. Therefore, my criticism would not be directed against individuals. But I would like to concentrate on the imperative need to make certain changes in our systems and policies and particularly the financial and technological innovations and more so, the Centre's approach to the Railways, particularly in connection with the financial assistance to be given to the Railways. It is in that context that I would try to analyse the entire Railway Budget.

We find that probably for no fault of the Railways, the Railways have to face stagnancy as far as the system is concerned. We are proud that ours is the second largest railway under single management in the world. The network has remained stagnant at 61,000 route kilometres. A crore of passengers travel on the trains. When we are conducting the proceedings of this House at this point of time, more than a crore of passengers—suburban and non-suburban are travelling on the trains. Every day, our Railways are carrying the freight of the order of nine lakh tonnes. Due to various factors, the Railways are facing financial stringency.

Rather than going to only what lines are to be laid and what lines are to be converted, I would like to concentrate on basic problems. I would crave your indulgence to give me a little more time. For three days, we were absent. I would like the backlog to be utilised.

Let me come to certain financial contradictions. The financial arrangements, as far

as the finances of the Railways are concerned, are such that unfortunately they have to solely depend upon the resources that are mopped up through increase in freight rates and passenger fares. I am not raising the question in a theoretical way. I would substantiate this point on the basis of traffic pattern as it exists and has been projected in this very Budget very ably by the Ministry of Railways. Increase in freights and fares has become inevitable consequence. The Railway Minister for generating internal resources has to rely on this. You will be surprised to know that as more and more revenue earning traffic grows, more and more burdens are to be thrown on those who conduct the freights and those who act as passengers. I would like to quote very interesting figures. I will show you the trend that the revenue earning traffic of the Railways went up and in spite of that, the freights and passenger fares went up in order to mop up the revenues. In 1980-81, the revenue earning traffic was 195 million tonnes and at that time the increase in freight rates and fares was Rs. 204 crores. In 1981-82, the traffic went up to 221 million tonnes and the resources raised to Rs. 436 crores. In 1982-83 the revenue earning traffic was 228 million tonnes and the increase in freight rates and fares was Rs. 261 crores. In 1983-84, the traffic was 230 million tonnes and the amount was Rs. 489 crores. In 1984-85, the traffic was 236 million tonnes and the amount was Rs. 114 crores. In 1985-86, traffic was 258 million tonnes and the amount was Rs. 495 crores. In 1986-87, the traffic was 277 million tonnes and the amount was Rs. 396 crores. In 1987-88, the traffic was 290 million tonnes and the increase in freight rates and fares was Rs. 507 crores. As per the revised estimate, the traffic was 303 million tonnes in 1988-89 and the increase comes to Rs. 622 crores. For 1989-90, as per the Budget estimate, the revenue earning traffic is 316 million tonnes which is a fine performance and since we had the maximum tonnage, the amount has increased to Rs. 876 crores. I have omitted the decimals while giving the figures. Right from 1980-81 to 1989-90, we have a record performance, record movement of the

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freights and we have the record increase in freight rates and fares. So, better performance brings better burdens. That seems to be the relationship between the finances and the rate of traffic. This is happening because certain changes are needed. Railway Minister alone or Railway Administration alone cannot be blamed. We as a whole, the Central Government and the Parliament have to address ourselves to this particular proposition. If we consider the allocations that have been made, the plan outlay for the Railways, if they are considered in all the Five Year Plans, from the First to the Seventh, it may appear that in absolute figures, the outlay has gone up. But merely the outlay going up in absolute terms is not sufficient. What is the percentage of GNP that has actually given this outlay is more important. Therefore, you will find that in the First Plan, i.e., 1951-56, the expenditure on Railways as a percentage of total plan expenditure was 11.05 per cent and the actual allocation comes to Rs. 217 crores. For the Second Plan, i.e., 1956-61, the percentage was 15.43 per cent and for the Third Plan, i.e., 1961-66, the percentage figures is 15.45 and all of a sudden, we find a drop in the Fourth Plan, i.e., 1969-74, the outlay for the Railways came down to 5.92 per cent. In the Fifth Plan, it is 5.99 per cent. Again in the Sixth Plan, it came down to 5.23 per cent. In this terminal year, the figure for the entire Seventh Plan is 6.9 per cent. I know that the Central Government and the Planning Commission will say that in the First Plan they have given Rs. 217 crores and Rs. 12334 crores for the Seventh Plan. But they forget that there is increase in passengers fares and passenger force is bound to increase because of population growth in the country. When the population grows, the passengers are bound to grow. One foreigner who came to India asked me as to how many people travel by train everyday. I replied as one crore. The population is 80 crores and 1/80th of the population travel by train. I took him to Bihar and he found that a number of people are travelling on the ceiling. He was surprised. I told him that while

we want to put a ceiling on the population, but these people are on the ceiling of the Railways. Population is growing. More people are travelling and hence more mobility from one place to the other. As a result, passenger service grows but the network remains constant. In supposition of this, the working expenditure is going up. For the better performance of the Railways, the Centre should be able to give better allocation in terms of percentage and absolute terms. But the figures has come to 6.9 per cent. The Railways need be considered as a single department. For the performance of steel sector, coal sector, industrial sector, movement of foodgrains, etc. everyone has to depend on the Railways. Therefore, it should not be treated as allocation only for one department of the Government. The Parliament must pressurise the Government, the Planning Commission and the Finance Commission to see that better funds are made available to the Ministry of Railways so that they will be able to show better performance.

As far as financial constraint and Capital Structure Committee recommendations are concerned, they are important. In 1924, the Railway finances are separated from the general finances and till 1977, the same old capital structure and the finance system has continued. The Capital Structure Committee made certain recommendations. I am glad that some of them are also implemented. For instance, all dividends, liabilities will be treated as deferred liabilities. It is a very good reform but there are so many things that have to be gone through. The Committee made so many conditions. One problem is that of the dividends. Formerly, whenever any project was undertaken by the Railways, we have to borrow the capital from the general revenues and on that 6 or 6.5 per cent dividend had to be paid. Sometimes, the dividend liability was such that the Minister could not manage from the funds of the Railways, from the Budgetary provisions and therefore, they would borrow from the general revenues to pay the dividends to them. It is something like interest on interest. These are the days for compound interest.

The troubles are also compound. We find that the phenomenon itself was most disastrous. Therefore, one very significant recommendation of the Committee has been accepted that only when surpluses are mopped up, at that time, the dividend shall be paid and if the Railways are in the red, then all those dividends and liabilities should be treated as deferred liabilities. They should be paid only when the finances are improved. This is one aspect. But there are many other aspects. For instance, there are new lines that have to be constructed. Now, the Planning Commission insists that unless there is a substantial return on those lines, the lines should not be granted. What could the poor Minister do? He gives an assurance that the matter is under consideration, and in Planning Commission, the matter is out of consideration and the game is over. It happens because the traditional norms of returns on the lines and projects are being followed. As far as the backward areas are concerned, even in the question of dividend liabilities and the dividends to be paid, just as we have got certain concessions and reservations for the weaker section in the society, preferential opportunity must be given to the railways. Very often friends coming from Orissa, Bihar, Madhya Pradesh, Vidarbha, Marathwada, Konkan and other southern areas, or whichever are the backward regions or backward areas, they always demand for more and more railways, not because they want to have the glory of the railways, but they know that the railways are the infrastructure for development. More railways means more development and more development means more progress of that particular State. But if you go to the Planning Commission, they say—Give us the figures as to what will be the return. Return is always there if there is industrial development. When you go to any public sector or to any private entrepreneur to tell them to put up industries in the backward areas, they say, where is the infrastructure of the railways to carry raw material and carry the finished products. When we go to the Planning Commission, they say, where are the industries, so that they can give the railways and get the return. The question is,

whether the hen comes first or the egg comes first. Those of us who are non-vegetarians, we prefer both. And, therefore, we would always want that let there be a parallel movement, do not talk of whether this comes first and whether the other comes first. Allow the backward areas to develop the railways and you will find that gradually the industries would come up, and that would be better for the India as a whole. But in the intermediate transitional period, they would not be able to give the returns. There would be losses on such construction projects. When the capital is borrowed from the Centre, we have to pay large dividends. The recommendation that was made by the Capital Structure Committee was that whenever especially the lines in the backward areas are undertaken, for these construction projects, you should exempt them from the dividend so that there should be less losses; they will have a little elbow room. That is the parameter that has to be accepted.

Then, the social burden. Ours is one of the unique railways in the world which has to bear the entire social burden on its own. The social burden was more than Rs. 1653 crores in 1987-88. The figures for this year will have to be computed afterwards. But that much was the social burden in 1987-88.

I would very much like and would like the Parliament united to request the Planning Commission that as far as the social burdens are borne by the railways, they do not bear only for the profits or advantages of the railways; they do it as a social burden, they do it for the entire country. For instance, defence materials have to be moved and there is a concession; foodgrains have to be moved and there is a concession on that. There is priority, A, B, C, D etc. and accordingly you will find that different concessions and priorities are given. All this is done and the social burdens are held more in the interest of the country's economy as a whole. They should take note of it.

You may raise the question if there is any precedent. For the conviction of this House, I would like to point out that in U.K.,

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the British Railways were given public services obligation grant by their Central Government of the order of 803.8 million pounds in 1987-88, the same year of which I have mentioned the figure of our social burdens. The Swiss Federal Government during 1987 subsidized their railways to the extent of Swiss Francs 510 million as compensation towards regional passenger traffic. They took that much responsibility. Then Deutsch Marks 13,68609 million were given by the Federal Republic of Germany towards compensation of social service. Canada's Federal Government gave for four years Canadian Dollars 300 million for rehabilitating branch lines. Then, nearer home, Japan gave Yen 93000 million toward social burden. Then, France Government gave French Francs 3500 million to the railways there towards social burden. For the lines in the backward areas, this will be of a great advantages in India. If either partially or fully, the social burdens of the railways are lifted by the general revenues and I have quoted precedents of a number of countries; not that we are asking to have the same pattern in this country. It is quite different from the pattern there, because there the railways are run very efficiently. Japanese railways are supposed to be very efficient. The famous bullet railway is in Japan. But they are able to try this experiment, because they are not required to bear the entire social burden on their own; they are given requisite help subsidies and assistance from their respective Government.

15.00 hrs.

Look at the working expenses and receipts. The total receipts at the present level of freight and passenger rates are Rs. 9757 crores. The miscellaneous receipts we are told are Rs. 100 crores. Through increase in freights, the railways will mop up Rs. 876 crores. This being an election year, he has not touched the passengers; he has touched only the freight. But touching the freight means not touching the hands of the passengers, but touching the pockets of the

passengers. When the freight goes up, it will have an inflationary pressure. The whole economy will be disturbed, the traders will take advantage, the producers will take advantages and the prices of the commodities will go up. We will, therefore, clap the Minister that the passengers are not affected. But while we are clapping, somebody puts his hand in our pocket, taking advantage of our applause, and takes away the money. That is what is happening. Therefore, in totality the gross receipts will be Rs. 10733 crores, the working expenditure is Rs. 9788 crores, dividend liabilities are Rs. 805 crores. That means the gross expenditure is Rs. 1059 crores. Therefore, the surplus comes to Rs. 140 crores. Do you think that will remain in the pocket of the Minister, not individual I mean institutionally? Not that, because that has to be adjusted against the dividend fund. And, therefore, ultimately though here he will be telling the House that the surplus is Rs. 140 crores, what has happened, it is very beautifully adjusted and balanced with the dividend fund. So, ultimately the entire budget is balanced and we get stagnancy; not because the railwaymen have not worked, not because the officers have not worked, not because the technicians have not worked, not because the Railway minister has not applied his mind, but the system is such that the Railway Minister has to function within the parameters that have been provided to them. And, therefore, within that he tries to have more elbow room or more cushions here and there and try to run the railway and try to have resource mobilisation.

Sir, economy is need from technological innovation and financial devices. I would like to state this point. Energy and fuel conserving designs are needed. Railways have some of the best scientists. RDSO is doing very good work. It may be encouraged to have more and more innovations. We must try to use the technology, machines and engines. At every level, whatever machine or whatever engine we utilise the entire design can be made in such a manner that we can conserve the fuel and we can conserve the energy. It is possible to do; not that

the Railways have not done it. Railways have succeeded to some extent but further innovation is necessary and we should concentrate on this point so that we have the machinery and technology which will conserve the fuel and energy.

