

LOK SABHA DEBATES

(English Version)

Third Session
(Fourteenth Lok Sabha)



(Vol. V contains Nos. 1 to 10)

LOK SABHA SECRETARIAT
NEW DELHI

Price : Rs. 50.00

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LOK SABHA DEBATES

LOK SABHA

Friday, December 10, 2004/Agrahayana 19, 1926 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

[English]

MR. SPEAKER: You may shout before we start the Question Hour.

PROF. VIJAY KUMAR MALHOTRA (South Delhi): No. Sir.

MR. SPEAKER: Thank you very much for your kind cooperation.

Question No. 141—Shri Subhash Sureshchandra Deshmukh.

11.01 hrs.

ORAL ANSWERS TO QUESTIONS

[English]

R&D in Textiles

*141. SHRI SUBHASH SURESHCHANDRA DESHMUKH: Will the Minister of TEXTILES be pleased to state:

(a) whether Research and Development, the backbone of Textile Industry, is being smothered to death;

(b) if so, the details thereof; and

(c) the steps taken by the Government to encourage Textile Research Associations, so that industry continues to be vibrant?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) A statement is laid on the Table of the House.

Statement

(a) No, Sir.

(b) Does not arise.

(c) The Textile Research Associations (TRAs) are industry promoted private bodies, set up and promoted by the respective textile industry of the region for carrying out research and providing them various services including consultancy, testing, training and research etc. However, ever since their formation, Government has been providing them financial support for their sustenance and undertaking research projects. During the last five years' period, from 1999 to 2004, they have been provided a total of Rs. 8862 lacs towards sustenance. However, an effort is being made to encourage the TRAs to become financially independent by giving them complete autonomy in their research and development activities. In addition to this, they have been designated as a nodal agency by this Ministry for assessing technical viability of textile units for availing the benefit of restructuring their debt profile under the "Debt Restructuring Package for Organized Textile Mills".

[Translation]

*SHRI SUBHASH SURESHCHANDRA DESHMUKH: Sir, textile industry is suffering because no extensive research has taken place in this sector. This is a major industry next to agriculture. Nearly four crore workers are engaged in this sector. There is a large scale export in this sector. As it is a big industry it has several ancillary industries. But the Government has spent only Rs. 88 crore on research in the last five years in this sector. If we spend more amount on research in this sector like other countries, this sector would develop fast. I would like to know from the hon. Minister how many textile mills have been closed down during the last five years and what measures have been taken to start these mills?

[English]

MR. SPEAKER: What is your question?

[Translation]

SHRI SHANKERSINH VAGHELA: Sir, private associations of textiles have their own organisation. They sought government assistance and the entire funds were spent on salaries, electricity needs and tours. Research work was sidelined. Thus they created autonomy of their own kind. Salaries, travelling allowance and electricity bills

*English translation of the speech originally delivered in Marathi.

etc. because Government responsibility. That is why we constituted a new Committee in the year 2003. It has recommended that Association should conduct its research and bear its own expenditure. Government would reduce its financial assistance by 10 percent gradually so that they could run independently in future. The Government would consider giving them more facilities and help if they come out with good research.

[English]

MR. SPEAKER: Second supplementary please.

[Translation]

*SHRI SUBHASH SURESHCHANDRA DESHMUKH: Mr. Speaker Sir, I had specifically asked how many textile mills have been closed down in the last five years. In Gujarat and Maharashtra many textile mills are closed down, as in Mumbai, Solapur, Ambarnath and other places. What measures have been taken to start these mills?

[English]

MR. SPEAKER: How can it be allowed during the Question Hour?

[Translation]

SHRI SHANKERSINH VAGHELA: Mr. Speaker, Sir, there are eight associations.....(Interruptions). ATRA, IJIRA, SASMRA, MTRA, WRA, NITRA and SITRA are also included among them. 900 lakh rupees were allocated for non plan expenditure in 1999 while 662 lakh rupees were allocated for plan expenditure. Similarly 1000 lakh rupees were allocated in 2001-2002. Gradually the amount under non-plan was increased and the amount under plan was reduced. However, the Government have made all efforts. It will not affect our research in anyway. The only motive is to promote research and development. The Government would make all efforts to meet their expectations and support them.

PROF. RASA SINGH RAWAT: Mr. Speaker, Sir, through you, I want to say that research and development has an important role in every industry. There was a time when textiles of India were famous all over the world.

The Muslin of Dhaka finds mention in history. I want to know from the hon. Minister whether the Government propose to set up research institutions of its own to regain

*English translation of the speech originally delivered in Marathi.

that speciality of yesteryears and to take the textile industry of India on the road of progress in comparison to the textile industries of other countries? If not the reasons therefor?

SHRI SHANKERSINH VAGHELA: There was no research and development when Muslim was being produced in Dhaka. All these institutions have been set up by associations. The Government have given help from time to time. Right now the assistance is limited only to paying salaries i.e. payment of salaries is made by the Government while the employees belong to them. There is no logic in it. As far as export is concerned, textile ministry is not responsible for research and development in this field. The Government support them all. Export of textiles would be covered in second question, I would tell him....(Interruption)

[English]

MR. SPEAKER: Nothing will be recorded. Now, I give the floor to Shri Vallabhaneni Balashowry. He is a new Member.

....(Interruptions)*

SHRI BALASHOWRY VALLABHANENI: I would like to know from the hon. Minister of Textiles whether the Textile Reconstruction Fund of Rs. 15,000 crore was started by the Government of India and IDBI and SIDBI were appointed as nodal agencies for sanctioning funds for reviving the textile sector. If so, is it true that IDBI and SIDBI are asking the promoters of the textile mills, which are proposed for revival, to settle their old dues before approaching them for sanction?

MR. SPEAKER: I compliment you.

[Translation]

SHRI SHANKERSINH VAGHELA: Mr. Speaker, Sir, it is not related to this, but I thank him as the issue is of price. The question that he has asked would be included in the next question which covers TUFSS scheme like TCIDS. The Government have made efforts for promoting export. His question is not related to this.

[English]

MR. SPEAKER: Please help him because he is a new member. Please send him some intimation. Now, I give the floor to Shri Mohan Rawale.

*Not recorded.

[Translation]

You have got opportunity today as you are sitting quietly.

SHRI MOHAN RAWALE: Mr. Speaker, Sir, through you, I want to tell the hon. Minister that textile mills of Textiles Research Associations and 18 textile mills out of 25 in my area, Mumbai are in dilapidated condition. They are to be modernised....(*Interruptions*)

[English]

MR. SPEAKER: I hope, it is not because of you.

[Translation]

SHRI MOHAN RAWALE: I want to revive them. I want to know whether any package for modernisation has been formulated and what are its details? Whether any research has been conducted in this regard?

SHRI SHANKERSINH VAGHELA: Both these questions are wrong. This textile industry was very important earlier. Research and development are very important like IJIRA and SASMRA Textile Mills have closed down. The Government has issued bonds worth Rs. 1800 crore and sent the workers on VRS. As far as NTC Mills are concerned, the Government of India would consider and extend help to them for their modernisation. We would definitely revive the mills that can be revived. That process is underway. The Government would not let any mill run into losses and would convert them all into profit making mills and it is our responsibility that no worker should leave without VRS.

[English]

DR. SUJAN CHAKRABORTY: Sir, the Indian Jute Industries Research Association (IJIRA) is a very premier organisation in the country in jute research and jute diversification. In the present context and in the context of environmental friendliness, the demand for jute is growing and, therefore, we have to have proper plans to meet this demand. I feel that IJIRA should be geared up for this purpose. My definite question is, whether the Government is having any proposal in this regard because the directors and others are, probably, not taking proper interest. I would like to know whether the Ministry would take the appropriate steps in the interest of the country as such.

[Translation]

SHRI SHANKERSINH VAGHELA: As far as IJIRA is concerned, if all the jute mill owners or its Chairman of directors, submit a resolution to the Government of India then the Government can bring entire IJIRA under CSIR and the Government of India would take care of its financial problem. But they should submit a resolution to the Government in this regard. The Government are concerned and want to make use of IJIRA in jute mills of Bengal, Bihar and Andhra Pradesh. The Government want to extend financial help too so that they could function effectively. If more modernisation is required, they should a resolution to CSIR and we would take over.

SHRI RATILAL KALIDAS VARMA: Sir, Hon. Minister is from Gujarat. He is aware that once upon Ahmedabad was called Manchester but now private and NTC mills have been closed down over there. Whether the Government propose to give any special package to the small mills through research centres so that they could become viable?

SHRI SHANKERSINH VAGHELA: Research and Development is not for reviving mills. It is there for making the mills competitive in the future and making good things available to the consumers in domestic market. The closed mills of NTC are not to be revived but we are making efforts to modernise loss making mills and convert them into profit making ones.

[English]

MR. SPEAKER: This is a matter connected with research. Kindly put questions relating to that.

Shri Shrinivas Patil. I am sure you will refer to research.

SHRI SHRINIWAS DADASAHEB PATIL: Mr. Speaker, Sir, due to prolonged strikes in Mumbai, textile mills have been vanishing from there. Labourers who have been forced to go back to their native places have formed some cooperative societies and are running small mills.

MR. SPEAKER: It has nothing to do with this Shri Patil.

SHRI SHRINIWAS DADASAHEB PATIL: I am coming to that, Sir.

With regard to those who have gone back and started industries in a small way, is any research and development being done to reduce their cost of production? Has any market research been made to ensure that they are able to sell their products in the markets from their own places and get money instead of having to go to Mumbai?

[Translation]

SHRI SHANKERSINH VAGHELA: These small size groups are working for private organizations. If they send any special proposal we will ask them to render help. The Government of India merely provides funds. If there is any proposal for research we will ask them to help.

[English]

SHRI P.C. THOMAS: Sir, many of the modern private industries have their own research and modernisation facilities and they keep updating their equipment. As far as NTC is concerned—you have already answered one aspect—will it be possible to have a separate wing for NTC alone to develop it further, and also to encourage some textile parks or apparel parks in all States, especially in some States like Kerala where there is no such park?

MR. SPEAKER: This question relates to R&D in textiles. You are going for parks.

Mr. Minister, answer only the first part.

[Translation]

SHRI SHANKERSINH VAGHELA: NTC has nothing to do with Private mill owners and their association is concerned with the research and the Government of India. I cannot reply to the second question as hon. Speaker has asked me not to reply. But I would explain about apparels, ATDCs and TUFS in reply to second starred question.