Take for instance the three types of tractions. The Minister has made a very welcome declaration. He says that by 2000 year the steam traction would be completely phased out. We have steam traction, diesel traction and electric traction. Due to inflation figures might have changed slightly but if I remember rightly, if we take a train weighing 1000 tonnes moving with 1000 gross tonne km haulage, the expenditure for steam traction will be Rs. 12/Km, for Diesel traction it will be Rs. 6/Km and for the electric traction it will be Rs. 3/Km. These figures might have become outdated because fortunately we have economy in which the prices go up and as a result of that you will find that all this pattern might slightly change but this will give you the relative ratio. Therefore, when we want more and more electric traction, it is not because we want the sophisticated traction but fuel-wise and energy-wise it is more paying. Therefore, that has to be done.

The Raj Committee Report is already there with the Minister. They try to investigate why electric traction is not possible on a bigger scale. The real constraint of the Ministry is that if you try to have electrification of the routes the preliminary investment that is required for the electrification of 1 km route is of the order of about Rs. 10 to Rs. 12 lakhs per Km. That has to be brought down. The Raj Committee made recommendation. For instance in spite of Copper you can use Aluminium category. So many other devices can be used and as a result Sir, Rs. 10 to Rs. 12 lakh investment can be brought to Rs. 8 or Rs. 9 lakh. Therefore, it will be easier and cheaper to have a greater degree of electrification in order to go in for a better electric traction. That has to be done.

Then, as far as the rails are concerned, we have the conventional rails. We have got the fish plates. This fish plate from the safety

point of view and also from the point of view of the accidents by sabotage is very dangerous. One can remove it and an accident can be engineered. So, if you have a long welded and short welded rail not only the safety of the railway track is increased but because of the welded rails you will find that the wear and tear of the entire rolling stock can be decreased and energy can also be conserved because in friction and other things a lot of energy is waster. Therefore, that must be done.

More modernisation is needed. Of course, it must be conducted in such a way that it must be done in a phased way. I would very much like to know why that system is not followed. Very often what happens is that the Minister projects his Budget and then he goes to home. I am not objecting to his going home. When he goes home; he feels that he has presented a very fine Budget; he has projected certain receipts and certain expenditure for the whole financial year. All months are not equal. Some months are lean months and some are prosperous. For instance, when sugar is produced at that time there will be more movement of sugar. Similarly in the growing season there will be more movement of the produce. In other way, some months are lean months and some months are prosperous months. Accordingly, we must have Budget projections right from the 1st April to the next 31st March. Projections must be fixed month-wise. But I would very much like that the Minister should take a personal interest, go around all the zones, sit with all the technicians, accountants, engineers, technologists of all the zones and see that the targets of the expenditure and receipts are fulfilled or not. If one zone has done it than that should be the ideal for the other zone also. So, like that if from month to month rigorous monitoring is done then in that case it should be possible to see that not only the targets are reached but we go ahead of the targets and thereby the finances can be slightly improved.

Better allocations from the Planning Commission are necessary, and capital structure revision is also required. Now, Sir,

[Prof. Madhu Dandavate] a word about the lines in the backward areas. Sir, we have the traditional norms to which I have referred. I am glad that for certain selective backward areas the Railway Minister has said that they are in favour of fund to be raised through bonds. I think that must be undertaken on a larger scale for various backward areas. Then there should be dividend exemption for those lines which are being constructed in the backward areas till they get better returns. Sir, there are so many backward areas, like Bihar, Orissa, Kerala, Konkan, Marathwada, West Bengal. Well, I am prepared to call the entire country backward. I committed a mistake in referring to some of these areas. What I say is that as far as backward areas are concerned, some different norms have to be followed. I would request the Hon. Minister that when he sits with the Draft Budget Plan in order to decide whether the conversions are to be there and where is the concession to be given for the construction of new lines, it is better to sit with a map of India. Sometimes there is temptation, I don't want to refer to anyone but there was a Minister who converted the small division into the All India. He had such a spirit of magnanimity that he converted a division into India. Therefore, it is better that while preparing the Budget the Minister should sit with a geographical map and for the satisfaction of the Members of Parliament give conversions to some areas; give some new lines to some areas and some more facilities to other areas and of course, surveys to others. The other day I said if there is a will there is railways and if there is no will there is no survey. I said it with a sense of humour; don't take it literally. Therefore, survey should not be a substitute for giving of railways. But even that aspect has to be borne in mind.

PROF. N.G. RANGA (Guntur): Strategic areas also.

PROF. MADHU DANDAVATE: I fully agree with Prof. Ranga. His suggestion emerges out of his maturity and experience. It is not only the backward areas that are

important but those areas which are sensitive from the defence point of view and from the economy of the country, even they must be included and I say of them also this concession should be made available.

Safety aspect is very important. One must see that the automatic warning system should be introduced on a larger scale. I don't want to go into the details.

Then the hours of duty must be respected; otherwise if we have a tired railway driver driving the train, some time the accident occurs. Intermediate checks are very necessary. In some of the zones they were discarded altogether.

In Railways even the firemen are given the training in driving. It is necessary that the fireman should know driving. Sometimes if some terrorists enter the driver's chamber and kill him and his colleague, then the train may go astray. Therefore, a very good system is introduced in Railways so that the firemen also can drive the trains in times of emergency. But sometimes, we turn emergency into normalcy. You may think of disposing of some drivers and allowing the firemen to drive the trains. That should not be done.

AN HON. MEMBERS: If the fireman is also killed?

PROF. MADHU DANDAVATE: Then, of course, we have to pray to God. I have been mentioning the welded rails must be introduced in a big scale.

Now I come to primary renewals. Primary renewals are badly needed. I do not want to blame the Railway Minister again. Greater allocations are necessary to carry out all these things. Sometimes, due to heavy haulage, a single rail undergoes a multiple fracture just like a bone fracture. There is a backlog of 15 to 20 thousand KMs in primary renewals. This is a great threat to the safety of passengers and Railways also have to suffer great losses. Primary renewals should be carried out immediately.

Automatic signalling should be increased. At the unmanned level crossings, the number of railway accidents per year is about a hundred on an average. Again this is not the mistake of the Railway Minister because our rules and schedules say that wherever an unmanned level crossing is to be converted into a manned level crossings conversion and recurring expenditure must be borne by the local bodies. Poor local bodies have not only decentralised power, but decentralised finances also, which have already vanished. Since they cannot bear the expenditure, unmanned level crossings are not converted and as a result one hundred accidents take place on an average per year. So, I suggest that the Railway Minister should get the vulnerable railway crossings examined without relying on the local bodies to give the necessary finances. On your own, please try to go for conversion of unmanned railway crossings into manned level crossings.

Now I would like to say a little about the Railway employees. It has been established that the demand of the Railway employees for productivity linked bonus is a correct one. It is advantageous to the management as well as to the railways. More bonus leads to more productivity. Productivity is going up as a result of this productivity-linked bonus. This time, the employees have got 44 days of bonus. The radicals are giving a slogan, "We want only 8.33 per cent bonus". I say "If you get more, have you any objection?" They are getting bonus not for 30 days but for 44 days. This is an incentive to productivity. But I would like to suggest to you Mr. Minister not leave it to the vagaries of the agreement arrived at periodically, because in that case you have to renew the agreement over and over again. The workers are always worried over this aspect. They fear that it may be scrapped when the period is over. Please make it sure so that in the Railways, productivity linked bonus is a statutory provision. In the Railways, there must be a statutory provision that bonus will always be linked with productivity, so that there will be no uncertainty, as far as railway employees are concerned.

Mr. Deputy Speaker Sir, the PNM or the JCM must be activated a little more. They are there and they are functioning. But when you go into their work, you find that a number of problems are pending.

Now I would like to say one word about the commissioned bearers. When we travel in the trains, the commissioned bearers serve us. Long time back the situation was, when we had to travel my wife and your wife—now you have also one!—used to give us food and we travelled with our own tiffin carriers. When the commissioned bearer comes and asks, "Shall I get you the food Sir?", I say, "No, I prefer the food given by my wife." I do not spend anything and he does not get any commission and so he suffers. The income of the railway bearers should not be left to the vagaries of our wives. It should be according to his job requirements. Now one after another, in more and more sections, the commissioned bearers are being converted into full-fledged railway employees. I know that that process is continuing. But I would request the Railway Minister to speed up and complete the process of converting all the commissioned bearers into full-fledged employees so that they can get all the benefits and securities.

I made certain suggestions in which it is not merely the Railway Ministry that is involved. It is the Government as a whole that will be involved. It will be the Planning Commission which will be involved. It will be Finance Commission that will be involved. If you do not rule it out, I would incidentally make a slight suggestion that the tenure of the Planning Commission should be made co-terminus with the tenure of the Finance Commission. Today what is happening is that the Planning Commission takes all decisions of allocation and then on that framework, we find that the Finance Commission has to think about the problems. If you make their tenures of five years co-terminus, work can be coordinated in a better way.

I may tell you from experience that as far as the Railway Minister is concerned he has

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a number of mothers-in-law and some sisters-in-law too. Prof. Ranga, I will explain it to you. Our Railway Minister is a daughter-in-law. The first mother-in-law is the Finance Minister. The second mother-in-law is the Finance Commission. And the third mother-in-law is the Planning Commission. I will not say that the Prime Minister is also a mother-in-law. If Mrs. Gandhi were here, I would have said that the Prime Minister is also a mother-in-law. These are the three mothers-in-law and the daughter-in-law has to satisfy them. They try to see that whatever is demanded by them is fulfilled by the daughter-in-law. Sometimes if some Ministries want Rs. 100 crores, they themselves will demand Rs. 150 crores so that they will certainly get Rs. 100 crores. I think such manipulations are uncalled for. The mothers-in-law must be able to take care of the daughter-in-law in a more affectionate manner.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): Does it imply that the Railway Minister has also got three wives?

PROF. MADHU DANDAVATE: Sir, I referred to the Sisters-in-law. I will tell you who the sisters-in-law are. The Railway Minister may tell his own experience. Maybe, he will not reveal it here in the House. But confidentially he will tell you. Call him into your Chamber.

Sir, very often, the Railway Ministry makes some demands; Steel Ministry makes some demands; Agriculture Ministry makes some demands. In this process, the other Ministries try to compete with the Railway Ministry. So, sisters-in-law also create problems for the daughters-in-law. Therefore this problem also has to be solved. That can be done by having a proper coordination

of the economic Ministries. If they sit together, the Steel Ministry must be told, the Coal Ministry must be also told, "If you want more special wagons and if you want to get wagons on an out of turn basis and also you want that your stocks should be lifted properly, in that case your job is also my job. But don't try to encroach on my finances because finance is given to me ultimately to utilise for you also." Therefore, this point also has to be borne in mind and I am sure if this is done and if more resources are made available to the poor Railway Minister, then only he will be able to build the railways better. Otherwise what the poor Railway Minister can do? I am not saying poor in terms of rail. What can the Minister do? He cannot sell his place and build up the resources. There also the mother will not allow him. Therefore, I would very much like that better parameters of our entire financial system be constructed. The entire system is revolved. The attitude of the Planning Commission to Railways must change. Better outlays as a part of the entire GNP should be allotted. If they are able to do that, I have got the least doubt that the Railways will be able to get for better performance and there will be no need to increase the freights as well as the passenger fares. When the railway network which has remained stagnant at 61,000 route kilometres, is developed further, in that case I can assure you there will be better infrastructure for railways. That means better industry, better development of the country and a better India. So, that will be the responsibility of the Railways. Let us unitedly stand in this House to see that the hands of the Railways are strengthened, there is better allocation there are better resources and I wish happy rides for the daughters-in-law. //

SHRI K. MOHANDAS (Mukundapuram): This year's Railway Budget is on expected lines. I must thank the Railway Minister for not raising the passenger fare this year. I must also compliment him for the

various concessions he has given to the aged people, the brave, the courageous men, etc.

I cannot however compliment him for the steep increase in the freight rates. Although some commodities have been exempted from this hike, foodgrains, petroleum products, chemicals, fertilizers will certainly cost more as a result of this increase. This is going to affect States like Kerala which is situated far away from the supply point. Together with the increase in the Excise Duty on a variety of commodities in the General Budget the freight increase will push up the prices of a number of essential commodities. Therefore, I request the Government to reconsider the freight increase in respect of some of them.