New Market for Export

*142. ⁺SHRI Y.G. MAHAJAN:
SHRI KASHIRAM RANA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to look for new markets for export of Textile, Handloom and Handicraft items;

(b) if so, the details thereof;

(c) whether any new markets for some specific exports have been explored during the last year;

(d) if so, the details thereof;

(e) the steps being taken by the Government to promote the exports of Textile, Handloom and Handicraft items; and

(f) the success achieved by the Government by taking such steps?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (f) A statement is laid on the Table of the House.

Statement

(a) and (b) India's textile products, including handlooms and handicrafts, are exported to more than hundred countries. However, USA, EU Member States, U.A.E., Canada, Bangladesh, Saudi Arabia, Republic of Korea, Russia, Japan and Hong Kong, China, are the top ten importers of our textile goods. Government's export promotion efforts are directed to deepen the presence of Indian textiles in major importing countries like US and EU, and simultaneously explore new export avenues in the Latin America, Africa, CIS region, ASEAN countries, Australia and New Zealand.

(c) and (d) Ten Export Promotion Councils, Jute Manufactures Development Council and Coir Board are regularly conducting market driven export promotion programmes; and besides, the Government have also mounted High level textile delegations to countries like Tunisia, Morocco, Mauritius etc. for developing textile trade with such countries.

(e) Government have been taking a number of measures to promote textile exports including handlooms and handicrafts, some of which are given below:-

- (i) The Export Promotion Councils have been undertaking export promotion events like participation in overseas exhibitions/fairs, organizing BSMs abroad, overseas publicity, sponsoring trade delegations etc. in consultation with Indian Missions abroad.
- (ii) For promoting handicrafts exports, Office of the Development Commissioner (Handicrafts) implements Export Promotion scheme which

envisages development & promotion of exportable products, identification of markets, participation in fairs & exhibitions, publicity abroad etc. The other promotional steps include: organization of Indian Handicrafts and Gift Fair/ Carpet Expo and setting up of India Exposition Mart at Greater Noida to provide round the clock marketing outlets for the foreign buyers.

- (iii) In order to give impetus to the export of handloom products, a scheme namely 'Handloom Export Scheme' is being implemented. The Scheme envisages provision of financial assistance to the handloom agencies such as National and State Level Handloom Corporations, Apex Cooperative Societies, Primary Handloom Weavers' Cooperative Societies and Private Handloom Exporters for development of export worthy handloom products, publicity & international marketing thereof and setting up of value addition/quality control units. Financial assistance is also provided under the scheme to Handloom Export Promotion Council (HEPC), Association of Corporations and Apex Societies of Handlooms (ACASH) etc. for organising participation of their members in international fairs/exhibitions/Buyer-Seller-Meets.
- (iv) Under the Market Access Initiative Scheme, financial assistance is extended for medium term export promotion efforts which a sharp focus on a country and product. Besides, MDA assistance for participation in Trade Fairs abroad and travel grant is available to exporters if they travel to countries in one of the four Focus Areas, such as, Latin America, Africa, CIS Region, ASEAN countries, Australia and New Zealand.

Besides, Government has been taking initiatives to enhance the export competitiveness of India's textile industry. Some of the important initiatives are:-

- (i) The Government has de-reserved the woven segment of readymade garment from the SSI sector. It has also raised the SSI investment limit for knitted segment to Rs. 5 crores.
- (ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

- (iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures. This further encourages modernisation.
- (iv) With a view to making fabric production competitive, the custom duty on shuttleless looms has been brought from 15% to 5%.
- (v) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.
- (vi) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles per-tested for conforming to the requirements of importing countries.
- (vii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.
- (viii) For upgrading infrastructure facilities at important textile centres, a scheme 'Textile Centre Infrastructure Development Scheme' (TCIDS) has been launched.

(f) As per Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, the textile exports have recorded a growth of 15.3% in 2002-2003 and 6.0% in 2003-2004. During the period April-June 2004, textile exports were US\$ 3035.5 million, recording a growth of 6.5% as compared to the corresponding period of previous year.

[Translation]

SHRI Y.G. MAHAJAN: Mr. Speaker, Sir, textile industry in India is the oldest one and it has been producing good fabric. Soon quota system in textile sector is about to come to an end. I would like to know—What steps the Government contemplate to take to overcome the problem likely to come up as a consequence thereof?

SHRI SHANKERSINH VAGHELA: Mr. Speaker, Sir, as per quota system, control on export was necessary. Now, it will come to an end with effect from January, 2005. Indian industry has ample scope of export and the Govt. have proposed budgetary support for it and removed CENVAT. We are doing home work to ensure an investment of Rs. 60,000 crore in coming 3-4 years in new scheme of apparels and that each year one lakh new employment opportunities are generated and there is more inflow of foreign funds. In addition, there are several other schemes, whose details I can furnish in writing, if he wants to know. Otherwise also, these are given in my statement. The Government are making efforts to double the quota in the coming days.

SHRI Y.G. MAHAJAN: Mr. Speaker, Sir, I would like to know about new apparel park scheme launched by the Government. Whether the Government propose to set up more apparel parks at more places? If so, the details thereof and places in Maharashtra where the Government propose to set up such parks.

[English]

MR. SPEAKER: It is more than enough. It cannot be a long question.

.....(Interruptions)

SHRI SHANKERSINH VAGHELA: The Government has launched a centrally sponsored scheme titled 'Apparel Park' for export scheme.

[Translation]

Mr. Speaker, Sir, it includes Kanpur, Ludhiana and Surat. But this experience has not been satisfactory. We have sanctioned 12 parks and annually the Government allocates maximum of Rs. 17 crore to each park. But the experience has not been good. If Rs. 10 crore for apparel park and same amount for any additional scheme, i.e. a total of Rs. 20 crore is allocated for development of infrastructure then good infrastructure can be developed. Therefore, we are considering said scheme. But as he has expressed apprehensions our experience has not been so good. We are conducting survey and review once again as to whether more apparel parks should be set up or not?

SHRI KASHIRAM RANA: Mr. Speaker, Sir, it is going to be free market with effect from January and just now hon. Minister has told that our textile export would double in next two years. But, in reply to the question, hon. Minister has stated that we conduct fairs, delegations visit other countries. Sir, through you, I would like to

know from hon. Minister—as our technology is obsolete. we are unable to produce good quality of textile, secondly, our consignments reach abroad late. What steps the Government propose to take for improving this situation. Also, what has been the response with regard to search for new market. Quota system is to come to an end after January. So far as modernisation is concerned, the Government provide 5 percent interest subsidy. I want to know whether the Government propose to increase it from 5-8 percent?

SHRI SHANKERSINH VAGHELA: Mr. Speaker, Sir, we are following the initiatives taken by them. During last five months my Ministry has performed very well. He belongs to Surat. What was the problem regarding CENVAT? A strike continued for 40-45 days in connection with CENVAT but neither the Government of India nor the Ministry of Finance took any action. No sooner we came to power, we deleted it from CENVAT and all the small weavers throughout India were happy. This first step was in budgetary proposal and there was a proposal of Rs. 25 thousand crores for TUFs wherein we have already sanctioned Rs. 20 thousand crores and disbanded Rs. 16 thousand crore. We are considering 5-8 percent subsidy for processing houses. We may consider it in the days to come because here we are lacking.

.....(Interruptions)

[English]

MR. SPEAKER: Mr. Minister, please do not answer. It is not permitted by the Chair.

[Translation]

MD. SALIM: Mr. Speaker, Sir quota system will come to an end in 2005. For the last 5-6 years we have been telling that it will be beneficial also. But, some countries have been trying to create hurdles in the international market. Some schemes are in vogue in our country also. As hon. Minister has told and I want to ask a supplementary from Minister's reply. There are large ready made garment centres in West Bengal and there is a traditional competency amongst them but he has mentioned about Technology Upgradation Fund Scheme to increase their competitiveness. This scheme was started during the regime of previous Government. In the same way there are Infrastructure and Development schemes for textile centres but he has not given details of it. He has stated in his reply that he is going to launch this scheme. Which States have been benefited and how far

provisions have been made in this regard during last 3-4-5 years or since 1999? We must inform the House about how much we have strengthened the industries?

SHRI SHANKERSINH VAGHELA: Hon'ble Speaker, Sir, it is not a matter of giving special help to a State. If it is Bengal it is a matter of Jute. We are worried about jute diversification. We are concerned about more export of eco-friendly and golden fiber so that there could be maximum exports to America and European Community. We are opening trade centres and exporting it to other countries as well so that exports could be increased. We are going to compete with China in future. Throughout the world markets a huge dumping of Chinese products is taking place. I believe that the credibility of the industrialists over there is good as compared to India. Export will boost with the help of Government and quota free system and the Indian brand will be so popular that people will give priority to made-in-India products in comparison to Chinese products. I do not think that there will be any problem in Indian quota in future. Our exports will increase further.

[English]

SHRI OMAR ABDULLAH: Mr. Speaker, Sir, the hon. Minister is well aware that Jammu and Kashmir has traditionally been very famous in handicrafts and textiles. I myself am using a Kashmiri shawl which is famous all around the world. But the last 16 years of turmoil has resulted in the Kashmiri handicraft markets being shrunk because the consumers do not come to Kashmir and we have to go looking for them. I would like to know from the hon. Minister, in connection with part 'a' of the question, where it is asked about steps being taken by the Government to promote the exports of textile, handloom and handicraft items specifically, what steps are being taken to promote handloom, handicraft and traditional items from Kashmir like shawl, carpets, papier mache and wooden items, and specifically in areas like the development of common facilities and market development assistance to encourage the artisans to attend fairs and exhibitions around the world, particularly in places like Frankfurt and the Middle East. Part 'b' of the supplementary is, from the time of Dr. Sheikh Abdullah, we have been trying to develop Kathua as a textile city in Jammu and Kashmir. I would like to know from the hon. Minister whether there are any specific schemes that he can offer to the State so that we can further develop Kathua as a textile city with a view to export.

[Translation]

SHRI SHANKERSINH VAGHELA: Hon'ble Speaker, Sir, I would like to answer the last point first. The Government of India has a soft corner for Kashmir. Jammu-Kashmir lies in our heart. Therefore any such proposal received from the State Government, from him, from Mehboobaji, or from Shri Farukh Abdullah ji, who is a Member of Rajya Sabha, will be considered by us. We will provide special and financial facility to Kathua. We would extend help to Jammu and Kashmir, after considering the proposal. 70 crore rupees have been sanctioned recently for exhibition and DCID Scheme in Jammu and Kashmir. So far as the promotion of handicraft is concerned, I would like to say that Development Commissioner of Handicrafts is monitoring the export promotion Scheme.

[English]

Which envisage development and promotion of export products identified by markets, participation in fairs, exhibitions and publicity abroad. There is a provision of doing so and it is already being done. Development of exportable products and their marketing have been operated since 1996-97 till the end of the Ninth Plan.

[Translation]

We are concerned about this. I believe that there is a huge demand for handicrafts specially Kashmiri shawls and carpets. Muradabad is also famous for these items. Indian handicrafts are very much popular. We will provide all kind of facilities and financial help and show our concern, wherever is required for the exports.

SHRI SANTOSH GANGWAR: Hon'ble Speaker, Sir, the question is regarding export of handicrafts and handlooms. A lot of zari-zardri work is done in Uttar Pradesh. The producer is the main link in its export, who is a unit, a person. What attention has been paid to the family which is involved in this work?

At present lakhs of families are involved in Zari and Zardri works. A suggestion was submitted by the Government of Uttar Pradesh to encourage this work and to set up a Ruhelkhand Haat Unit by the Export Promotion Council so that the middlemen can be prevented from having benefits. A common man produces goods at home and then sells it. I would like to know from the Hon'ble Minister whether the Government have formulated any scheme to give maximum benefit to that common man.

SHRI SHANKERSINH VAGHELA: Mr. Speaker, Sir, it is good that hon'ble Member is concerned about Uttar Pradesh Handlooms. Deendayal Hathkargha Protsahan Yojna, Handlooms Export Yojna, Marketing Promotion Programme, Design Development Training Programme, Integrated Handloom Training Programme, Mill Gate price scheme, Weavers Welfare Scheme, Bunkar Beema Yojna, Implementation of Handlooms, 10 percent rebate on Handloom products schemes are being implemented by the Government. Even today we are trying that the weavers do not starve, they do not commit suicide for this we are giving incentives to Handloom industry and a rebate for one year in the coming budgetary proposal is envisaged. To avoid problems in the implementation of these schemes we are reviewing them in three months. If there is any shortcoming then we will try to remove that.

SHRI VIJOY KRISHNA: Hon'ble Speaker, Sir, Bhagalpur in Bihar is a big centre for khadi clothes and handlooms. Besides, Madhubani, Gaya, Bihar sharif and Manpur are also known for this work. The handloom weavers of this area are forced to sell their products at low prices. I would like to know from the Government whether they have formulated any special scheme to provide remunerative prices to Tussar producers of Bhagalpur and khadi weavers of Madhubani.

SHRI SHANKERSINH VAGHELA: Mr. Speaker, Sir, the Khadi Development Board will deal with the issue of Khadi. But I would at least say that if a customer asks for something in the market and he can not be provided with the product then it will create gap between demand and supply.

As far as Bhagalpur and Banaras are concerned, there could be some problems in the implementation of schemes being run by Central Government and the State Government. Goods should be available according to the demand of customers. It should not happen that we remain in the old world and because of that textiles and weavers may face problem. We are going to revive it. If there is any problem, we will solve it. We will definitely think of Bhagalpur if hon'ble Members give in writing about it.

SHRIMATI KRISHNA TIRATH: Mr. Speaker, Sir, a lot has been said about Handlooms and Handicrafts but nothing has been said about the women working in these sectors. I have noticed this not just in Delhi but in many States of the country that how much they are working. Whether the Hon'ble Minister has any scheme under

which interest free loan may be provided to women so that they may set up looms in their houses and may become socially and economically well off. Besides they may sell their products directly in the market without sharing their profits with the middle men. If so, the hon'ble Minister should inform the House in this regard.

[English]

MR. SPEAKER: It is a very good question!

[Translation]

SHRI SHANKERSINH VAGHELA : Mr. Speaker, Sir, it is a good question. We should think about the welfare of the women. I would like to congratulate the hon'ble Member that she is expressing her concerns about women. Congratulations for that. As far as the rate of interest is concerned, that is not under our control. If there is any cooperative society for women, then the Government may think about taking steps to reduce the rate of interest to four-five percent so that they may be benefited by the cooperatives.

Second thing that the hon'ble Member has asked is about the market facility. Whenever the issue related to the welfare of the women come before me, I pay special attention to it. These women belong to Bihar, Gujarat or Rajasthan. They should get space in the market. But the market does not come under the Ministry of Textile. Despite that the Government are proposing to increase the number of markets. Markets are also being increased as NIFT. The Government are going to set up market around Delhi. Besides this more market should be set up so that the pressure on Delhi may be lessen. We are also making efforts to ensure that more trade firms are organised in Trade Centre at Pragati Maidan. However for small women entrepreneurs, there is Delhi Haat. So the Government is planning to increase the member of Haat. So this year 29 urban Haats have been sanctioned.....*(Interruptions)*

SHRIMATI KRISHNA TIRATH: There should be provision that rent is not charged from them.

SHRI SHANKERSINH VAGHELA: It cannot be done, however, the Government may ponder over providing accommodation facility to them so that they may get proper space for living at the same spot and I feel that weavers and artisans should also participate in that. This year we have sanctioned 29 urban Haats.

[*English*]

MR. SPEAKER: Shri Hemlal Murmu—Not present.

[*Translation*]

SHRI SHAILENDRA KUMAR: Mr. Speaker, Sir, through you I would like to submit to the hon'ble Minister that textile mills in some of the States, especially, sari industry of Banaras and carpet industry of Bhadoi, Uttar Pradesh are facing crisis due to competition in the international market. Presently there is tough competition in the international market. I want to know whether the Government propose to set up research centre in Greater Noida to establish and promote these markets.

[*English*]

MR. SPEAKER: Please do not put similar questions; they are exactly identical supplementaries.

[*Translation*]

SHRI SHANKERSINH VAGHELA: We are going to develop such World Trade Centres at Greater Noida and Gurgaon, which may remain open round the clock. There is contradiction between export and small scale industry, small weavers and the cottage industries. If we have to enhance export, then there is no place for SSI and cottage industries in it, except that it produce handicrafts only. If it is essential to produce handicraft then it is different thing. However, there are bigger industries in Japan, America and China and the small scale industries of India cannot stand before them and may lose its existence. So in coming days we will need major industries for enhancing export. Our cottage and small scale industries will become specimen from the point of view of handicrafts. In coming days they will not be able to withstand competition even if financial assistance is provided by the Government. It will be difficult for them to maintain their existence. More production is required for more export. The existing production will not be sufficient for export. However, what the Member has asked about the export is not concerned with it. The Government will certainly provide assistance to the domestic market.

[*English*]

Double Taxation Avoidance Treaty with Mauritius

*143. SHRI KINJARAPU YERRANNAIDU: Will the Minister of FINANCE be pleased to state:

(a) whether the Double Taxation Avoidance Treaty (DTAT) between India and Mauritius is still in vogue; and

(b) if not, whether the Government has a proposal to start negotiations on DTAT to boost investment?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) Does not arise in view of reply at (a).

MR. SPEAKER: What is your supplementary question? The Minister has agreed with you.

SHRI KINJARAPU YERRANNAIDU: Sir, the Minister has given a vague reply. There is no reply at all. The Central Government enters into Double Taxation Avoidance Agreements with other countries so that there is flow of foreign capital and technology. The main purpose of this Treaty is to mitigate the hardships caused by double taxation on the same source of income.

MR. SPEAKER: He has agreed with you.

SHRI KINJARAPU YERRANNAIDU: In view of the Double Taxation Avoidance Treaty, the money-laundered funds in India are routed through Mauritius. I would like to know from the hon. Minister how it is ensured that there is monitoring regulation so that the funds of money laundering, the drug money of the money generated from illegal means do not get mixed up with the real FDI money. How does the Minister prevent it under such Treaty? I want to know this from the hon. Minister.

MR. SPEAKER: This question does not arise from the main Question.

SHRI P. CHIDAMBARAM: This question relates to investments which come through Mauritius which is covered by the DTAT. Hon. Member has doubted whether the Treaty is in vogue. I have clearly said that the Treaty is in vogue.

Money laundering is a very different subject, for which the Parliament has enacted an Act, called the Prevention of Money Laundering Act. Rules have been made under the Act. The FIU India has been notified and we will deal with money laundering under the Prevention of Money Laundering Act. Investments, which come from a foreign source, certainly cannot be declared as laundered money. It is coming as investment into projects in India, into the stock markets and into ventures. That money certainly is not laundered money.

MR. SPEAKER: You have asked for it and the Minister has said, 'Yes'.

SHRI KINJARAPU YERRANNAIDU: There are reports in the newspapers. I am not against any investment, but some people, instead of paying tax in India, are bringing in money through the Mauritius route and thus avoiding tax which is ultimately a loss to this country. I would like to know, since the inception of this Treaty till today, how much amount is being routed through Mauritius and how much Foreign Direct Investment is coming through Mauritius?

MR. SPEAKER: It does not arise out of the main Question. I am sorry.

SHRI P. CHIDAMBARAM: I will give you the figure. From Mauritius, since 1991, we have received eight billion 713 million dollars. In Indian rupees Rs. 418 million has come through Mauritius route.

MR. SPEAKER: Shri Sunil Khan. Do not ask anything else but something related to the main Question. Have you got a question on this?

SHRI SUNIL KHAN: Sir, in the regime of NDA Government, the hon. Member has also asked this question, there was a loss of Rs. 3000 crore to the national exchequer due to the money coming through Mauritius route. The person involved was one of the relatives of the then Finance Minister. I would like to know from the hon. Finance Minister whether this is a fact or not.

SHRI P. CHIDAMBARAM: Sir, I cannot answer any speculative question or an allegation. All I can say is, this Treaty was signed in 1983. Since then this Treaty has been in operation. Certain circulars issued by the Government were challenged in the High Court and then in the Supreme Court. The Supreme Court has upheld the validity of the circular dated 13th April 2000. Under the Treaty there is a double taxation avoidance and if investors through Mauritius route take advantage of the Treaty provision, that is in accordance with the law as it stands today.

MR. SPEAKER: Shri Subodh Mohite. I do not know what supplementary you would like to put! Please keep the Question in mind and your supplementary should relate to that.

SHRI SUBODH MOHITE: Sir, this Treaty has been in operation since 1983.

[Translation]

During the last few years many such treaties have been misused.