Sir, whenever the Railway Budget is presented, we in Kerala feel disappointed, because the Railway Minister often forgets that there is a State like Kerala which is very much in the Indian Union and that too has problems. It has been said a number of times that the total route-kilometres of railway lines in Kerala are far below the national average. Even after forty years of independence and Seven Five Year Plans, if Kerala remains below the national average in respect of railway lines, it tells a very sad story. This year's Budget does not give us anything important. Of course, the Minister has said that the Ernakulam-Alleppy Coastal line would be opened to traffic this year. I thank him for that. But this should have been done at least a couple of years back. Even in respect of lines sanctioned years ago, adequate provision has not been made to complete the work. During the past four years, I have been demanding the Trichur-Guruvayoor line. Of course, the line has been sanctioned and some allocation has been made in each Budget. The total amount required for this line in each Budget. The total amount required for this line is Rs. 17.46 crores and only Rs. 5 crores have

been allotted so far. This year another three crores have been allotted. At this rate how many years will it take to complete the work? Same is the case about other items of work such as doubling of track, construction of over-bridges and so on. This year's Budget contains proposals to start new lines, conduct new surveys, in different parts of the country. It also says that 15 new trains will be introduced this year. But no new lines or surveys and not even a single new train has been given to Kerala. Out of the total amount of Rs. 3450 crores being spent this year for different works, Kerala gets just Rs. 17.2 crores.

There are certain urgent demands of Kerala which I want to raise in the House. First, one more daily train should be introduced from Delhi to Kerala. Then adequate summer specials should be run to Kerala from different metropolitan cities so as to benefit the very large Malayalee population living in different parts of North and Central India. Immediate steps should be taken to complete the on-going works like Trichur-Guruvayoor, Alleppy-Kayakulam stretch of coastal railway and doubling of the track between Ernakulam and Trivandrum. The Government of Kerala had sent a number of proposals for survey of new lines. I want an assurance from the Minister that at least some of these proposals will be considered favourably.

Finally, I come to the question of accident. The Minister has quoted some statistics to prove that the rate of accidents has come down. Maybe he is right statistically. But we cannot forget the kind of accident that took place on the Perumon bridge in Kerala last year. It was a man-made accident. Why should such accidents take place? The Railway has much to answer for. There are many accidents taking place in Kerala. People in that State are afraid of travelling by train. I demand that a high level inquiry be conducted into the accidents. It seems that

[Sh. K. Mohandas] the maintenance of the track is in a very poor shape. These and human failure cause most of the accidents. When Kerala contributes substantially to the Railways' reserve, it become the duty of the Railways to look after Kerala in a better way.

I hope that at least in the coming years, Kerala will get a better treatment from the Railways.

With these words, I conclude.

PROF. NARAIN CHAND PARASHAR (Hamirpur): I rise to support the Railway Budget presented by the hon. Minister, and to congratulate him on managing so well, within so sharp limits. As has been rightly pointed out by Prof Dandavate, the Railway Minister is handicapped for various reasons, and the one major reasons is that of finances.

I do not agree with Prof Dandavate when he says—by implication, of course; not directly—that the Railway Minister should spread the map of India before his table while presenting the Budget. It is a good suggestion, but I think that the Railway Minister has had the whole of the country in view while he has prepared this Budget. What has handicapped him, and what has ultimately been his desire, is to take the railway network to the various parts of the country in a balanced manner. But he has, in his speech, made one important reference: i.e. that no railway lines, at least not the majority of these railway lines or new lines, are located in a single State. They are spread over a number of States.

I remember the approach of the States. In the case of Nangal-Talwara railway line, I approached the Punjab Government for sharing the cost of 3 or 5 Kms of the cost of land from Rai Mahakpur which is on the

border of Himachal. They said: 'Well; though it is part of Punjab, it would not benefit Punjab at the moment; but when it crosses to the other end—because at the other end also it will join Punjab, i.e. Mukherian and Talwara—then we will bear the cost. But initially it is for the benefit of Himachal. So, let the Himachal Government bear the cost.' So, this is the attitude of the States. There is need for re-thinking on the subject. If a railway line is a joint project, to cover 3 or 4 States or two States at least, then it should be the responsibility of both the States to adopt this line as a joint line, a line for both of them—not for one single State. As has been pointed out by the Railway Minister, the Western Coast line is to benefit three States; and at some sections, let us say between Mangalore and Udipi, it is one State, though it is going ultimately to touch Bombay; so, it is going to touch Bombay and, therefore, the three States will ultimately be benefited. How can you start the work in such a manner that one-third of the construction work takes place in one State, and another third takes place in another State, and that the remaining portion is done in the third State, and all the three sides join only when the construction is to be completed? On the other hand, it has to start from one end and then opened to traffic section by section. So, this approach is quite normal and scientific, and should be continued. As on date, there are 26 ongoing projects; and these ongoing projects were examined by the Railway Convention Committee also—some of them are of such vital importance that the Prime Minister laid the foundation-stone; in the other cases, the Railway Minister lays the foundation stone. And they have not been able to progress beyond certain limits because of constraints in finances. Now, these 26 projects are involving a length of 2315 Kms. Just imagine: the present route kilometreage of the Indian Railways is 6100-odd Kms. When 2315 Kms of traffic route kilometreage is to be constructed and to be added on to the railway system, then it means that

about one-third is under the process of construction of the entire existing system. So, if we are able to complete this, then we would be able to touch the figure of 9,000 Kms. and there will be a big achievement. But, for this, what is the requirement? The requirement is Rs. 1781 crores. Think of this big requirement that has to be made available to the Railway Minister so as to complete his task. But what is the present allocation? As he pointed out in his own speech, the Railways have adopted the approach that a project or a line which is nearing completion must be given the highest priority, so that it is completed and then some other lines are taken up. And so instead of spreading the butter too thin over the entire cake, it is better to concentrate on certain selected projects. Though personally, it may not benefit me, or it may not benefit my State, but this is the only logical approach that should be adopted and he has allotted Rs. 90 crores to one railway line in Orissa—Rs. 80 crores to one project and Rs. 10 crores for the other project—and the rest of the money for the entire country, which is very small. So, this is a good approach because that Rs. 90 crores or Rs. 90 crore project is going to be completed and the rest will be taken to the other side.

Similarly, he has given a commitment that all the lines in the North-Eastern States would be completed in the next year, or during this year, the year for which this budget is being presented. That would mean that at least one portion of the country which is neglected so far has been looked after well. And then he would turn to the other on-going projects.

Similarly, there are some conversion projects, in those conversion projects also there are eight on-going projects which involve 1205 kilometres of railway lines and this requires Rs. 442 crores. So, this is a big sum. If you add this 1781 and 442 it goes beyond Rs. 2000 crores and the allocation is

very poor. So, I would be pleading with the Planning Commission and the Prime Minister and his Cabinet to allow the maximum resources to the Railways for the expansion of their network, because the entire nation looks to the Railways. And this is not a question of one State or another because Himachal is not located in one part of the country and isolated from the other parts of the country. Punjab also is there, Himachal is there, Haryana is there, Uttar Pradesh is there and so on. So, any State which is surrounded by other States, like the State of Madhya Pradesh, has to be taken as a whole. People criticise the Railway Minister for taking the new trains to Madhya Pradesh. But Madhya Pradesh has to cater to Bombay, it has to cater to Madras and so on because Madhya Pradesh is surrounded by eight States. Those of us who have examined the geographical map of India closely, would see that it is one State which is surrounded by eight States of the country. So, any train passing through one State goes to the other States. Therefore, the entire planning has to be on an integrated basis and not on individual isolated State basis. Therefore, whatever has been pointed out—in fact he has reeled out figures—is correct. I said that Madhya Pradesh is backward so far as the average kilometreage of railway trains on the national average is concerned. That is below it. So, it should be our duty to look after all the region of the country and plead for them. So, I am very happy that Prof. Dandavate has made certain suggestions. And one of the suggestions he has made is about restructuring of railway finances. I am also of the view that unless the finances of the railways are re-structured and the three principles are accepted, that is, the lines in the backward areas should not be subjected to any deviations. We should have different criteria also.

We should have given up long ago that remunerative calculation of finding out whether any railway line is in advance going

[Prof. Narain Chand Parashar]

to benefit that area financially or within five years or eight years and if it is not going to be remunerative if the expenditure is to be 5 per cent or 7 per cent," let us not construct it."

Now, there are examples. I will cite the example of Pathankot-Jammu line which was found to be unremunerative as per the survey reports. Now it is so much beneficial to the Railways that there are demands for doubling and the railway track being extended up to Udhampur also. So, lines which were found to be unremunerative at one point of time because there were poor industrial prospects or considered uneconomical may turn out to be very beneficial and financially remunerative at a future reference date. So, this criteria or this calculus of measuring should be changed and the financial aspect should not be taken into account and the wider economic gain that the country and the community is going to have should be examined more closely and we should now adopt what is the economic approach rather than the purely financial or accounting approach. Unless this is done, the justice cannot be done to Railways.

I also agree that the railway department is one on which the functioning of the other departments depends. It is one a single department for which you give one injection and the railway system strengthens itself. The other department like steel must come to them, the coal must come to them. Of course the other things like the Ministry of Labour must also help them, and so on and so forth.

So, whether it is a question of mother-in-law or sister-in-law, ultimately it will come to this.

The Railway Ministry is independent in its operations upon other Ministries and is also a source of strength to the entire eco-

nomic system of the country.

MR. DEPUTY-SPEAKER: You can continue on Tuesday. Now we shall take up Private Members' Business.

15.30 hrs.

COMMITTEE ON PRIVATE MEMBERS'
BILLS AND RESOLUTIONS

[Translation]

Fifty-Ninth Report

SHRI RAM AWADH PRASAD (Basti):
Sir, I beg to move:

"That this House do agree with the Fifty-ninth Report of the committee on Private Members' Bills and Resolutions presented to the House on the 1st March, 1989."

[English]

MR. DEPUTY-SPEAKER: The question is:

"That this House do agree with the Fifty-ninth Report of the Committee on Private Members' Bill and Resolutions presented to the House on the 1st March, 1989."

The Motion was adopted.

15.31 hrs.

RESOLUTION RE: IMPLEMENTATION
OF NEW 20-POINT PROGRAMME—
Contd.

[English]

MR. DEPUTY-SPEAKER: Now we take up further discussion on the following Reso-

lution moved by Shri Somnath Rath on the 19th August, 1988:

"This House while expressing its appreciation of the New 20-Point Programme initiated by the Government notes that implementation of the poverty alleviation programmes has not been fully satisfactory and urges upon the Government to take immediate steps for effective implementation thereof."

Shri Keyur Bhushan. Absent

Dr. Phulrenu Guha.

SHRI S. JAIPAL REDDY (Mahbubnagar): Mr. Deputy-Speaker, may I know how much time is left for this? Are you going to extend the time for this?

MR. DEPUTY SPEAKER: Twenty-nine minutes are left.

SHRIS. JAIPAL REDDY: Sir, the Minister has not spoken. The Member has to give his reply. Further there may be some Members to speak.

MR. DEPUTY-SPEAKER: Only two Members are there.

SHRI S. JAIPAL REDDY: I would like to know approximately how much time this discussion would take.

MR. DEPUTY-SPEAKER: It all depends on the Member and the Minister.

SHRI S. JAIPAL REDDY: Which Minister is going to reply for this discussion?

MR. DEPUTY-SPEAKER: Shri Biren Singh Engti.

Dr. Phulrenu Guha.

[Translation]

*DR. PHULRENU GUHA (Contai): Mr. Deputy Speaker, Sir, at the very out-set. I would like to thank our colleague Shri Somnath Rath for bringing forth this important resolution before this House. Through this resolution he has given us an opportunity to discuss the 20 point programme. Millions of our homeless, destitute, helpless and down-trodden countrymen are sought to be helped to live like humanbeings through the 20 point programme.

Sir, this programme gives an opportunity to the unemployed poor to stand on his own legs. It has brought relief to countless numbers of poor and needy people. But I regret to say that some provisions of this programme has not yet been properly and fully implemented I fully agree with what Shri Rath has said about it. Sir, to get any benefit under this programme, these miserable people are required to fill several forms. In the first instance getting a form itself is very difficult for them. If they are able to obtain the required for they find it difficult to fill them properly as there are several rules and regulations in that respect. They need help of others to fill the forms but help and assistance is not available to them. Not only that, many a times recommendations of the Panchayat is required which these poor people find difficult to obtain. They run from pillar to post and get exhausted but their applications do not get the necessary recommendation. Sir, millions of people have applied for assistance under the NREP, IREDP etc. but they have been disappointed. Opportunities of education are not available at many places. Wherever they are available, the people are too poor to avail of these opportunities.

Mr. Deputy Speaker, Sir, our country is village oriented. More than 80 percent people live in the villages. But unfortunately village industries or cottage industries have not developed properly in the rural areas. Therefore the economic conditions of the

[Dr. Phulrenu Guha]

people are not improving. The rural people are therefore compelled to migrate to the cities. The condition in the villages thus further deteriorated. The cities also suffer due to pressure of population. These migrants to the cities also lead a miserable existence for want of employment. They cannot live properly like human beings. With wives and children they pass their days in great misery and sorrow. How can we expect that their children will grow up as responsible and respected citizens of the country and will achieve some thing for the country.