[English]

Taking advantage of this Treaty, a number of paper and conduit companies, either in India or Mauritius, have enjoyed a lot of tax benefits. The Income Tax Department has already given notice for recovery of this amount. I would like to know from the Minister how many cases of misuse or abuse of Double Taxation Avoidance Treaty are pending; how much money is involved, what is the status of the investigation and how much money is recovered.

SHRI P. CHIDAMBARAM: This question has no basis. Certain assessing officers had denied the benefit of the Treaty to certain investments made by some FIs on the ground that they do not satisfy the residence requirement. The Government of India issued a circular on 13th of April, 2000 clarifying how the residence requirement is to be decided. This circular was challenged and the Supreme Court has upheld the circular. Now, all assessing officers are bound to apply the judgment and decide the residence requirement according to the circular. I do not think it is possible to say whether there is any misuse. If some person does not have the residence qualification, as clarified in the circular and upheld by the Supreme Court, he will not get the benefit of the Treaty.

MR. SPEAKER: If there is a misuse, there are procedures open in law. Shri Kharabela Swain. Please keep both the Question and the answer in mind.

SHRI KHARABELA SWAIN: Sir, in the past, several allegations have been made with regard to misuse of the DTAA Treaty. The Government of India in the past has entered into several rounds of negotiations with the Government of Mauritius to avoid the misuse of this rule. What has been the result of these negotiations? Is the present Government still pursuing such steps so that subsidiaries with minimum paid up capital in Mauritius cannot avoid paying tax in India? How much of tax, the companies would have paid to the Government of India had there been no Double Taxation Avoidance Treaty?

MR. SPEAKER: That is totally unnecessary. You need not reply to the second part of the question.

SHRI KHARABELA SWAIN: What is wrong in this?

MR. SPEAKER: I have allowed you.

SHRI KHARABELA SWAIN: But what is wrong in this?

MR. SPEAKER: Do not enter into a controversy always.

SHRI KHARABELA SWAIN: Sir, there is no question of controversy.

MR. SPEAKER: Let the hon. Minister reply.

SHRI KHARABELA SWAIN: Sir, I am asking a question to the hon. Minister But you yourself are saying that he should not answer this. This is very unfortunate.

MR. SPEAKER: Yes. It is unfortunate.

*(Interruptions)**

MR. SPEAKER: You go on talking but it will not be recorded. Only the hon. Minister's reply will be recorded.

SHRI P. CHIDAMBARAM: Sir, this Treaty was entered into in 1983. Now since liberalisation commenced in 1991, there has been flow of investment through Mauritius. We now have a model DTAA and new DTAA's are being entered into according to the model. The Mauritius Treaty obviously differs from the model DTAA. We would like, therefore, to re-visit the Treaty with Mauritius on some aspects in order to reflect model DTAA provisions in the Mauritius Treaty. But this is not purely an economic issue. There are political implications and there are diplomatic implications. We have gently suggested to Mauritius that at an appropriate time, we would like to re-visit some of these provisions. But no formal negotiations have taken place to revise the Treaty. We are in consultation with the Ministry of External Affairs. We can proceed on this only cautiously having regard to our good relations with Mauritius and the implications of commencing these negotiations.

SHRI GURUDAS DASGUPTA: Will the hon. Finance Minister agree to look into the question of review of this Avoidance Treaty in view of the widespread suspicions and complaints that there are proxy companies situated in that Island, only having a sign board in order to take advantage of this Treaty? This has become important because it is always felt that black money from India goes to Mauritius and then it comes through Mauritius to India just to make it white. In view of this, I would like to know whether you will agree to review the Treaty. At the same time, would you look into the complaint whether there are proxy companies there?

MR. SPEAKER: You have put a question already.

SHRI P. CHIDAMBARAM: The hon. Member says that various suspicions are expressed from time to time. But there is no hard evidence that Indian money is being routed through Mauritius through shell companies. Most of these investments come from genuine investors and genuine companies based worldwide who take advantage of the Mauritius Treaty and come through the Mauritius route. That is not illegal. That is perfectly valid. If there is a specific case of Indian money being first taken to Mauritius and then re-routed through Mauritius to India, certainly we will take action. But as I said, there is no hard evidence of any such case. Besides, Mauritius themselves have recently amended their law in which they do not allow a company to be registered there whose principal owners are India based or Indian residents. That is not allowed by Mauritius.

Thirdly, in the last Budget, we have abolished long-term capital gains in security transactions. So, much of the advantage of the Mauritius route is really taken away with the long term capital gains having been abolished even for Indian investors.

[Translation]

DR. P.P. KOYA: Mr. Speaker, Sir, through you I would like to know from the hon'ble Minister that

[English]

It has been noticed that the Mauritius route has become very easy and thus people are talking about this Mauritius Double Taxation Avoidance Treaty. I would like to ask a very pointed question to the hon. Minister: Does the Government have any plans to extend this Treaty to other countries as well in order to lessen the burden on this Mauritius route?

SHRI P. CHIDAMBARAM: Sir, actually some Treaties are there already with several countries like Cyprus, Malta, UAE, Indonesia, Zambia, Thailand, Tanzania and Syria.

We have no plans to extend the identical provisions of this Treaty to any other country. We have now the model DTAA. New Treaties are being negotiated on the lines of the model DTAA. But it is possible that in future Treaties with some countries, some element of the Mauritius Treaty or the Treaties with other countries could get reflected. But that will depend upon our current assessment of our trade with that country and the investment opportunities from that country.

*Not recorded.

Inflation Rate

+
*144. SHRI PRABHUNATH SINGH:
SHRI MOHAN SINGH:

Will the Minister of FINANCE be pleased to state:

(a) the expected average rate of inflation in the year 2004-05 as per the figures of the Reserve Bank of India and its effect on the economic growth rate;

(b) the expected economic growth rate of India during this period as per the prediction of the Reserve Bank and the percentage decrease thereof as compared to the previous years;

(c) the reasons therefor;

(d) whether it is a fact that the RBI hiked banks' Credit Reserve Ratio (CRR) on September 11, 2004 to check rising inflation;

(e) if so, whether these measures brought the rising inflation under control and if not, the reasons therefor; and

(f) estimated excess money in the market, wherefrom and how has it come and the steps the Government is taking to mop up this excess money?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (f) A statement is placed on the Table of the House.

Statement

(a) The Reserve Bank of India (RBI) in its Mid-Term Review of Annual Policy released on October 26, 2004 placed the WPI inflation, on a point-to-point basis for end 2004-05, at around 6.5 percent (as against 5.0 percent projected earlier), assuming that there would be no further major supply shocks and liquidity conditions remain manageable. However, this may not have any major impact on economic growth.

(b) and (c) The RBI, in its Mid-Term Review has placed the real GDP growth in 2004-05 in the range of 6.0 to 6.5 percent as compared to its May 2004 projection of 6.5 to 7.0 percent. The revision is on account of deficient rainfall in some parts of the country and its likely adverse impact on kharif output, and the adverse impact of higher oil prices on GDP.

(d) Yes, Sir. As part of anti-inflationary measures and to check the liquidity overhang in the system, the RBI hiked the cash reserve ratio (CRR) on September 11, 2004 from 4.50 percent in two stages to 4.75 percent from September 18, 2004 and further to 5.00 percent from October 2, 2004.

(e) As a result of various fiscal and monetary measures taken by the Government and the reduction in the price of petrol on November 15, 2004, the WPI point-to-point inflation has softened from the peak level of 8.7 percent reached in the week ending August 27, 2004 to 7.3 percent in the week ending November 20, 2004.

(f) The RBI has indicated that excess liquidity has come down from about Rs. 81,000 crore in April 2004 to about Rs. 68,000 crore on December 8, 2004. The excess liquidity is on account of strong foreign capital inflows. The RBI has been taking a number of measures to reduce the liquidity in the system. These include absorption of Rs. 50,389 crore (upto December 8, 2004) through Market Stabilization Scheme (MSS), reverse repo operation under the Liquidity Adjustment Facility (LAF) and increase in the Cash Reserve Ratio (CRR), which absorbed liquidity of nearly Rs. 9,000 crore.

[Translation]

SHRI PRABHUNATH SINGH: Mr. Speaker, Sir, through you, I would like to submit to the hon'ble Minister that the wholesale price index in the week ending July, 2004 has increased to 7.51 percent in comparison to last week's 6.52 percent. It is maximum during the last three and half years. During the NDA Government's tenure, inflation was checked between 4 percent to 4.5 percent, however, after measuring the wholesale price index through point wise changes, it came to light that during the week ending August, 2004 inflation rate reached highest level of 8.37 percent from 4.5 percent. Though it come down to 7.1 percent in October, 2004, however, it was still very much high in comparison to 4.32 percent in April, 2004.

Sir, oil import bill has increased to \$14.54 billion from \$9.21 billion...*(Interruptions)*

MR. SPEAKER: Prabhunath ji, you please ask the question.

SHRI PRABHUNATH SINGH: Mr. Speaker, Sir, I am just preparing ground for asking question. I will ask question later.

Sir, after that oil import bill has increased from \$25.34 billion... (*Interruptions*)

[*English*]

MR. SPEAKER: You are only giving information to the hon. Minister. Please put a very pointed question.

[*Translation*]

SHRI PRABHUNATH SINGH: Sir what I am telling is about his reply. I will ask question later.

I feel that inflation is imported and any of the favourable price in the international market will have the impact on the Indian economy.

Sir, I would like to know as to what will be the expected inflation in comparison to earlier projection during the remaining months of the year 2004-2005 in view of expected decline in the price of oil in international market and fertilisers and better production of cash crops and what will be the expected increase in the Gross Domestic Products (GDP) and how will it be calculated. I would like to know all these things in detail.

MR. SPEAKER: Prabhunath Singh ji, you have asked three supplementary questions.

[*English*]

SHRI P. CHIDAMBARAM: Sir, it is not correct to say that inflation has reached this figure only for the first time. Yesterday we had a full-fledged discussion in this House and I have given all these figures. For example, in 2000-01, mid-way through the term of the NDA Government, for 22 consecutive weeks, the WPI point to point inflation was above seven percent. In fact, it reached 8.8 percent and remained at that level between the weeks ending 15th January 2001 to 12th February, 2001. I am not saying that this should explain why there should be a high inflation today, the hon. Member correctly said this is really an imported inflation. I would call it petroflation. Seventy percent of our crude oil requirement is imported. Crude oil prices have been very high in the last few weeks. In fact, if hon. Member recall what I said yesterday, average price of crude in 2003-04 was 27 dollars 96 cent a barrel and in 2004-05 the average price is 37 dollars 60 cents a barrel. There is an increase of 40 percent. There are indications that crude oil prices are moderating. This is something that we are living with from day to day. In the morning I see moderation but by the time the evening is over I find that crude oil prices are rising.

For example, yesterday morning, prices moderated but in the evening, prices started going up. This is really imported inflation as the hon. Member correctly said. The RBI's outlook for inflation is that we may end up with an average inflation of about 6.5 percent. But let me point out that there have been other years where we have had high inflation because of other reasons. For example, in 2000-01, average inflation was 7.1 percent. But we are doing everything possible to moderate prices. I am confident that, unless there are new and unexpected external shocks, the worst is over and if the oil prices moderate, the WPI point-to-point inflation will also moderate.

[*Translation*]

SHRI PRABHUNATH SINGH: Mr. Speaker, Sir, through you I would like to state that till there is a situation of volatility in the international price of Oil, steel and gas, it will continue to affect rate of inflation in our country. Therefore, I would like to know whether the Government propose to bring policy changes to achieve the expected growth rate, if so, by when and if not, then what are the reasons therefor?

[*English*]

SHRI P. CHIDAMBARAM: Sir, the hon. Member is right. Prices of some commodities in the international market have shown a rising trend because of a very sharp increase in demand in China as well as in India. The demand for metals and steel has gone up in India because industrial activity has picked up very sharply in the last three to four months. Non-food credit has expanded very sharply. Investments have expanded sharply. There is increase in demand. Exports are growing by 25 percent. That also increases the demand for these commodities. I think it is good for the country. The downside effect is, in the short run, it will have some inflationary pressure. We are trying to moderate inflationary pressure by a combination of fiscal and monetary measures. In my reply, I have listed all the fiscal and monetary measures that we have taken. We will continue to take appropriate fiscal and monetary measures in order to moderate inflation. Let me assure the House that this is my biggest concern. This is the Government's biggest concern. If the oil prices moderate, I think, WPI inflation will also moderate in the near term.

[*Translation*]

SHRI MOHAN SINGH: Mr. Speaker, Sir, the quick rise and fall in the inflation rates proves the instability of our country's economy. Hon'ble Minister has told in his reply that the excess liquidity in market is the main cause for inflation to rise so fast. I would like to know from the

Hon'ble Minister as to what steps are being taken by the Government to keep excess foreign liquidity stabilized so that the volatility in inflation rates could be checked?

[English]

SHRI P. CHIDAMBARAM: The hon. Member is absolutely right. One of the reasons for spurt in inflation is, I may say with respect, rather poor liquidity management in the last fiscal year. Against the targeted 14 percent of M-3 growth, the year ended with and M-3 growth was 16.1 percent. In fact, when this Government assumed office, M-3 growth was 16.1 percent. We are targeting the M-3 growth at 14 percent. So far, we are under 14 or 13.7 percent. I am confident that RBI and the Government working together will be able to manage money supply keeping it as 14 percent. As the hon. Member has rightly said, it will have a very beneficial effect on bringing down the inflation rate.

SHRI K.S. RAO: Sir, I can understand the hon. Finance Minister telling that inflation was because of the increase in the prices of things like petrol, metals in the global market. But with regard to essential commodities like food, oilseeds, pulses, maize, foodgrains, etc. I just want to know from the hon. Minister as to whether he will make any restraint in importing commodities like oilseeds, foodgrains, maize, pulses, etc. which can be produced by our farmers in abundance if they will be informed in advance that there is going to be a shortage of such and such commodities, and not giving an advantage to the business community and later hurting the farming community by suddenly importing them. Will he maintain restraint keeping in view the inflation? He should not be worried about it.

SHRI P. CHIDAMBARAM: I am a little puzzled by the thrust of the question. Imports have a restraining influence on inflation. In fact, if import prices are low, it has a restraining effect on prices. We import oil seeds in order to meet the deficiency in our country. Edible oil is an important and essential commodity to the extent that if we are short of edible oil, then we have to import both oilseeds as well as edible oil. ...*(Interruptions)* I am sure, our farmers will, in course of time, produce all the edible oil and the oilseeds that we require for edible oil. But that would not happen overnight. Today there is a gap between demand and supply. Therefore, imports have a restraining influence on prices. If there is a demand supply gap, we must import, not restrain import.

[Translation]

SHRI HARIN PATHAK: Mr. Speaker, Sir, I would particularly like to know from Hon'ble Finance Minister that the inflation rate is announced around Friday. This figure of the inflation rate is arrived at by keeping in view the price rise in country and the average rise in prices. I would like to know from them that whether the Government or RBI puts the actual rate of inflation out for the common man after the date is received from the entire country, if so then on what date is the actual rate of inflation announced and the modus operandi thereof?

[English]

SHRI P. CHIDAMBARAM: I wish the hon. Member reads the announcement in full. Every Friday we announce the WPI Point to point inflation rate for the week ending two Fridays earlier. That is the first paragraph of the announcement. Maybe, you do not go to the second paragraph. In the second paragraph, when all the information comes, the corrected figure is also announced. In fact, in the last two weeks, including this week--for example, you read today's newspaper--the corrected figure shows that the final figure is a few basis points less than the provisional figure announced. Therefore, we announce both the figures, the provisional figure as well as the corrected figure.

MR. SPEAKER: So, in future please read the second paragraph also.

MR. SPEAKER: Q.No. 145. Shri Chandra Bhushan Singh--not present.

Q. No. 146. Shri Ram Kripal Yadav--not present.

Shri Devendra Prasad Yadav.

Loan to BPL

*146. SHRI DEVENDRA PRASAD YADAV:
SHRI RAM KRIPAL YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is considering lowering the interest rate on loans availed by BPL families under Self-Employment Schemes, which are currently more than 12 percent;

(b) if so, the details thereof;

(c) whether banks charge varying rates of interest on loans;

(d) if so, the details thereof; and

(e) the steps being taken to make uniform rate of interest within a minimum slab for BPL families?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) A statement is placed on the Table of the House.

Statement

(a) to (e) While the Government does not decide the rate of interest on loans to Below the Poverty Line (BPL) families under Self-Employment Schemes, it provides capital subsidy to them under Swarnajayanti Gram Swarozgar Yojana (SGSY), Prime Minister Rozgar Yojana (PMRY) and Swarna Janyanti Shahari Rojgar Yojana (SJSRY) to make such loans affordable. As per the extant guidelines of Reserve Bank of India (RBI), interest rates on loans upto Rs. 2 lakh should not exceed the Benchmark Prime Lending Rate (BPLR) of the bank and for loans above Rs. 2 lakh, banks are free to decide the rates of interest. BPLRs are arrived at by banks taking into account actual cost of funds, operating expenses, a minimum margin to cover regulatory requirements and profit margin. BPLRs of the public sector banks, at present, are in the range of 10 to 11.5% per annum. Consequently, rates of interest on loans to BPL families do vary. Banks are lending to BPL families under self-employment schemes below BPLR of the concerned bank. Other than SGSY, PMRY and SJSRY, the rate of interest under Differential Rate of Interest (DRI) Scheme and National Scheme of Liberation and Rehabilitation of Scavengers (NSLRS) is 4% per annum.

[Translation]

SHRI DEVENDRA PRASAD YADAV: Mr. Speaker, Sir, there were three parts to the question, while the answer for only one part has been received. It has been stated in the reply that interest rates for the loan sanctioned to the people living below poverty line under the Swarn Jaynti Gram Swarozgar Yojna is not decided by the Government, instead it is decided on the guidelines of RBI. It has been said that under the Swarn Jayanti Gram Swarozgar, Pradhan Mantri Rozgar Yojna and Swarn Jayanti Rozgar Yojna, a loan amount upto Rs. 2 lakhs is given at the rate of 10 to 11.5 percent interest. I would like to tell the hon'ble Minister that amount of Rs. one

lakh given to the rural unemployed youth in two instalments under the Pardhan Mantri Rozgar Yojna, at the rate of interest of 11 to 11.5 percent and there are different rates of different banks, while the rich people in cities get loan for house building or car at 6 to 8 percent rate of interest. I would like to know whether the Government propose to issue guidelines to RBI for making a single slab for the unemployed youths and sanction loans to them at uniform interest rate?

[English]

MR. SPEAKER: The hon. Minister is known for his brevity. Give a brief answer within the time.

SHRI P. CHIDAMBARAM: Sir, we do not any longer direct interest rates except for loans below Rs. 2 lakh. I have given that in my answer. Interest rates are determined by the banks having regard to the recovery rate and the risk assessment. We give capital subsidy. For example, we have disbursed, in 2002-03, for PMRY, Rs. 152 crore as capital subsidy.

12.00 hrs.

In 2003-04, it was Rs. 147 crore. In 2004-05, up to November, it was Rs. 104 crore. This is a capital subsidy that the Government gives which softens the burden of the interest to the borrower.

MR. SPEAKER: Question Hour over. I am obliged to the hon. Members that we have done five Questions today with your kind cooperation. I hope we would be able to do six Questions next Monday.

WRITTEN ANSWERS TO QUESTIONS

Foreign Banks Taking Over Private Banks

*145. SHRI CHANDRA BHUSHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has allowed the foreign banks to take over private Indian banks;

(b) if so, the details thereof;

(c) whether the Government has received any representation against proposed move of the Government; and

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

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) In pursuance of a Budget announcement made on February 28, 2003 the Government has issued a notification on 5th March, 2004 raising the Foreign Direct Investment (FDI) limit in private Banks from 49% to 74%, including the investment of Foreign Institutional Investors (FII). The press notification is available at www.siadipp.nic.in/policy/changes.htm (Press Note-2004, Series 2). The aforesaid Press Note also clarifies that presently there is a limit of 10 percent on voting rights in respect of banking companies and any change in the ceiling can be brought about only after final policy decisions and appropriate Parliamentary approvals. In order to regulate the flow of FDI and set out the roadmap for this purpose, Reserve Bank of India has placed in the public domain draft guidelines/a discussion paper on 2nd July, 2004.