Sir, the roads in the villages are in very poor condition at most places. For setting up any cottage unit for producing anything, items have to be brought from outside and for marketing the commodities produced in the villages, they have to be taken to the towns or sub-divisions. But this becomes extremely difficult due to the poor condition of the village roads. Transportation becomes expensive and the cost of the produce becomes high. As a result, it becomes difficult to sell the products of the cottage industries as the price is high. The Cottage industries have, therefore, to close down gradually and people engaged in them become unemployed.

Sir, there is a programme to distribute land to the landless there is no doubt that some landless people are getting land. But they are not the only people to get land.

There are instances where the land-owners have also got land, this I am speaking from my experience. I will draw the attention of the Government to this aspect specially. If we discuss the 20 point programme point by point, then we will find that in most cases we have not achieved the desired results. In a nutshell it can be said that even after spending huge amount of money we have not been able to bring proportionable relief and succour to these millions and millions of poor, landless, helpless and miserable people. I will request the Government of India as well as all the State Governments to

exert all their power and resources to implement the 20 point programme properly to help our countless poverty stricken brothers and countrymen.

In the end I will say that these deprived and downtrodden people have today become awake and alive. They are demanding their due rights from the society and are refusing to remain deprived and exploited any longer. We will have to work for their betterment and we should realise that we are not doing any charity for them thereby. They are demanding their rightful dues. If the society does not yield their rights and just dues then in the words of Rabindra Nath Tagore, I will say, "Thou Shall Have to fall to their level and become equal to them through insult and disrespect."

SHRI GIRDHARI LAL VYAS (Bhilwara): Hon. Deputy Speaker, Sir, I support the resolution on 20 point programme and want to submit that the new 20 point programme given by the Prime Minister, if implemented properly, will accelerate the pace of development in the country and our greatest enemies viz. unemployment and poverty can be eradicated. But I want to submit a few things about the way this programme is being implemented. The President has made a mention about it in his address and this programme has also been referred to in the new Budget. Two crore people are unemployed today. 80 percent of the people live in the villages at present, who remain busy in agricultural operation for six months but remain without work for the other six months. Employment opportunities have not been created for them. Unless provision is made to provide them employment for the other six months under 20 point programme, we will not be able to bring them above the poverty lone, i.e. raising their income above Rs. 6,400 per year. There is need to implement it properly. The hon. lady Member was talking about the land reforms a little while ago but these could not be implemented properly. We passed the Land Ceiling Act and implemented it too. A poor man like me who owned 40 bighas of land, parted with 20 bighas of land under the Land Ceiling Act.

But the big landlords continue to own vast chunks of land under *benami* holdings and are leading a luxurious life as hitherto-fore. These new rulers have circumvented the ceiling laws and saved their lands from land reforms. No action is taken against them. They hold the land in different names to escape the provisions of the law. They own large agricultural farms and earn lakhs and crores of rupees per year therefrom. Unless land ceiling is enforced on these big landlords, 20 point programme cannot make headway. Therefore, it is necessary to implement this piece of legislation in letter and spirit. People find it difficult to get 50 sq. yards of land to construct a house for themselves whereas these landlords hold several lakhs sq. yards of land under *benami* ownership. Wherever land is allotted by the Government, they claim it to be their land. I know about Jaipur. The Maharaja of Jaipur says that all that land belongs to him. When acquisition proceedings are initiated, high courts and supreme court grant stay orders. This law cannot be implemented if such things continue to exist and our efforts aimed at lifting the poor people above the poverty line under 20 point programme will not succeed. The ceiling laws should be made applicable to the rural as well as urban areas so that people may get a house to live in. This 20 point programme is the need of the hour as the poor fail to get land because the land is in the possession of big people. Such provisions should be streamlined. I appeal to the Minister of Planning to make such laws that the high courts may not grant stay orders in respect of every land. This will enable you to implement your plans to allot houses and plots to the people. Your programmes for education to the children, provision of hostel accommodation and setting up of health centres are very good. But this work of providing houses is most essential of all and moreover, it is the duty of the Government to provide shelter to the people.

Secondly, I will like to submit a few points about employment opportunities. You have started N.R.E.P., R.L.E.G.P., TRYSEM and Minimum Needs Programmes for providing employment to people.

You have stated in your Budget speech that at least one member of every family below the poverty line will be provided with a job. Out of 80 crore population of the country 35-40 crore people are still living below poverty line. In terms of family, their number will be 8-9 crore and providing of employment to at least one member of each family will mean giving job to 8-9 crore people, otherwise they cannot be brought above the poverty line. How will this declaration be implemented since we cannot provide employment to so many people overnight. It is my submission that you may merge all the programmes like N.R.E.P., R.L.E.G.P. TRYSEM and Minimum Needs Programme and a programme similar to Employment Guarantee Programme being run in Maharashtra, is taken up throughout the country so that the contract system is abolished and all these programmes should be implemented with the working force of the unemployed. Be it the work relating to irrigation, forests, soils-conservation, or water works or any other work, the services of the unemployed should be utilised. All Government work should be got done through these unemployed people. If you merge all these programmes into one, we will definitely get a big force and we will be able to fight unemployment and to provide employment to a very large number of people. Next, I take up the case of Khadi and Village Industries Commission. We provide employment to fifty lakh people through this Commission but do not pay them sufficient money. Some people are paid Rs. 3 and some are paid Rs. 4. Do you think that anyone can provide succour to his family with this meagre amount, construct a house to live in, provide education to his children or provide necessary health cover. These people do not get even the minimum wages fixed by you. These people are good artisans engaged in weaving cloth, high class carpets, woollen cloth, *Khadi* etc. How can they make both ends meet with Rs. 3-4 paid to them? Therefore, you should arrange to give them minimum wages. There is need to expand this programme and to extend it to weavers, leather craftsman or khadi workers providing them loans, maximum amount of training and implements. Thus you will be

[Sh. Giridharilal Vyas]

able to give maximum employment to these village folk. But you have not thought on these lines. Khadi and village Industries Commission is concentrating on production of cloth only. No attention has been paid to other village crafts. Therefore, these people should be trained and provided employment under TRYSEM programme, which is not being implemented properly. Please strengthen it further, improve the training programme so that employment is available to them and these programmes become worthwhile.

In the end, I want to say a few words about banks. The self-employment scheme is very good. But who gets the money from the banks, the money lenders, who further advance the money on high rate of interest. Poor men like me, in spite of strenuous efforts fail to obtain money for self-employment from the banks. Therefore, streamline the working of banks. By improving their working, your plans to provide employment to lakhs of people will succeed. Many frauds take place in the banks. These are indulged in by big people. They misappropriate Rs. 200 crore and no action is taken against them. This parliament has no power to take action against such banks. Their audit reports are not presented in this House. Even this sovereign parliament cannot look into these numerous fraudulent cases. Therefore, I will submit that working of the banks which are under your control should be streamlined. Instead of implementing various programmes sponsored by the Government, the banks are making efforts to see that these programmes are not successful. I would therefore, like to request the hon. Minister to make proper arrangements for programme implementation.

The Bank Managers, Development officers and Veterinary Doctors swindle the amount of subsidy funds allocated under I.R.D.P. Our hon. Prime Minister has rightly said that out of Rs. 100 released from the Centre hardly Rs. 15 reach the villages. The Government officials, officers and people's

representative like us Swindle Rs. 85/- in midway and this way the money do not reach the villages. There is a need to remedy this situation so that the 20 point programmes, which is one of the best programmes, could be implemented properly. If this 20 point programme is implemented properly in this country, it can remove poverty from the country and solve the problem of un-employment. Then only we can strengthen this country.

With these words I support the Motion.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PROGRAMME IMPLEMENTATION (SHRI BIREN SINGH ENGTI): Mr Deputy Speaker, Sir, I am very grateful to the hon. Members who have participated in this discussion on a Resolution brought by our hon. Member, Mr. Somnath Rath.

I was listening to the speeches made by hon. Members of Parliament from the very beginning and the discussion that took place, and I really appreciate the points raised by the hon. Members and I also agree with them that there are some problems, there are some loopholes, while implementing all the various schemes of this 20 point programme. Sir, as all of us know, the 20 point Programme was brought by Indiraji in 1975, then subsequently it was revised in 1982 and again it was revised in 1986. Now, most of the Members have mentioned about the problem of implementation at various stages in various places.

Sir, the hon. Members know about the present arrangement. We have high level monitoring committee at the State level and at the political side, the Chief Minister is the chairman of the committee. From the official side, Chief Secretary and other top officers are members of the committee at the State level. We have also set up monitoring committees at the block level and district level and committees for implementation.

Members of Parliament and MLAs are also included in those committees. The main functions of those committees are to recommend and also to point out some defects, if any, in the implementation. They would make suggestions to implement this 20 point programme effectively so that the poor people get the benefit. The main objective of this programme is to help poor people, those who live below the poverty line. As on today, there are more than 37% of people who are below the poverty line. Now in order to improve their socio-economic conditions in the rural areas, this programme specially focussed on the points, mainly to attack the rural poverty. The programmes like NREP, RLEGP and IRDP are anti-poverty programmes.

In the course of the debate, many hon. Members have mentioned that at the meetings of the monitoring committees at State level and district level, the views of the Members are not taken into account or are not regarded. For your kind information, I may say that whenever we receive such type of complaints and information, we do write to the Chief Ministers of all States, requesting them to listen to the views of the Members and also to take note of the views expressed by the hon. Members while participating in such committees. They express their views as to how to implement effectively in the rural areas particular programme or project. Naturally, we would like the views of MPs and MLAs are fully regarded and also looked into by the authorities of the State Government. Government have laid much emphasis on this programme. You will find that, out of Rs. 1,80,000 crores total outlay in the 7th Five Year Plan, we have given approximately Rs. 6500 crores for 20 point programme. Our main emphasis is on rural side through IRDP, NREP and RLEGP as to how to create income-generating assets in the rural areas, as we have defined poverty line as 6400. We are spending crores and crores of rupees for their welfare in all the rural areas and our target is that the poorest of the poor should get the assistance.

As I said, employment is the most im-

portant point. Hon. Members have also mentioned in their speeches about this particular point about employment. We have rough estimate as on today, on the live register, of 13.05 million unemployed people. That is, as on today 13 crores to 14 crores of people are unemployed and they are job seekers. Government is creating jobs for a maximum of 3 million people a year. This is the picture.

We are now trying to improve the position and also to implement effectively those schemes which will generate more employment and more income so that ultimately the poor can cross the poverty line.

16.01 hrs.

[SHRI VAKKOM PURUSHOTHAMAN *in the Chair*]

Some Members have said that the funds are not released in time. In fact, the funds are released quarterly but the Rural Development Departments are releasing the funds twice in a year. The Central Government has no such problem of releasing funds. Some Members have said that the programme is not effectively implemented because sometimes it is happening that the funds are not released in time and that is why the schemes are not timely implemented and that is why the people are not getting the benefit. It is found from the records that there is no such delay from the Government of India side. Funds are released twice in a year from the Rural Development Department for all the schemes. The only question is that the entire implementation is done at the State Government level. We do not implement the programme and the scheme. The implementation part lies with the State Government. The Ministry of Programme Implementation monitors all important points of the 20 Point Programme and the mechanism is evolved by us. We send two reports. One is the monitoring report and the other is quarterly progress report. In the monitoring report, we give the picture of all the programmes. We get this information from the State Government. They are really

[Sh. Biren Singh Engti] implementing all the schemes. They do send the report on monthly basis. Some target is fixed by us. They do send the report and we do monitor all the points. There are some other points which cannot be monitored on monthly basis. They are monitored quarterly. We do get this report through Ministry. This is the mechanism through which we are monitoring the programmes.

Some hon. Members suggested that the monitoring system is not good and effective and, therefore, the programmes are not effectively implemented in the rural areas. Some of them have suggested, instead of handing over the power to the State Government, the Central Government should themselves implement the schemes direct from Delhi.

Hon. Members know very well that it is not possible to implement the scheme direct by the Government of India for various reasons. hon Members also mentioned that until and unless the 20 Point Programme is implemented, we cannot expect any type of good results.

MR. CHAIRMAN: Why don't you constitute a Committee with the Member of Parliament as Chairman for the implementation of these programmes? Many of the Members of Parliament are very senior people. They cannot go and sit by the Collector.

SHRI BIREN SINGH ENGTI: Sir, the Implementation Committee is there at the State Level. Members of Parliament are also Members of those Committees.

SHRI GIRDHARI LAL VYAS: The point is that a Member of Parliament should be appointed as the Chairman of such Committees.