Foreign Direct Investment

*147. SHRI BRAJA KISHORE TRIPATHY:
SHRI BHUVANESHWAR PRASAD MEHTA:

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

(a) the FDI investments during last three years and FDI received in the country in comparison to China;

(b) whether foreign investors are discouraged due to delay in approval of investment proposals;

(c) if so, the measures taken by the Government to simplify the foreign investment norms for encouraging foreign investors;

(d) whether the Government proposes to allow Foreign Direct Investment in Special Economic Zones, Warehouses, infrastructure, pension, retail sector, etc.;

(e) if so, the current position/expected FDI in respective sectors and the justification for opening FDI in respective sectors;

(f) whether the Government has noted the opposition from various sectors in regard to FDI particularly in insurance sector;

(g) if so, the reaction of the Government thereto and the sectors where the Government intend to restrict FDI;

(h) whether the Government has fixed target of foreign investment in the respective States in the wake of liberalised policy; and

(i) if so, details for last three years alongwith achievements?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Foreign Direct Investment (FDI) in India as reported by the Reserve Bank of India was US\$ 6.13 billion in 2001-02; US\$ 4.66 billion in 2002-03; and US\$ 4.67 billion in 2003-04.

According to United Nations Conference on Trade & Development's World Investment Report, 2004, FDI in China was US\$ 46.88 billion in 2001, US\$ 52.74 billion in 2002 and US\$ 53.50 billion in 2003.

(b) and (c) The Government has put in place a liberal and transparent policy under which FDI up to 100% is permitted on the automatic route in most sectors/activities. FDI under the automatic route does not require prior Government approval. Cases requiring prior Government approval are considered by the Foreign Investment Promotion Board (FIPB) in a time-bound manner.

(d) and (e) Under the present policy, FDI up to 100% is permitted in the development of townships within the Special Economic Zones; free trade and warehousing zones; construction and maintenance of roads & highways and ports & harbours; electricity generation, transmission & distribution (except atomic reactor plants). FDI up to 100% is permitted in trading companies engaged in bulk imports with ex-port/ex-bonded warehouse sales. No policy decision has been taken with regard to FDI in the Pension sector. FDI is not allowed in retail trading.

FDI depends upon a number of factors, both internal and external, such as the macro-economic environment in the host economy, global economic environment, corporate strategy of transnational corporations and economic environment in other economies competing for FDI.

The decision to open various sectors to FDI takes into consideration, *inter alia*, the objectives of promoting economic growth, encouraging investment, technological upgradation and increased competitiveness.

(f) and (g) Review of the FDI policy is an ongoing process during which the Government takes into consideration the views expressed in various quarters.

(h) and (i) In a liberalised economy locational decisions are taken by the investors based on their commercial judgment. State-wise targets are not fixed for FDI.

Housing Loan

*148. SHRI GANESH PRASAD SINGH:
SHRI SUKDEO PASWAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has any plan to increase rates on Housing Loans;

(b) if so, the reasons for increasing the interest rates on Housing Loan only, when the rates of interest on other loans are being decreased;

(c) whether this policy would put extra burden on people specially on the middle class;

(d) if so, whether the Government proposes to review the proposal and reduce the rate of interest as a part of measure to promote housing; and

(e) if so, the steps taken in that regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) Government does not regulate the rates of interest on advances, including housing loans, by banks. Except for small loans upto Rs. 2 lakh and a part of export credit, interest rates have been de-regulated by the Reserve Bank of India (RBI). Banks determine their lending rates for different types of advances based on their risk perception of activity/borrower, cost of funds, availability of funds and other commercial considerations. Taking these and the overall macro economic conditions into account, some banks have raised their rates of interest on housing loans by 25-75 basis points since November, 2004. These banks have, at the same time, raised their deposit rates also by 25-50 basis points for various term deposits. A modest increase in the interest rate on housing loans would increase the Equated Monthly Installments (EMI) marginally, making a minimal impact on customers.

Import of Waste Tea

*149. SHRIMATI MANORAMA MADHAVRAJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it has come to the notice of the Government that several tea exporters from India have been importing waste tea from Indonesia and other countries and re-exporting them as Orthodox tea variety;

(b) whether Libya has recently rejected a huge consignment of tea from India as sub-standard and if so, whether the Certificate of Origin for this consignment was issued by the Jodhpur Chamber of Commerce rather than Tea Board;

(c) whether the Government would consider appointing Tea Board as the sole inspection agency for tea exports from India; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) An instance has recently come to notice of poor quality tea having been reportedly imported from Vietnam for re-export to Libya.

(b) No, Sir.

(c) and (d) To ensure better surveillance on quality of tea exports, Tea Board have proposed certain provisions and regulations under the Tea Act 1953. The matter is under consideration.

Export of Horticultural Products

*150 DR. RAMKRISHNA KUSMARIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India's share in the international market is negligible in regard to export of horticultural products;

(b) if so, the details of horticultural produce exported during 2002, 2003 and 2004 so far, year-wise and the percentage share in international market;

(c) whether the Government propose to give special emphasis on export of horticultural produces; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) As per available data from the International Trade Year Book, UN, India's share in export of horticultural products is about 1% for the calendar year 2000 and 2001. Similar data for the year 2002, 2003 and 2004 are not available. However, the total quantity and value of horticultural exports during the last 3 years are as under:-

Qty: MTs

Value: Rs Crores

2001-02		2002-03		2003-04		2004-04 (April-July)	
Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
1174892	2088.18	1357579	2293.68	1721105	2583.07	Not available	890.73

(Source: DGCI&S, Kolkata)

(c) and (d) The measures taken to boost export of horticultural products include:-

- i. Extending transport assistance to exporters of select products, including horticultural products, to the extent of 10% of the Free On Board (FOB) value of export subject to a ceiling of 25% of the air freight of the specific rate fixed under the scheme, whichever is less.
- ii. Assistance for cargo handling of perishable goods and cold storage facilities is being provided at the airports in Delhi, Chennai, Mumbai, Bangalore, Hyderabad and Thiruvananthapuram.
- iii. Agri Export Zones for various horticultural products are being set up in different States of the country.
- iv. Financial assistance to the registered exporters is being provided through plan schemes for Market Development, Infrastructure Development, Quality Development and Research & Development.

Import of Pepper

*151. SHRI CHENGARA SURENDRAN:
SHRI P.K. VASUDEVAN NAIR:

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

(a) whether the Kerala Government has requested to modify the EXIM policy to keep a check on the import of low quality pepper and cardamom;

(b) if so, country-wise, quantity-wise and value-wise details of imports;

(c) whether cardamom and pepper are mixed with Indian product and exported;

(d) whether it is a fact that coconut and coconut products of low quality are dumped into India by Sri Lanka;

(e) if so, the details thereof including the reasons; and

(f) the steps Government of India is contemplating to check these imports and exports to save our peasants?

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI KAMAL NATH): (a) Yes, Sir.

(b) Country-wise details of Indian import of pepper and cardamom in terms of quantity and value for the last few years is given below:-

Country	2002-03		2003-04	
	Quantity	Value	Quantity	Value
Vietnam	7013.9	48.89	5535.0	36.41
Sri Lanka	6099.0	57.05	4915.8	35.26
Indonesia	1529.7	12.19	3384.3	24.07
Malaysia	55.6	0.36	123.2	0.69
Thailand	124.6	0.60	99.1	0.50
Singapore	45.0	0.44	90.3	0.87
Brazil	—	—	75.0	0.53
Ecuador	—	—	56.0	0.37
Others	524.1	3.85	55.6	0.54
Total	15301.8	123.38	14334.1	99.23

Source: Spices Board.

Cardamom (Small)

Country	Quantity in tonnes Value in Rs. crores			
	2002-03		2003-04	
	Quantity	Value	Quantity	Value
Guatemala	166.3	4.48	37.2	0.72
Singapore	77.4	2.20	21.0	0.59
Others	79.2	1.90	1.2	0.06
Total	322.9	8.58	59.4	1.37

Source: Spices Board.

(c) Two cases of exporting imported pepper as Indian pepper have been reported. The Certificates of Registration of the concerned exporters were suspended for a specified period.

(d) No, Sir.

(e) Does not arise.

(f) Steps taken by Government of India to check the imports are as follows:-

- (i) Import duty on pepper and cardamom was increased from 35% to 70% from the year 2002-03.
- (ii) Import of sensitive commodities is monitored in the Office of Directorate General of Foreign Trade.
- (iii) Issue regarding surge in import of pepper from Sri Lanka was taken up with the Sri Lankan authorities at the last Commerce Secretary level talks in August, 2004.
- (iv) The Government agencies of India as well as Sri Lankan side have been authorised to issue the Certificate of Origin for availing preferences under the India Sri Lanka Free Trade Agreement to prevent the misuse of the Agreement.
- (v) Coconut Development Board has initiated action for setting up quality testing laboratory for testing the quality of various coconut products available in the domestic market which will prevent the sale of inferior quality/adulterated products.

*[Translation]***Theft in Banks**

*152. DR. LAXMINARAYAN PANDEY:
SHRI S.K. KHARVENTHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether there is an increase in the incidents of theft of lockers and robbery in the nationalized banks of the country particularly in Delhi during the last two years;

(b) if so, the details thereof;

(c) the steps taken by the Government to prevent such types of incidents;

(d) whether it is also a fact that in some incidents, Banks personnel have also been found involved;

(e) if so, the details thereof; and

(f) the action taken against the guilty persons?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Reserve Bank of India (RBI) has reported that two incidents of theft from lockers have been reported during the last two years, one at Allahabad Bank, Commercial Agricultural Finance Branch, Ludhiana on 30.12.2003 and another at Punjab National Bank, Nauroji Nagar, New Delhi on 23rd July 2004. The details of robberies in Public Sector Banks since 2002 are as under:

Year	No. of incidents	Amount (Rs. in lakhs)
2002	106	619.11
2003	107	652.79
Upto 30th September 2004	85	688.28

(c) Security measures implemented by Public Sector Banks are reviewed in the State Level Security Committee meetings convened periodically by RBI. The meetings are required to be attended by bankers and State Government officials including Senior Police Officials. This Committee takes stock of the security environment in the State, steps needed to be taken to strengthen bank security and whenever further improvements are considered necessary, requisite instructions are given to banks. Banks have

classified their branches depending on the risk factors involved and posted armed guards, installed anti-burglary devices, etc. wherever necessary. Where deficiencies are reported in regard to guarding of bank's branches by armed guards supplied by the State police, the State Level Security Committee requests the police authorities to provide adequate armed guards and enhance police vigil.

After the incidents in PNB at Delhi and in Allahabad Bank at Ludhiana, the banks have advised their field functionaries to adopt precautionary measures and abide by security norms. They have also empanelled security agencies for providing outsourced security guards at vulnerable branches. All inspecting officials have also been instructed to ensure that the branches comply with the instructions on operations and safety of lockers in letter and spirit.

(d) to (f) Punjab National Bank has reported that Police investigation has revealed involvement of a staff member who has been arrested by the Police. He has been suspended and necessary disciplinary action has been initiated. No involvement of any other staff has been reported in thefts in lockers and robbery cases.

[English]

Indian Export

*153. SHRI SUGRIB SINGH:
SHRI SITA RAM SINGH:

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

(a) the quantum of exports/imports of the country during last three years, country-wise;

(b) whether the Government has registered growth in the export during last six months;

(c) if so, the current share of India in world trade and strategy adopted to enhance exports of each item;

(d) whether the Government has fixed the target of 20 percent growth in exports;

(e) if so, the sectors likely to play a vital role in this growth and measures taken to achieve the target;

(f) whether there has been a strong demand to restrict export of high grade iron;

(g) if so, the details of the exports and measures taken in this regard;

(h) whether violation of export promotion scheme cases have increased subsequent to the implementation of advance licensing scheme; and

(i) if so, details of such cases and steps taken to obviate such violations?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) The quantum of exports and imports during last three years, country-wise is enclosed as Statement.

(b) Yes, Sir, Exports during April-October, 2004-05 are valued at US\$ 40291.08 million which is 23.73% higher than the level of US\$ 32564.32 million during April-October, 2003-04.

(c) to (e) According to the World Trade Statistics of the WTO India's share in world merchandise trade was 0.73% in 2003. An export target of 16% corresponding to a level of US\$ 73.4 billion has been fixed for the year 2004-05 which is higher than the target of 12% fixed for the last two years.

Export Promotion is a constant endeavour of the Government and a Foreign Trade Policy was announced on 31st August, 2004 with the twin objective of doubling India's share of global merchandise trade within the next five years and also giving a thrust to employment generation. Some of the key strategies adopted to enhance exports include: simplification of procedures and reduction in transaction cost; neutralisation of incidence of all levies and duties on inputs used in export production; linking commercial missions abroad through an electronic platform for trade intelligence and enquiry dissemination. Certain special focus initiatives have been identified for agriculture, handlooms, handicraft, gems & jewellery and leather products which have a high growth and employment potential. Besides, several Export Promotion Schemes, such as "Target Plus" scheme for exporters who have attained quantum jump in exports, new categorization of status holders, introduction of Free Trade Warehousing Zone, etc. have been announced.

(f) and (g) Under the current Foreign Trade Policy, export of high grade iron (having iron content 64% and

above) is presently restricted by way of regulating its exports under State Trading Regime through MMTC. Further, there are quantitative restrictions on the export of high grade iron ore in the Bailadilla—the ore which is of superior grade. In the current year, export of high grade iron ore has been restricted to export of high grade fines only which has no ready domestic market in India while there is a strong domestic demand of high grade lumpy iron ore. The export of high grade iron ore through MMTC is also restricted in the current year to the minimum level rather than the maximum of the quantities provided in the long-term agreements with the Japanese and South Korean steel mills. The export figures of high grade lumps in the preceding two years and for the period up to September 2004 is as under:

(Quantity in Million MTs)		
2002-03	2003-04	2004-05 (Sept. 04)
3.65	3.01	1.63

(h) and (i) Quantity Based Advance Licence Scheme was introduced more than 25 years ago and is considered the most robust of the Export Promotion Scheme. It is used by large section of manufacturer exporters. The Scheme does not allow the transferability of the imported raw material even after completion of exports. The Scheme is largely free of misuse on account of the above. The exporters who do not fulfil the required export obligation are obligated to pay the Customs duties along with the interest on the disproportionate imports.

Statement

Exports & Imports by Regions and Countries: 2002-04

US\$ Million

Countries/Regions	Exports			%age growth		Imports			%age growth	
	2001-02	2002-03	2003-04	2002-03	2003-04	2001-02	2002-03	2003-04	2002-03	2003-04
1	2	3	4	5	6	7	8	9	10	11
I. West Europe	10575.28	12557.89	15240.08	18.75	21.36	13433.42	15045.37	18181.84	12.00	20.71
(a) EU Countries	9845.89	11522.47	13816.54	17.03	19.91	10438.54	12541.71	14502.34	20.17	15.63
1. Belgium	1390.62	1661.84	1805.84	19.50	8.67	2763.00	3711.93	3893.70	34.34	4.90
2. Denmark	151.86	183.67	237.06	20.95	29.07	120.61	143.98	225.61	18.86	57.37
3. France	945.06	1074.09	1289.80	13.66	20.08	884.25	1094.18	1054.55	29.60	-3.62
4. FRG	1788.36	2106.66	2522.39	17.80	19.73	2028.10	2404.53	2911.27	18.56	21.07
5. Greece	106.53	148.70	193.77	39.58	30.31	29.57	22.81	47.09	-22.84	106.41
6. Ireland	102.36	135.81	149.35	32.66	9.97	84.94	97.96	101.54	15.36	3.63
7. Italy	1206.53	1357.08	1703.82	12.48	25.55	704.78	811.99	1070.21	15.21	31.80
8. Luxembourg	4.47	9.14	14.18	104.46	55.16	6.72	19.34	44.40	187.57	129.63
9. Netherlands	863.88	1047.91	1277.73	21.30	21.93	466.47	385.74	533.67	-17.31	38.35
10. Portugal	147.84	162.12	166.45	9.65	2.67	14.00	14.96	13.87	6.83	-7.28
11. Spain	677.21	810.49	991.48	19.68	22.33	168.78	177.12	258.74	4.94	46.08

1	2	3	4	5	6	7	8	9	10	11
12. United Kingdom	2180.87	2498.41	3033.24	15.53	21.50	2563.20	2777.01	3176.00	8.34	14.37
13. Austria	76.33	81.11	103.61	6.26	27.74	77.82	164.21	201.69	111.02	22.82
14. Finland	154.27	176.29	218.05	14.27	23.69	162.09	199.00	270.04	22.77	35.70
15. Sweden	69.75	71.14	109.76	2.90	54.29	402.21	517.56	699.97	28.68	35.24
(b) Rest of West Europe	729.39	1035.42	1423.54	41.96	37.48	2996.88	2503.66	3659.49	-16.46	46.17
1. Norway	54.30	70.83	75.91	30.44	7.18	47.98	98.95	265.34	102.08	173.68
2. Turkey	219.05	368.33	564.93	68.14	53.38	69.36	59.64	73.32	-14.01	22.94
3. Switzerland	409.10	382.72	445.17	-6.45	16.32	2870.75	2329.88	3308.53	-18.84	42.00
II. East Europe	286.60	333.20	523.09	16.26	56.99	210.29	295.82	367.18	40.67	24.12
1. Poland	108.31	105.64	132.46	-2.46	25.38	31.39	38.84	49.20	23.73	26.68
2. Hungary	46.70	48.26	91.60	3.36	89.80	23.92	20.61	27.32	-13.80	32.52
3. Czech. Republic	41.08	57.42	86.29	39.77	50.27	38.63	85.48	111.83	121.38	30.83
III. C.I.S. & Baltic States	970.49	919.15	1020.83	-5.29	11.06	736.54	842.52	1261.05	14.39	49.67
(a) Russia	798.18	704.00	708.68	-11.80	0.66	535.51	592.61	959.51	10.66	61.91
(b) Rest of CIS Countries	172.31	215.15	312.15	24.86	45.08	201.04	249.92	301.54	24.31	20.66
1. Kazakhstan	45.70	46.88	69.96	2.58	49.23	7.39	12.73	9.26	72.14	-27.22
2. Ukraine	81.05	93.70	109.05	15.61	16.38	166.88	194.96	235.00	16.83	20.54
IV. Asia and Oceania	16888.90	22726.28	29408.08	34.56	29.40	15661.18	17937.77	26609.30	14.54	48.34
(a) Escap	11569.54	15784.51	20274.91	36.28	28.61	12707.19	14489.82	21645.31	14.03	49.38
1. Bangladesh	1002.18	1176.00	1646.08	17.34	39.97	59.12	62.05	62.24	4.96	0.30
2. Nepal	214.46	350.36	643.34	63.37	83.62	355.94	261.76	272.00	-20.84	-3.46
3. Sri Lanka	630.89	920.98	1320.39	45.98	43.37	67.38	90.83	194.45	34.80	114.10
4. Australia	418.02	504.18	578.18	20.61	14.66	1306.10	1336.79	2620.43	2.35	96.02
5. China P.R.	951.95	1975.48	2959.22	107.52	49.80	2036.39	2792.04	4048.35	37.11	45.00
6. Hongkong	2366.36	2613.33	3250.32	10.44	24.37	728.86	972.59	1492.57	33.44	53.46
7. Indonesia	533.71	826.06	1123.22	54.78	35.97	1036.81	1380.87	2096.25	33.18	51.81
8. Japan	1510.44	1864.03	1714.34	23.41	-8.03	2146.44	1836.33	2642.26	-14.45	43.99
9. Korea Republic of	471.37	644.85	782.16	36.80	18.19	1141.37	1522.01	2453.57	33.35	61.21
10. Malaysia	773.69	749.37	888.97	-3.14	18.63	1133.54	1465.42	2045.20	29.28	39.56
11. Singapore	972.31	1421.58	2116.54	46.21	48.89	1304.09	1434.81	2029.96	10.02	41.48
12. Thailand	633.13	711.20	827.43	12.33	16.34	423.09	379.00	608.96	-10.42	60.68