MR. CHAIRMAN: Yes, Instead of the Collector, you can make the Member of Parliament as the Chairman.

SHRI BIREN SINGH ENGTI: I am going to all these points. As I said earlier, this is the suggestion of most of the hon. Members. This is a good suggestion. We will look into it.

SHRI S. JAIPAL REDDY (Mahbubnagar): I, for a change, support the Chairman in this regard. (Interruptions)

SHRI BIREN SINGH ENGTI: Sir, we have accepted the 20 Point Programme. We talk about the devolution of power. We talk of giving more powers to the States, to the District level. In view of this we don't want to centralise power. "We don't want to implement the programmes by giving directions straightaway from here. All these programmes are covered under the State subjects. They are like providing schools, drinking water this and that. The implementation aspect rests with the State Governments. Under the Constitution, the competent authority to implement these programmes is the State Governments.

Sir, as I said earlier, monitoring is done through monthly progress reports and quarterly progress reports. We do monitor these things in our Ministry of Programme Implementation. For example, in the year 1987-88, we have monitored as many as 29 items. It is found that through this mechanism we could improve the functioning and performance of various sectors aimed at the development of the rural areas. Further, I would like to say that through the process of constant evaluation and through the monitoring system, the State Governments are quite aware of the position. They are aware that it is their duty to monitor and implement effectively the various programmes. There is no lapse. So, they are aware of their responsibility. Through this report, we do get information regularly. Whenever there is some shortfall, we do remind the State Governments pointing out the lapse on their part. We do suggest the steps which are to be taken by the State Governments to implement effectively any particular point or any particular project. So, we are doing this work.

Further, I would like to say that the Department of Rural Development are doing the evaluation activities. Through some independent agencies/institutions, they do evaluate some of these Programmes like NREP, Rural Drinking Water Schemes etc. They do monitor and evaluate these programmes. We indeed get results which are very encouraging. By and large, the 20 Point Programme is a good programme and it is doing a very good job. At the same time, I don't say that all the programmes are working well. In a big country like ours where 80 crore people are living, while implementing all these programmes, there may be some lapses here and there. We do admit the fact. Whenever we get such complaints, we do remind the concerned authorities and also request them to plug the loopholes. We also issue necessary guidelines to the State Governments regarding some complaints. When we receive any complaint from the hon. Member or from anyone else regarding non-payment of minimum wages—right now, one hon. Member was referring to it—we issue guidelines to the State Government. As soon as we receive such type of complaints from any hon. Member of Parliament that workers are not paid minimum wages including rice etc., naturally, we write to the State Government requesting them to look into that and take appropriate action. We have done it. Our Minister has also written letters to all the Chief Ministers about these points. There were lots of complaints from various parts of the country that workers are not being paid minimum wages. We requested them to look into it and see that they are paid fully.

Many hon. Members—both from the ruling party as well as from the opposition parties—have talked about land reforms and land management. It is true that we should have distributed lakhs of acres of land to the landless people. It is true that lots of these issues are pending in the legal courts. As on date, we have information that as many as 45 lakh acres of land out of 72 lakh acres of land have been distributed among the landless and poor people in the country. At the same time, we have requested the various

State Governments to see that instead of handing it over to the party or to the poor people, they should take it up themselves to see that these cases are disposed of quickly. Government should take upon themselves this responsibility so that immediately this land can be distributed among the poor people.

At the same time, we have also requested the State Governments to see that land distributed to the poor people, landless people is properly managed and improved because, after all, poor people want to utilise the land for production purposes. They want to utilise the land not for the sake of getting land but for the sake of getting something out of it. We have also reminded the State Governments to see that in such cases, land is improved, not only for irrigation, not only for more production but also to improve the *Patta* system and the ownership system. These complaints are very common throughout the country. Land is distributed, no doubt. It is only in name, as it is in the possession of someone else. These complaints also, in some cases, are found to be genuine. In view of this, while sending our guidelines to the State Governments we have explained to them very well about it and have said that these are to be looked into and Government should see that poor people when they are given the possession of land, they should really become the owner of the land and not anyone else.

[*Translation*]

SHRI GIRDHARI LAL VYAS: My point was different. Big people are having lakhs of bighas of land and the land Ceiling Act is not properly enforced on them. They still have lakhs of bighas of land. The level Ceiling Act should be properly enforced in such cases also so that, land could be made available to poor people.

[*English*]

SHRI BIREN SINGH ENGTI: I am coming to that point. The point is that the 48 lakhs acres of land which was already dis-

[Sh. Biren Singh Engti]

tributed among the poor people, there are complaints that poor people are not becoming the owners of the land. But we are trying to see that these things do not happen and the poor people become the real owner and also they get the benefit out of it.

Regarding the point made by the hon. Minister, it is a good suggestion. It is not that these things are not there in our country. These problems are there. So certainly we will look into them. We also need the cooperation of the State Governments. The Central Government alone cannot do this job. These things are related to the States. That is why we are always trying to get the cooperation of the State Governments and all the political parties. Until and unless we get their cooperation the implementation of such big schemes is not possible. That is why I appreciate the Members' views. I would like to seek their cooperation in solving these social problems.

I don't want to get itemwise because it will take a long time. Hon. Members know very well about all these 20 point programmes sector wise and the allocation made—how much we have spent and how much we have to spend; what improvements have been made etc. As I said, in our Ministry we have monthly and the quarterly report about this 20 point programme. Hon. Members used to get all these copies. From them they come to know very well about what is happening.

As all of us know, this year our Hon. Finance Minister has announced a new economic programme for the poor people specially the amalgamation of anti-poverty programmes like NREP and RLEGP. Many Hon. Members of this House also suggested on various occasions of amalgamation of these two programmes because the objectives of these two programmes remain the same. That is why there is no point in keeping these two programmes separate. Our Hon. Finance Minister in his Budget speech made it very clear that from the next

financial year these two programmes will be amalgamated and it will become one. And the funding pattern will be 75 and 25.

Another new programme, that is distribution of free sarees to women is included. Of course the AICC resolution requested our Government to include some programmes. Except some, all other programmes suggested by the AICC are the ongoing programmes. These programmes now have become new ones. According to this some projects will be taken up in this financial year or next year. Of course, these matters are now being looked after by the Government. It is being worked out and it will take time.

From this it is quite clear the Government is really going ahead with the anti-poverty schemes and to see that all the people living in the rural areas, the most backward areas get employment. They also get the economic benefits out of these programmes.

To strengthen the machinery we need the cooperation of all the State Governments. We do emphasize it. We are not simply speaking about this; we are trying to involve the State Governments and other agencies to implement such programmes. From our own Ministry we do take up the issue with the State Governments very frequently. We discuss with the State Governments from time to time regarding these 20 point programmes. When there are some lapses, we do remind the State Governments also and request them to take it up and see that the loopholes are plugged and that these schemes are properly implemented.

As I said, I don't want to go into details. Our Hon. Members themselves know very well. But I would like to inform them that since 1975 the 20 point programme is doing very well for the poor people. That is why we are now giving it the emphasis. This programme will continue in the Eighth Plan. That being the case we need cooperation of all the hon. Members of the house and also State Governments to implement it effectively in

the days to come.

I do not want to take more time of the House on this Resolution in reviewing all the progress made by the Government and the points raised by the Hon. Members. I will certainly look into all the genuine suggestions made by the hon. Members. In view of all this information and what I have said I would request the hon. Member, Shri Somnath Rath to withdraw his resolution because I would like to assure him that whatever points he has made we would certainly look into them.

SHRI SOMNATH RATH (Aska): Mr. Chairman, at the outset I would like to say that I am grateful to the hon. Members of this House who have taken part in the discussion. Thirty one Members of this House have taken part in this discussion which started on 19.8.1988. Besides the hon. Minister who intervened about 8 hours of time has been taken by the members during the discussion. It is really unique that the members have shown such an interest in this resolution and the hon. Minister was also good enough to say that this resolution is a very valuable resolution.

Most probably the discussion that took place about this resolution has been reflected in the speech of the Finance Minister while presenting the Budget in this House.

The anti-poverty programme is not that of a relief work. It is an overall development programme to help to alleviate the extreme poverty and the performance must be equally strong and effective to sustain the growth of the economy.

Hon. Minister has replied that they have taken care to ask the State Governments to see that this 20 point programme is implemented in right earnest. There are district-level committees and the reports are being received at the Centre. But with great respect to these committees and reports I would say that the reports are only on paper and the figures are manipulated to satisfy the Centre by the bureaucrats who draw up

these reports from the States that these programmes have been rightly and earnestly implemented. If you go to the field the result is otherwise.

SHRI S. JAIPAL REDDY: Sir, there is no quorum.

MR. CHAIRMAN: Let the quorum bell be rung. Now there is quorum. Mr. Somnath Rath may please continue.

SHRI SOMNATH RATH: Sir, the hon. Minister has stated that care has been taken to see that these programmes are implemented from the grassroot level. For the information of the Minister, I will invite his attention to one instance. I hope he will also take action, if necessary through C.B.I. Most probably on the instructions of the Central Government, the Orissa Government, by a Gazette Notification appointed a vigilance Committee to oversee the utilisation of grains of RLEGP, NREP and other poverty alleviation programmes and in each district, one MP is made the Chairman of the Committee, one MLA is made a Member, one Panchayat Samiti Chairman a Member alongwith three engineers and the additional project officer, DRDA happens to be the convenor. Unfortunately or fortunately, in Ganjam district Orissa, I am the Chairman of that Committee. On a complaint made by the Panchayat Samiti Chairman of Sorada and other Sarpanches, this Committee visited Panchayat Samiti, Sorada and verified the utilisation of grains. It was found that the grains which were said to have been given for the beneficiaries for the construction of Indira Awas have been totally misutilised and misappropriated. The grains have not been given. The so-called village Committee manipulated and forget the documents and had shown the AC sheets, purchased for those buildings at a lower rate, to have been purchased at a very high rate. Taking the evidence, both oral and documentary, and seizing the records, this Committee gave a report to the Collector Ganjam to take necessary action because as per the Gazette Notification, it is for the Collector to take action as per report. But inspite of the report

[Sh. Somnath Rathi]

to take action the Collector sent the observation of the Committee which recommended for the suspension of the B.D.O. and to frame charges under different heads as enumerated in that report. But after receiving the report from such a high power committee Collector sent it to the SDO and no action was taken. Then to ride track the issue the Collector said that the vigilance Department of the Government will take necessary action to ride track the issue. This fact was brought to the notice of the Chief Secretary Government of Orissa but no action was taken. The hon. Minister said that the Chief Secretaries of different States have been alerted to see that these programmes are to be slightly implemented. But no action is yet taken, against block development officers Soaredo (Orissa) through the special vigilance Committee appointed by Government for this specific purpose has given a report. Under these circumstances, it is not that if an MP is made the Chairman, the problem will be solved. The problem will be solved if the State Governments and the Central Government is very very vigilant and the bureaucrats come in a very big way, sincerely and honestly, to implement these programmes. Our Prime Minister said that to reach one rupee to a beneficiary, six rupees are spent by way of administration and rightly now the Government thinks of decentralisation which is also reflected in the Budget Speech of the Finance Minister. We want to reach the goal in a better manner, in the best possible manner attention should be given at the grassroot level, but at the implementation stage, there are defects and malpractices. The beneficiaries do not get the benefit that is meant for them. That is the factor and the only factor that has to be looked into. I am very happy that the Minister has taken a note of it and he has stated that this will be taken care of. Also, the reports, the complaints that are received from the hon. Members and others will be scrutinized and action taken.

Take for instance, the land given to the

poor people after the land ceiling has been applied. The Minister has rightly said that the land which was given to the poor people is, in fact, not in their possession; it is in the possession of somebody else. And according to the reports at the Central Level, huge acreage of land has been distributed.

Similarly, with regard to drinking water, the problem of drinking water is there in villages. In problematic villages for 250 people one tubewell for drinking water should be given. That is the policy of the Government and accordingly, the Central Government gives funds to State Governments to provide drinking water to the rural people. Has it been implemented in the right earnest? Is there any agency to supervise whether the tubewells that have to be sunk have been sunk; whether they reached the required depth so that they can supply water throughout the year. They sink the tubewells during the rainy season or just thereafter and the same go dry during summer.

Then, about education, Government has given thrust on the universalization of the elementary education, the blackboard operation and also non-formal education. I would cite an example about the non-formal way of adult education. To eradicate illiteracy huge amounts have been given to the voluntary organizations. At once place, Ballaguntha in Ganjam District, Orissa, a voluntary organization has taken lakhs of rupees and has misappropriated and misused it. Complaints were made by the Panchayat Samiti to the State Government and even to the Central Government to see that the matter is investigated and action taken. It is about one year but no action has been taken either by the Central Government or the State Government. Hon. Minister of Human Resource Development has written to all the M.Ps that we should visit our constituencies and see whether the non-formal education programme is being implemented in right earnest, and if not, to bring to his notice. In fact, I have brought these matters to the notice of the hon. Minister, but I do not know what action has been taken. I have cited only a few instances, there are many.

On the basis of the figures supplied by the officers, one should not say that the 20 Point Programme has been implemented properly and correctly. There should be some other agency from the Centre to see how best this is implemented and if there are any loopholes, those should be plugged.

About the Village Committees. Of course, the Government had given a direction that there should be no contractors employed for the execution of the works. The Village Committees elected by the villagers should be given to execute this work. But this instruction has not only disrespected but also not even thought of by the officers at the village level. The contractors are there. In the name of the village they take the contract work and the money which is meant for the work are being wasted and some time goes to the pocket of middlemen. If there is a complaint no action is taken. The officers are also not interested at the grass root level to see that these village committees work efficiently. They manipulate the things give execution of work to contractors on the plea that the contractor has been recommended by a particular village. But when there is a complaint against the contractor nobody thinks, about it and by the time the complaint is being enquired into, the work is finished and everything is paid. So, these are the defects that are required to be looked into.

I am happy to know that the Finance Minister has stated in his speech that the expenditure on agriculture and the fertiliser subsidy is increased to Rs. 4343 crores. I would like to know how much of this subsidy goes to the agriculturists. It is the industrialists and other agency who consume the major portion of this subsidy and only a minor portion goes to the agriculturists because for the cost of producing the fertilisers the industrialists are also given the subsidy.

Similarly, Sir, the Finance Minister rightly said that under the Integrated Rural Development Programme, over 25 million families below the poverty line have been assisted to take the income generating activities. The total investment in the pro-

gramme since the beginning of the Sixth Plan has been over Rs. 10,000 crores including the term credit provided by the financial institutions. This is great achievement of the Government.

Similarly, Sir, under the programme of employment generation—NREP and RLEGP—67 crores mandays of employment were generated during 1987-88 as against the target of 50 crores mandays. It has been said that this NREP and RLEGP will be going to be covered by a single programme and 75 percent of the sum will be funded by the Central Government. It is a very big step. But what is required is that our aim should be to remove the poverty and provide employment and it must also be seen that the amount is really spent for the benefit of the beneficiaries. It is also stated in the Budget that a total amount of Rs. 1711 crores has been allocated in the year 1989-90 for the new employment programme. So, a huge amount has been allocated for all these programmes.

For the programme of health, nutrition and education of poor children also, a huge amount has been given by the Centre. The aims and objectives of the Centre are reflected very well in the Budget speech of the hon. Finance Minister. What is required is proper implementation of the programmes. The State Governments and the officers concerned must come in a very big way to implement these programmes effectively.

Since the hon. Minister has assured the House that necessary steps will be taken and all the programmes will be implemented in a right manner, I withdraw my Resolution.

MR. CHAIRMAN: Is it the pleasure of the House that the Resolution moved by Shri Somnath Rath be withdrawn?

SOME HON. MEMBERS: No, Sir.

SHRI V. SOBHANADREESWARA RAO: This has been discussed for more than four times Sir. It must be adopted.

MR. CHAIRMAN: Then I will put it to the vote of the House.

The question is :

"This House while expressing its appreciation of the New 20 Point Programme initiated by the Government notes that implementation of the poverty alleviation programmes has not been fully satisfactory and urges upon the Government to take immediate steps for effective implementation thereof."

The motion was negatived

16.48 hrs.

RESOLUTION RE: GUIDELINES
FOR APPOINTMENT AND TRANSFER
OF GOVERNORS

[English]

MR. CHAIRMAN: Now, we will take up the next Resolution. Mr Reddy.

SHRI S. JAIPAL REDDY
(Mahbubnagar): I beg to move:

"This House recommends to the Government to lay down clear guidelines for appointment transfer of Governors."

Sir, in the history of free India, no office has become so sinecure and at the same time so insecure as that of the Governor. Sir, this office has become so controversial that many thoughtful commentators and political activists have demanded the abolition of this office. We must try to understand the reasons that prompted them to make this extreme demand.

Sir, in the initial period we did not have much difficulty with the office of the Governor because only one party was in power both at the Centre and in the States. Trouble arose for the first time in 1958 when a CPI-led Government headed by Shri E.M.S. Nam-

boodripad came to the unsettled in Trivandrum. So, it was in your State that the powers of the office of the Governor were misused with a view to dismissing the legally constituted Government. Sir, this process got accentuated after more and more non-Congress parties came to assume power in the post 67 period. I am not among those who believe that the office of Governor is altogether useless. It has its own uses, provided we go in for certain safeguards. Today none of the constitutional offices is so insecure as that of a Governor. You cannot remove the Election Commissioner, the Judge of an High Court or the Supreme Court or the Comptroller and Auditor General by a stroke of the pen. Of all the eminent constitutional offices, it is only the Governor who can be transferred, hired and fired at the sweet will of the Government of India.

SHRI A. CHARLES (Trivandrum): So, you want to make his position more secure.

SHRI S. JAIPAL REDDY: Yes. I agree with you. It is the sense of insecurity which is also responsible for dilution of the glory this office. When this question was first debated in the Constituent Assembly, I may recall that a sub-Committee headed by Sardar Vallabhai Patel in fact recommended that the Governor be elected directly by the people on the basis of adult franchise. It was Jawaharlal Nehru who felt that this would lead to a kind of diarchy in the States and, I think, Mr Nehru was correct. He therefore pleaded for nominated Governors. While pleading for nomination, he stated that the people who have not been much too active in politics, who may have attained some unquestionable eminence in some walk of life would be chosen for the office. But did that happen? It did not happen that way. At that time, it was also mentioned that the approval of the State Government would be secured before Governor is chosen for a particular State. All these high sounding criteria and procedures were honoured only in breach. As of now, if you look at the scene today, we have as many as 11 retired civilians or defence employees functioning as Governors. Sarkaria Commission noted that

60 percent of the persons chosen for the office of the Governor in the first 35 years were active politicians.

A few days back Mr. Vasantdada Patil passed away. I have great respect for him. He was in his own way a brave and a great freedom fighter. But when he was the Governor of Rajasthan, he showed or worked with an ostensible interest in the politics of Maharashtra. Only recently...

SHRI RAM PYARE PANIKA (Robertsganj): I have one objection. Now, Vasantdada Patil is no more.

MR. CHAIRMAN: That is right. But he has paid tributes also.

SHRI RAM PYARE PANIKA: He was just telling that he was interfering in the Maharashtra politics. That cannot be mentioned. We cannot discuss about the Governors' conduct. (*Interruptions*)

MR. CHAIRMAN: Panika, here the subject itself is Governor. Then what else can you do?

SHRI RAM PYARE PANIKA: No. It is regarding appointment of Governor. He cannot discuss individuals. (*Interruptions*)

SHRI RAM PYARE PANIKA: He should not be allowed to discuss the conduct of the Governor. He may discuss the method of appointing the Governor and not the conduct.

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram): The point is whether the Governors are appointed to act as Governors, or as agents of the ruling party at the Centre. That is precisely the point.

SHRI S. JAIPAL REDDY: I have not come to the aspect of the agency.

MR. CHAIRMAN: You cannot say that. So far what you have said is in order; but do not say what Mr. Deo has suggested.

SHRI S. JAIPAL REDDY: I was only trying to draw the attention of the House to the inherent dangers involved in the process of selection of politicians for the job of Governor; and politicians with not only an immediate past, but also with ambitions about the future.

Only recently in Bihar where Congress (I) is in power, Mr. G.N. Singh who was Governor, had problems with the Chief Minister; or I should say, in fact, that the Chief Minister of Bihar had problems with the Governor of Bihar. As between a Governor and a Chief Minister, I would tend to support the Chief Minister, even if he belongs to the ruling party.

16.57 hrs.

[SHRI SOMNATH RATH *in the Chair*]

What is the job of a Governor? The job of a Governor is to take independent decisions when the Government of the State cannot be carried on in accordance with the provisions of the Constitution. When there is a Government, and a stable one at that—it may not be politically stable, but so long as it is legally stable or, as my friends would put it, arithmetically stable—the Governor has no role to play.

I would like to come to other examples. We have a Governor in Andhra Pradesh Ms. Kumudben Joshi. The Administrative Reforms Commission in its report long back had pointed out that Government of India, even in those days, had appointed many politicians of inadequate stature for this office. But in recent years, we find many non-descript politicians finding their way into Raj Bhawans. (*interruptions*)**

MR CHAIRMAN: That portion will not go on record.

SHRI S JAIPAL REDDY: Why?

MR. CHAIRMAN: That is a comment on the Governor. You can change that. That will not go on record.

SHRIS JAIPAL REDDY: Okay; I will not say that.

There is an ongoing controversy between the Government and the Governor on the appointment of the Lok Ayukta. I do not want to comment on the merits of the choice of the Lok Ayukta made by the Chief Minister or the Government. If the Government of Andhra Pradesh had made a wrong choice, the people of Andhra Pradesh would, in due course, pronounce their verdict; but the Governor has no independent discretion in the matter. The courts in India have settled this issue in a clinching fashion. I am quoting from Shamsheer Singh case.

"This Court has consistently taken the view that the powers of the President and the powers of the Governor are similar to the powers of the Crown under the British Parliamentary System. The executive power of the Union is vested in the President. The President is a formal or a constitutional head of the executive. The real executive powers are vested in the Minister of the Cabinet. There is a Council of Ministers with the Prime Minister as the head to aid and advise the President in the exercise of his functions. Whenever the Constitution requires the satisfaction of the President or the Governor for the exercise of this power by the President or the Governor or of any power or function, the satisfaction required by the Constitution is not the personal satisfaction of the President or Governor in the constitutional sense of the Cabinet system of Government, that is satisfaction of his Council of Ministers on whose aid and advice the President or Governor generally exercises all his powers and functions."

17.00 hrs.

Therefore, it is clear whether at the Centre or in the States it is a decision of the Council of Ministers which is final and binding. The Governor or the President can tender advice, can extend aid but if a view is

taken by the Council of Ministers the President or Governor has no option in the matter. When that is the case, I would like to know, how the Governor of Andhra Pradesh is exercising independent discretion on the question of appointment of a Lok Ayukta, it is not my job to go into the merits.

It is unfortunately a part of the imperial legacy that the governors are made Chancellors of Universities under separate Statutes. And wherever there are non-Congress(I) Governments, the Governors exercise independent power. Unfortunately, it is legally correct. But in my view it is politically outrageous and obnoxious. How can a Governor who comes from some other State know as to who is the best Vice-Chancellor? How can the wisdom of the Governor be considered superior to the collective wisdom of the Council of Ministers? Right now there is an on-going controversy in Kerala over the Governor's appointment of various people to educational institutions like Senates of Universities. Earlier on, both in Andhra Pradesh and in West Bengal, the Governors made their own choice in respect of Vice-Chancellors. This is happening because the Governors are not properly selected, and a person selected does not have a sense of security. There is a popular misconception about the status of the Governor. A Governor is not a subordinate, not an agent even of the Government of India or even to the President of India. The Governor is an integral part of the State apparatus.

I may, in this connection, draw your attention to the observations made by Mr. T.T. Krishnamachari, in the course of a debate in the Constituent Assembly.

He said:

"I would at once disclaim all ideas that we in this House want the future Governor who is to be nominated by the President to be in any sense an agent of the Central Government. I would like that point to be made very clear, because such an idea finds no place in the scheme of Governor we envisage for

the future."

This is what Shri T.T. Krishnamachari has said in the course of the debate in the Constituent Assembly.

Again Sir, Dr. Ambedkar also added, as far as our Constitution is concerned, there is no functionary created by it, who can see to it that the instrument of instructions is carried out faithfully by the Governor.

The Government of India may issue an instrument of instructions. If a Governor does not, for some reason, even honestly carry it out, there is nobody who can force him to do so. The idea inherent in the whole system is that the Governor should be a part of State apparatus and he should be independent of the intervention by the Central Government. But unfortunately Sir, Governor today has come to be looked upon as... ** ...

(Interruptions)

SHRI RAM PYARE PANIKA (Robertsganj): Sir, it is far from truth and so objectionable.

PROF. MADHU DANDAVATE (Rajapur): Unknown martyrs are allowed here. ... (Interruptions)

MR. CHAIRMAN: I will examine and find out.

Shri S. Jaipal Reddy: ... ** ... (Interruptions)

MR. CHAIRMAN: "....."

All these will not go on record.... (Interruptions)

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram): Sir, I am on a point of order. Unless he says something unparliamentary, you cannot fabricate records by removing whatever you do not like. What is your ruling?

MR. CHAIRMAN: There cannot be any aspersions... (Interruptions)

PROF. MADHU DANDAVATE: Sir, there cannot be any aspersions against any individual, but there can be against Central Government, institutions and all that... (Interruptions)

MR. CHAIRMAN: I think, "....." all these are aspersions... (Interruptions)

SHRI S. JAIPAL REDDY: Sir, I propounded this extreme formulation to drive home the point that the office has been downgraded, devalued to this kind of debate. That is the point I was trying to make.

If there is a politician of certain calibre and yet who can have certain objectivity, those Governors are not put up with. Prof. Nural Hassan is an intellectual and a politician, rolled into one. He has now been replaced by an ex-intelligence officer in a non-Congress I State. Sir, I do not associate intelligence with intelligence branch... (Interruptions) An intellectual has been replaced by an intelligence officer.

Sir, Sarkaria Commission submitted its report recently. The Government, who would like to give an impression, though it is a false impression, that it has accepted the recommendations of the Sarkaria Commission Report recently made the postings of Governors which were made without the knowledge, let alone the consent, of the Chief Minister.

Even when they pick on officials, they pick on such officials who were required to handle scandals. I know an officer who dealt with HDW submarine scandal, Bofor scandal and Mirage purchases and he has now been posted as Governor. I would like to know as to what are the criteria. Are they being posted as Governors so that their silence could be purchased or their services could be rewarded. What are the criteria?

[Translation]

SHRI RAMPYARE PANIKA: On a point of order, Sir, I have got a copy of the Constitution of India in which qualifications needed for a Governor have been laid down. Just now Shri Reddy was talking about these qualifications. The minimum qualification as has been stated therein is that anybody who is a citizen of India and who is 35 years of age. (Interruptions)

He said that the Governor was such a man, he was a man of lower standard and even then he was appointed Governor. I am of the view that it is irrelevant. He has got no right to comment upon the qualifications of a Governor. It is the right of the President to see as to whom he is going to appoint a Governor. Had they brought forward any Constitutional amendment for this purpose, I would have agreed to their proposals. These people are casting aspersions against an individual. (Interruptions)

SHRI HARISH RAWAT: The person about whom the hon. Member made a reference had been a Secretary in the Government of India who had high standard of integrity. It is not good to cast aspersions on him.

[English]

MR. CHAIRMAN: I will examine whether it is permissible or not.

SHRI S. JAIPAL REDDY: He has provoked me to quote Jawaharlal Nehru. Speaking in the Constituent Assembly on the choice of Governor Jawaharlal Nehru observed:

"I think, it would be infinitely better if he was not so intimately connected with the local politics of the province. And would it not be better to have a more detached figure, obviously a figure that must be acceptable to the government of the province?"

I am quoting Jawaharlal Nehru in his centenary year to Congress(I) men.

MR. CHAIRMAN: To the House and not to Congress(I) men.

SHRI S. JAIPAL REDDY: He further says:

"And yet must not be known to be a part of party machine of the province. Politicians would probably like a more active demand for their activities, but there may be eminent educationists or persons eminent in other walks of like who naturally while cooperating fully with the Government and carrying out the policies of the Government at any rate helping in every way so that the policies must be carried out, he would nevertheless represent before public someone slightly above the party and thereby, in fact, help that government more than he was considered as part of the party machine. By its obvious desire that eminent leaders of minorities, eminent leaders of groups should have a chance, I think, they will have a far better chance in the process of nomination than in election."

This is what Jawaharlal Nehru said, if the choice of the official is correct in the light of these remarks, then I can only pity the power of understanding of my colleague in this House.

A tall intellectual in Calcutta has been replaced by...**... This is the method which the Government of India is adopting in regard to appointment of Governors. I may, in this connection, draw your attention to the Judgement pronounced by the Assam High Court in regard to the partisan action of the Governor of Nagaland when the Assembly of Nagaland was dissolved... (Interruptions)

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI SONTOSH MOHAN DEV): Sir, it is the onus of the hon. Member, but the case is still

going on. One Judge gave the judgement and it has gone to a double Judge Bench. It is better if he can avoid it. Anyway, it is up to him.

SHRI S. JAIPAL REDDY: Sir, for the enlightenment of the Minister, may tell him that the judgement has settled one point conclusively, that is, in regard to... **...

What it referred to the third Judge was whether the correspondence between the Governor and the President, or the satisfaction of the President, could be gone into or not. Therefore, the point I am referring to has been well-settled by the Assam High Court Bench. This I submit for the benefit of the hon. Minister.

Even when ex-Generals are chosen, only persons who would be highly complacent are chosen. Even when they are not complacent, when they have no sense of security, they are compelled to oblige the Government of India. Then you appoint him as a Governor. When he has no security after his tenure, how can he be depended upon for exercising judgement independently?

In Karnataka, recently the Government recommended names of certain persons for nomination to the Council. The Governor there wanted to interfere in the process. How is that valid?

In the pre-1984 period, when the Government was being headed by Dr. Farook Abdullah, the Government of India here wanted to get him dismissed. The then Governor there... (Interruptions)... **... did not agree with the Government of India. He was transferred and replaced by the present incumbent who can assume many incarnations, many roles within the space of one term **.....

(Interruptions)

SHRI S. JAIPAL REDDY: Sir or, may I now draw the attention to the 1984 episode

in Andhra Pradesh? Sir, the then Governor in Andhra Pradesh...

MR. CHAIRMAN: No names will go on record.

(Interruptions)*

SHRI HARISH RAWAT: Now, he is in his company, Sir.

(Interruptions)

MR. CHAIRMAN: I think Mr. Jaipal Reddy needs no prompting.

SHRI S. JAIPAL REDDY: Sir, the then Governor dismissed the NTR Government in Andhra Pradesh and got Mr. Nathalla Baskar Rao sworn in as Chief Minister. Then, Mr. N.T. Rama Rao offered to prove his majority on the floor of the House in 48 hours.

Sir, So, did I blame the Governor? I did not blame the Governor even in 1984. (Interruptions). I did not blame the Governor in any of my speeches in the House or outside, even at that time because what was the wrong **.....

He was not to be the agent of the Government of India. And I feel that when the office of Governor does not have security, what can the Governors do? What happened to the Governor.... **..... He was transferred. A person so eminent as he was, so close to the ruling family of the country, could be fired because he did not oblige. So, what is the value of the Office of the Governors? I am not criticising but I am only deploring the devaluation that has occurred.

Sir, Sarkaria Commission has recommended a particular method for selection of Governors. They suggested that the State Government could prepare a panel of three names from which the choice could be made by the Government of India. But I would like to know from the Government as to why this method is not being adopted. The Sarkaria

[Sh. S. Jaipal Reddy]

Commission also discussed the measures that are required to safeguard the tenure of the Governors. No Governor can be removed from office. The Sarkaria Commission pleaded that without an explanation being called for from the Governor and without an explanation being placed on the Table of the House, no Governor can be removed from Office. Sir, I am referring to all this because nondescript persons, corrupt officials, defeated politicians would be a disaster for the office of Governor and if they have no security, they will be totally partisan agents of the ruling party at Delhi. Today you are in power and I have no doubt that we will be in power one year hence and at that time the Governors appointed by you will be the agent of that ruling party. Sir, I am of the considered view that no Governor should be placed at the mercurial mercy of the ruling party at Delhi.

SHRI RAM PYARE PANIKA: Sir, how much time you have allowed for him.

SHRI V. SOBANADREESWARA RAO: Mr. Jaipal Reddy is telling that they will be in power after one year which he did not relish.

(Interruptions)

SHRI S. JAIPAL REDDY: Sir,

.....**.....

This is a general observation not merely of the Opposition leaders but of all the political commentators.

SHRI HARISH RAWAT: It is highly objectionable, Sir. (Interruptions).

MR. CHAIRMAN : I will see to it.

(Interruptions)

SHRI S. JAIPAL REDDY: I have not referred to a particular Governor.

MR. CHAIRMAN: Mr. Reddy, as you

know, names of the Governors will not go on record.

SHRI S. JAIPAL REDDY: Their names cannot go on record...

MR. CHAIRMAN: Please proceed. I will look into the records. If there is anything objectionable, I will expunge it.

SHRI S. JAIPAL REDDY: Sir, what about the need to ensure the independence of the office of the Governor? As I have been pleading in the case of High Court Judges, Supreme Court Judges and Election Commissioner, Comptroller and Auditor General, the Governors also should be prevented from nomination to any office except an electoral office. Otherwise, the Governor sitting in Raj Bhavan would be all the time on the prowl for one more sinecure job. I know of persons who are posted as Governors, re-posted as Chief Ministers, again posted back as Governors. This happened in my state. I can quote instances galore.

Sir, I am not pleading for the abolition of this office. I am expressing grave concern at the degradation of the office. If the office of the Governor is to be protected and the Governor is to play the role assigned to him in the Constitution, then certain guidelines in respect of the appointment of a Governor and certain guidelines in respect of termination of his office, certain guidelines in respect of transfer of Governors need to be laid down, and these guidelines must be given a statutory shape because guidelines laid down on paper would never be honoured by parties of this kind which are now ruling at Delhi. Therefore, Sir, I would appeal to the Government not to take a partisan view of this question. My whole attempt was to lift the level of debate above the parties. Therefore, I would request the Government to come forward with a proper legislative initiative in this area. Thank you.

MR. CHAIRMAN : Motion moved:

"That this House recommends to the

**Expunged as ordered by the chair.

Government to lay down clear guidelines for appointment and transfer of Governors. "

Now, Shri Ram Pyare Panika may speak.

[Translation]

SHRI RAM PYARE PANIKA (Robertsganj): Mr. Chairman, I was thinking that hon. Member, Shri Reddy would make some constructive suggestions through this resolution, but I was totally disappointed when I attentively listened to his speech.

At the outset he made a reference to the members of the constituent assembly. While he made a reference to these persons, he forgot that it is they who framed the constitution of India and it is in the same constitution that the qualifications needed for a Governor have been written clearly. The qualifications are very simple i.e. he should have a completed 35 years of age and should not be holding the office of an M.L.A. or an M.P.

He wants that the person to be appointed as Governor should either be a Scientist and or an educationist. I would like to tell him for his information that social service which is the highest qualification has not been included as a qualification for the post. He may recall the events as I would not like to make a mention of. The Janata Government came to power for some days. The persons appointed Governors during their regime cannot just be imagined. What qualifications did they possess, what knowledge did they have? What intellect did they have? I do not want to mention the name of any particular individual. Now these people are talking about the Constitution. They may perhaps recall as to how they gave more powers to the Governors against their will as soon as they came to power and forced the then Vice-President of India who held the office of President for some time, to dismiss the democratically elected Congress Governments. Now when these people talk about democracy and the Constitution, I find

it difficult to understand their intentions behind it. They are casting aspirations against against Governors. Though they did not mention any particular name yet the attack was intended against the Governors of Karnataka, West Bengal and Andhra Pradesh. I know what pains them. If the post of Governor is abolished, what will be the administrative position of those States the Governments of which resign all of a sudden following a stricture by a High Court or by an enquiry Commission that it is corrupt.

[English]

SHRI S. JAIPAL REDDY: He belongs to Congress-I. But let the Minister say this (Interruptions)

MR. CHAIRMAN: Let the hon. Minister continue. Don't interrupt now. You can say this when you give a final reply.

[Translation]

SHRI RAM PYARE PANIKA: I would like to tell you that what well happen if the Governor does not present the factual position of a State before the public, before the Central Government, before the country. Producing the facts has been treated a fault with the Governors. What was the fault of the Governor of Kerala. It was her duty to see that public life remains normal during the bandh called by the party in power. When she exercised some checks on those elements who wanted to disrupt the public life by calling a bundh, the Chief Minister got annoyed. Why did the Chief Minister of Andhra Pradesh get annoyed? You know what nepotism bribery and casteism have become the order of the day in Andhra Pradesh. I am just reading out the duties of a Governor as laid down in the Constitution... (Interruptions) I am talking about the Governors.

[English]

SHRI S. JAIPAL REDDY: We are discussing the rule of Governor, guidelines about the Governor. We are not discussing the State administration.

SHRI V. SOBHANADREESWARA RAO: How can he discuss the functioning of the Government of Andhra Pradesh? He should confine to the subject... (*Interruptions*)

[*Translation*]

SHRI RAM PYARE PANIKA: Sir, if the post of Governor is not there, the Government formed after winning the elections in the name of a particular party, in the name of regionalism, language and parochial feelings and by instigating public feelings will become irrepressible and go unbridled. If the post of Governor is not there, these people will bring secessionist tendencies into the country. That is why I tell you that the post of Governor is very important under the present day circumstances. It has been stated herein that...

[*English*]

SHRI S. JAIPAL REDDY: He is pleading guilty. He says, the Governor is to perform the function.

MR. CHAIRMAN: Let the hon. Member continue his speech. You may contradict it, when you speak.

SHRI S. JAIPAL REDDY: I do not deny his fundamental right of ignorance!

[*Translation*]

SHRI RAM PYARE PANIKA: I have not disturbed him. The moment you asked me, I became quiet. It is provided in the Constitution that the Chief Minister or the Government of a particular State will give a panel of three names and it is in the Governor's discretion whether he agrees to it or not. When the ex-Governor, Shri Sharma selected the name at the third place in the panel, who is a famous educationist and a learned scholar they took objection because they wanted a man from the cadre. The discretion of the Governor is to work in public interest and this has been provided in the Constitution. He cannot be indiscreet. If

this had not been the motive, our Constitution farmers would never have made the provision for the Governors post. But there is only one thing behind it that the State Governments which are formed, talk about regions, castes or penals and Chief Ministers of such States are influenced by narrow interests and political considerations. If Chief Minister's counsel is not heeded how can they blame the Governor. I am not prepared to accept it... (*Interruptions*)

[*English*]

SHRI V. SOBHANADREESWARA RAO: I am on a point of order. He is criticising the Chief Minister of Andhra Pradesh. He has his right. I do not say anything about his right. He is alleging that he has encouraged narrow regionalism. The people of Andhra Pradesh have given unstinted support to Shri. N. T. Rama Rao in 1983 and again in 1985 elections. He has contested the election. He is going to serve the State.

SHRI S. JAIPAL REDDY: I am on a point of order.

MR. CHAIRMAN: When another Member is on a point of order, you are also on a point of order!

SHRI S. JAIPAL REDDY: The Member is discussing the performance and the character of State Governments and in the instant case, the State Government of Andhra Pradesh.

MR. CHAIRMAN: What is your point of order?

SHRI S. JAIPAL REDDY: This is not a motion under which such things can be discussed in Parliament. The performance of the State Governments cannot be discussed. This is a motion relating to the institution of Governor. Therefore, I request you to rule such remarks out of order.

MR. CHAIRMAN: That is right. I will go through it. I will look into it.

[*Translation*]

SHRI RAMPYARE PANIKA: Sir, I want to submit to you that the Governor is the head of the executive, and he is concerned with the executive and the council of Ministers. We cannot talk about the functions of the Governors separately. He has criticised the functions of both. He can say like that but I cannot.

[*English*]

MR. CHAIRMAN: Will you please confine yourself to the subject? It is better.

[*Translation*]

SHRI RAM PYARE PANIKA: I would confine myself. I want to say that the Central Government always functions within the framework of the Constitution. Since Congress Government has come into power, rigging has not taken place in elections anywhere. The trouble with them is that the irregularities of a Governor have come to light in this House, and it's a coincidence that he belongs to their party and our Central Government has removed him. It is this which troubles him. Sir, I want to tell you till a man is with us, that is with the Congress Government, he is centre of all the evils but the moment he crosses to the other side, he becomes an apostle, no matter whether he is a Governor Chief Minister. Considering all this, our able friend has not talked about any other Governor. He has talked about only the Governors, who have been a source of trouble for them. He wanted that Governor should be turned into a rubber stamp so that they may do what they like. He has just said that if an incapable man is made the chancellor and given special powers, would he be able to use his discretion.. (*Interruptions*)

SHRI S. JAIPAL REDDY: The Assembly has given them these special powers. Who are you to give them... (*Interruptions*)

SHRI RAMPYARE PANIKA: All right, it is given. It does not matter whether we give it or the Assembly gives it. (*Interruptions*)

Ok, our friend has given. I want to tell you that they have brought forward this resolution because they are politically motivated and they are not bothered about the dignity of the Governor's office. Through this resolution they have made unsuccessful effort to criticise the Government, but I want to stress that when they criticise the Government, they should also be prepared to hear about the mis-deeds of the non-congress Governments in the States. I want to say that you should try to imagine the plight of the Governor in non-congress States and the way they have to function there. Nothing is being done to maintain the dignity of the Governors' office. His activities are closely scrutinized and efforts are made to insult him. Not only this, it is very shameful that adverse publicity against him is made through the newspapers. They have no right to do so. It has also been stated here that Governor's office functions more or less like a P.C.C. office in these States. I feel it is very shameful to say so about the Governor's institution. There is nothing like that anywhere but non-Congress Governments have criticised the Governors and attacked their personal lives which is against the dignity of the Governor's office. I had expected that they would keep their views about the Governor to themselves. They have mentioned Sarkaria Commission. They have not said anything new. I feel pained that they are criticising our Government through this resolution. The time has come when we should view these things seriously. The post of Governor has to be maintained because the situation will deteriorate if the Governor's post are not maintained. You may recall that it was in 1967 that the malaise of defection crept into the Indian body politic. If our Prime Minister Shrimati Indira Gandhi has not sent good Governors to the State at that time, the very roots of democracy would have been destroyed by defectors Governments. There Governors used their rights very intelligently and discharged their duties well. These Governments which were formed by the defectors came to an end. I feel happy that law and order was restored by these Governors whether they were in Uttar Pradesh or in any

[Sh. Ram Pyare Panika]

other State.

Our friend complains why an M.L.A. or an M.P.s is made a Governor. This is done because they have political experience. An M.L.A., or an M.P. knows about the people and understands their problem. They understand the circumstances through which an M.P. or an M.L.A. has to pass. They are aware of the working of the Assembly and also the aspirations of the M.L.As. These are the criteria for Governors appointment. You must have observed been that only those who have excelled in their own fields and have a record of achievements are appointed to these posts. What is bad in it? Is it bad if a good military officer is appointed a Governor. There is nothing bad if an excellent social worker is appointed to this post. The opposition do its duty and instead criticises us for our achievements. I do not want to name them. They have been such Governors when they were in power and such Prime Ministers ...

[English]

MR. CHAIRMAN: Mr. Panika, please don't point out member ... (*Interruptions*). You please address the chair.

[Translation]

SHRI RAM PYARE PANIKA: I do not know whether he belongs to the Janata Dal, Janata Party, Lok Dal (A) or Lok Dal (B).

Sir, they appointed Governors by transplanting people who were holding some other posts. This is no yard stick for the appointment of a Governor.

Such a situation existed during the Janta regime, when many Governors were appointed in this manner. I don't want to name them. Prime Minister of the Congress party, be it Pandit Jawaharlal Nehru, Shri-mati Indira Gandhi, Shri Lalbahadur Shastri or our young Prime Minister Shri Rajiv Gandhi, have appointed governors with the

a lot of deliberation. There can never be any doubt about the character, integrity, patriotism and nationalism of the Governors appointed by the Congress (I).

Hon. Kumudben Joshi is a lady Governor who has been Minister in the Central Government she has been a social worker and as you are aware, Sir, she is a spinster. She is a lady who has devoted her entire life in the service of the nation. She is accused of using the Governor's office to handle party affairs. Such an idea can only be the product of a parochial feelings. Their Government should take everything in the national perspective. They disregard her views. Does she do wrong if she disapproves questionable appointments when they commit irregularities in the selection process? Sir, all these issues are required to be thoroughly examine.

A very high-level Intelligence Officer was appointed as Governor in West Bengal. Prior to this appointment he had worked in a very sensitive Department of Intelligence. So what was the wrong in appointing him Governor? They are afraid that they may not be able to appoint their own party cadre on every post in arbitrary manner. They do not approve the list of IAS and IPS officers forwarded to them by the Centre. Now they feel that they will not be able to do so now. Funds provided to them under the 20 Point Programme are given to their 'Gram Panchayats'. The needy people do not get the benefits of the I.R.D.P. The Governor is duty-bound to check on these matters. Is it not the duty of the governor to pull-up the Chief Minister if the latter is working in a partisan manner against public interest? Is it not true, Sir, that with money power or being Party in power, M.L.As belonging to one State are taken to another State and kept in hiding to show their majority.? All these things are done in the name of democracy people involved in this are those who have never been members of any Party or leaders anywhere. They make money through acting in films and then from a party. The Telugu Desam Party was formed just nine months prior to elections and they won. Later when

they had come into minority, they took their M.L.As in buses to Karnataka. They behaved like this as if the Congress (I) wanted to induce them to defect and join their party. Where did the money come from to bring M.L.As to Delhi? How much money was spent on each M.L.A.? This is how democracy is functioning, rather democracy is being destroyed. The appointment of Governors as hon. Shri Rajiv Gandhi wants it ... (Interruptions)

[English]

MR. CHAIRMAN: Please address the Chair. Confine yourself to the subject.

[Translation]

SHRIRAM PYARE PANIKA: Whatever I am saying is part of the record. It is in the Andhra Pradesh Assembly records and the public knows it too. What were the various charges that were levelled? How was the Karnataka Chief Minister removed from office? If our Governor sends a report to the Government that the State Chief Minister is embroiled in a 'tapes' controversy, this matter was raised here (Interruptions)

[English]

SHRI S. JAIPAL REDDY: I want him to go on record. Sir. According to him, the Governor has sent the tape!

[Translation]

SHRI RAM PYARE PANIKA: In the democratic set-up we have the President and the Central Government at the Centre and the Governor and State Government in the States. (Interruptions)

The Head of the Government has to act as a link between the Central Government and the State Government. He has to report on the developments in the States to the President and the Central Government. It is unfortunate that such matters are raised. Governors perform their duties in accordance with the provisions of the

Constitution. They are bound to get annoyed with him who work against national or State interest. Qualities such as integrity and duty-consciousness should be essential criteria for the appointment of a Governor and the Congress (I) has always followed this principle. Whenever we saw rules being flouted in any manner we ordered immediate dismissal or transfer of the Governor. We are proved of our Government's prompt action in removing errant Governors. (Interruptions)

Nowhere in the Constitution has it been mentioned that Governors be appointed in consultation with Chief Ministers of respective States. If Governors are appointed in consultation with Chief Ministers States where Governments have been formed on the basis of caste, region or language, the future of the nation will become dark. So I would appeal to the hon. Minister of State for Home Affairs not to introduce any provisions in the Constitution which would envisage consultations with the Chief Minister of States for appointment of Governors. Otherwise we shall be unable to serve the people of living in States. No amendments should be made that would overrule the provisions set down by the founders of our Constitution. Harsh steps be taken, if necessary to control Governments who have a narrow-minded outlook. I oppose the Resolution moved by hon. Shri Reddy. With these words I conclude my speech.

[English]

SHRI V. SOBHANADREESWARA RAO (Vijayawada): Mr Chairman, Sir, I thank you very much for giving me the opportunity. I support the private members' resolution moved by my friend, Shri S. Jaipal Reddy that this House recommends to the Government to lay down clear guidelines for appointment and transfer of Governors. While moving the resolution he made amply clear the objectives with which he has brought forward this resolution for discussion in this House. I agree with all the points which he has put forward. I would like to add some more for consideration of this House.

[Sh. V. Sobhanadreeswara Rao]

Sir, this post of Governor of a State has a very important role to play. In fact, he is the Constitutional head of the State. He has to act as a friend of the State Government. He has to act as per the advice of the State Government. He has taken the oath to abide by the provisions of the Constitution and he may try his best with the Union Government to further the interests of the State to which he is acting as a Governor.

Unfortunately, we have some very said experiences in the recent past especially in our state of Andhra when a popular government elected by the people and which was enjoying absolute majority the Governor took the step to dismiss that government and installed another Government. I was most unfortunate. It took a long time for the people to get this mistake corrected and the people paid a heavy price as several lives were lost during that agitation for restoration of democracy. Of course, the late Prime Minister

was magnanimous enough in accepting her mistake and she allowed Mr. N.T. Rama Rao's Government to come into being again. Similarly, in the State of Jammu and Kashmir in both the States as my friend said—the earlier Governor who was a great statesman he did not accede to the suggestion but his successor played a very dangerous game.

18.00 hrs.

In fact, the dissident MLAs, who came to the Raj Bhavan, were kept there. And the Government of Mr. Farooq Abdullah was dismissed. All these people were made Ministers.

MR. CHAIRMAN: The honourable Member will continue next time.

18.00 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, March 7, 1989/
Phalgun 16, 1910 (Saka)*