1	2	3	4	5	6	7	8	9	10	11
13. Pakistan	144.01	206.16	286.55	43.16	38.99	64.76	44.85	57.74	-30.74	28.75
(b) Others	5319.36	6961.77	9133.17	30.88	31.19	2953.99	3447.95	4963.99	16.72	43.97
1. Saudi Arabia	826.43	940.74	1119.96	13.83	19.05	463.99	504.72	737.21	8.78	46.06
2. United Arab Emirates	2491.79	3327.48	5079.98	33.54	52.67	915.09	956.99	2059.70	4.58	115.23
3. Israel	428.02	634.54	722.74	48.25	13.90	427.75	602.68	669.76	40.90	11.13
V. Africa	2886.62	3028.31	3802.67	4.91	25.57	2608.71	3424.75	3185.88	31.28	-6.97
1. Egypt	462.73	298.24	365.44	-35.55	22.53	99.94	226.57	98.21	126.70	-56.66
2. Nigeria	563.14	449.08	564.68	-20.25	25.74	87.12	78.13	75.64	-10.32	-3.18
3. South Africa	352.94	483.96	534.42	37.13	10.42	1440.90	2093.48	1891.97	45.29	-9.63
VI. America	10106.80	12951.00	13391.76	28.12	3.40	4684.59	6046.04	6616.37	29.06	9.43
(a) North America	9096.17	11594.03	12219.71	27.43	5.40	3679.05	5009.87	5453.35	36.17	8.85
1. Canada	584.82	698.27	759.74	19.40	8.80	529.43	566.29	590.73	6.96	4.32
2. U.S.A.	8513.34	10895.76	11459.97	27.98	5.18	3149.62	4443.58	4862.62	41.08	9.43
(b) Latin American Countries	956.00	1290.35	1124.88	34.97	-12.82	1004.83	1035.41	1162.48	3.04	12.27
1. Brazil	219.01	479.03	273.28	118.73	-42.95	306.17	316.79	314.82	2.80	-0.82
2. Argentina	64.62	60.29	87.00	-6.70	44.31	436.00	404.14	523.90	-7.31	29.63
3. Mexico	237.45	261.55	261.91	10.15	0.14	62.24	65.52	73.85	5.28	12.72
(c) Rest of America	54.64	66.62	47.17	21.92	-29.19	0.71	0.76	0.54	8.05	-29.16
1. Panama Canal Zone	18.67	9.06	3.20	-51.37	-64.76	0.00	0.03	0.53	-	1790.18
2. Puerto Rico	6.67	6.66	26.43	-0.27	297.15	0.65	0.73	0.01	11.22	-98.80
3. Turks & Calcos. Is.	29.10	50.56	17.27	73.79	-65.84	0.05	0.01	0.00	-81.05	-100.00
Grand Total	43826.72	52719.43	63454.56	20.29	20.36	51413.3	61412.14	77032.77	19.45	25.44

Compiled by Economic Division, Ministry of Commerce based on DGCI&S, provisional data.

Vanished Companies

*154. SHRI B. VINOD KUMAR:
SHRI BRAJESH PATHAK:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the Government is aware that several companies have vanished after raising funds from public through public issues during the last one year;

(b) if so, the details of such companies, State-wise;

(c) whether the Government has constituted any vigilance committee to keep vigil on the companies who have disappeared this year;

(d) if so, the details thereof and the time by which the committee would submit its report;

(e) whether the Government has taken any action against such defaulting companies and to protect the interests of investors; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) and (b) The criteria adopted for identification of Vanishing Companies are the following:

- (i) Companies, which have not complied with listing requirements/filing requirements of Stock Exchange/Registrar of Companies respectively for a period of 2 years;
- (ii) No correspondence has been received by the Exchange from the company for a long time;
- (iii) No office of the company is located at the mentioned registered office address at the time of Stock Exchange inspection.

It is a requirement that all the three criteria have to be met for treating a company as vanished. On the basis of the existing criteria, on company has vanished after raising funds from the public through public issues during the last one year.

(c) and (d) A Coordination and Monitoring Committee, co-chaired by Secretary, Ministry of Company Affairs and Chairman, Securities and Exchange Board of India (SEBI), is already in existence to look into issues relating to delinquent/vanishing companies and their promoters and for monitoring the progress of action against them. The work of this Committee is continuous in nature. The Ministry of Company Affairs has also set up in August, 2004 a Monitoring Committee for closely monitoring all cases of prosecutions launched under the Companies Act, 1956 and FIRs filed/registered under the Indian Penal Code against vanishing companies and their Directors. This Committee is co-chaired by Secretary, Ministry of Company Affairs and Chairman, SEBI and includes senior officials of various State Government and the Commissioner of Police, Delhi or his representative.

(e) and (f) Action against companies found to have vanished as per criteria at (a) & (b) above is taken by the Government under the relevant provisions of the Companies Act, 1956 and under the Indian Penal Code. In the past, such action included, *inter alia*, the following:

- (i) Prosecutions under Sections 62/63, 68 and 628 of the Companies Act, 1956 against vanishing companies.

(ii) Prosecutions under the Companies Act, 1956 for non-filing of statutory returns;

(iii) FIRs under the Indian Penal Code against the promoters/Directors.

Use of Synthetic Vanilla

*155. SHRI P.C. THOMAS: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether some countries have banned or restricted the use of synthetic Vanilla;

(b) if so, the details of the countries;

(c) whether India propose to ban the use of Synthetic Vanilla;

(d) if so, the details thereof;

(e) whether India is still producing Synthetic Vanilla; and

(f) if so, the details and quantum produced during the last three years?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) The Government is not aware of any country having banned or limited the use of synthetic vanilla (vanillin). In the United States, if synthetic vanilla (vanillin) is used, it has to be indicated on the label of the food product where it is used.

(c) and (d) There is no proposal for banning the use of synthetic vanilla in India.

(e) India is not producing synthetic vanilla.

(f) Does not arise.

Strength of Judges

*156. DR. M. JAGANNATH:
SHRI KAILASH MEGHWAL:

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

(a) the percentage of judges at District Court and High Court level for one million population in India vis-a-vis UK, Australia and US;

(b) whether the Government proposes to review the strength of judges in view of the large number of pending cases in the courts; and

(c) if so, the details thereof?

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) The present judge strength in India is 13 per million population (approx). The 120th report of Eleventh Law Commission on "Manpower Planning in Judiciary-A Blue Print" (July, 1987), had, *inter-alia* observed that the judge strength in UK, Australia and US per million population is as follows:

U.K.:	50.9
Australia:	41.6
US:	107.0

(b) and (c) The last Triennial Review of the Judge strength of the various High Courts was held in 2003. As a result, it was decided to increase the Judge strength of various High Courts from the existing strength of 655 to 749 Judges.

With regard to subordinate judiciary, the Supreme Court, in its judgment of 21st March, 2002, in All India Judges' Association & Ors Vs. Union of India & Ors, has directed that an increase in the Judge strength from the existing 10.5 or 13 per 10 lakh people to 50 judges per 10 lakh people should be effected and implemented within a period of five years in a phased manner to be determined and directed by the Union Ministry of Law. The Central Government have filed an affidavit in the Supreme Court praying that the increase in judge strength in the Union Territories for which Central Government is administratively responsible be allowed based on workload and pendency of cases. The matter is sub-Judice. All State Governments are also party to this case. Under article 235 of the Constitution of India, the administrative control over the members of subordinate judiciary in the States vests with the concerned High Court and the State Government. Accordingly, the Central Government has requested all the State Governments for taking necessary action to increase the judge strength as per the direction of the Supreme Court and also to fill up the vacant posts of judicial officers on urgent basis.

Special Economic Zone

*157. SHRI CHANDRAKANT KHAIRE:
SHRI PARSURAM MAJHI:

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

(a) the details of progress of work carried in the Special Economic Zones set up by the previous Government;

(b) by when these zones will start operations;

(c) whether Special Economic Zones are proposed to be set up exclusively for the development of biotechnology parks and warehouses;

(d) if so, details of the action plan formulated so far;

(e) whether representation have been received to strengthen infrastructure for SEZs; and

(f) if so, the details thereof and the action taken in this regard?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) In accordance with the Policy announced by the Central Government on Special Economic Zones (SEZs) in 2000, no new SEZs are to be set up by the Central Government. Eight functioning Export Processing Zones located at Kandla and Surat (Gujarat), Santa Cruz (Maharashtra), Cochin (Kerala), Chennai (Tamil Nadu), Vishakhapatnam (Andhra Pradesh), Falta (West Bengal) and Noida (U.P.) were converted into SEZs between 2000 and 2003. In addition, out of the 24 new SEZs approved for establishment (as on 31.3.04), in the private/joint sector with the State Governments or by the State Governments, 3 SEZs at Salt Lake (Manikanchan), Indore, and Jaipur have become operational and another 2 SEZs are now ready for operation.

(c) and (d) One SEZ for information technology, including bioinformatics, has been approved recently for establishment at Mahindra City near Chennai on the basis of a proposal received from M/s. Mahindra Industrial Park Limited. Further, the Foreign Trade Policy announced on 31.8.2004 provides a policy frame work for setting up of Free Trade and Warehousing Zones with a focus on trading and warehousing.

(e) and (f) The infrastructure in the existing SEZs is being developed further based on the requirements for setting up new units and operation of existing units in these SEZs.

Indo-Pak Agreement

*158. SHRI IQBAL AHMED SARADGI:
SHRI PRABODH PANDA:

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

(a) the present volume of trade between India and Pakistan;

(b) whether Indo-Pak trade has increased in 2003-04 over the previous year;

(c) if so, exact potential and measures taken to achieve it;

(d) whether two day Indo-Pak Government Secretary level talks on trade and economic cooperation was held in the month of August, 2004;

(e) if so, the details of the agreements signed;

(f) whether Minister recently visited Pakistan; and

(g) if so, the details of the discussions held in order to boost trade between both the countries?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) The two way trade between India and Pakistan during April-July 2004 has almost tripled in four months, rising to US\$ 186.36 million as against US\$ 64.41 million during the corresponding period last fiscal.

(b) India-Pakistan trade increased from US\$ 25.01 during 2002-2003 to US\$ 344.29 million during 2003-2004 showing a positive growth of approximately 40%.

(c) If the positive trend continues, total trade between India and Pakistan could cross \$ 500 million during 2004-2005. There has also been a visible increase in business to business dialogues through exchange of visits and participation in trade fairs and exhibitions etc. Pakistan and India are signatories to the South Asia Free Trade Area (SAFTA) Agreement which is scheduled to come into effect from 01.01.2006 and it will give a significant boost to economic activities between the two nations. A Joint Study Group at Commerce Secretaries level of India and Pakistan is proposed to be set up to discuss trade related issues between the two countries with a view to sorting these out for mutual benefit.

(d) and (e) Yes, Sir. However, no Agreement has been signed.

(f) and (g) Commerce and Industry Minister participated in the 4th SAARC Commerce Ministers Meeting in Islamabad on November 22-23, 2004. This meeting reviewed the progress in economic cooperation since the 3rd Meeting of the SAARC Commerce Ministers. It noted with satisfaction the significant progress recorded in regional economic cooperation, in particular, the signing

of the SAFTA Agreement as well as eminent finalisation of texts of draft agreements on trade facilitation measures viz. promotion and protection of investment, SAARC Arbitrary Council, Avoidance of Double Taxation and on Customs Cooperation. On this occasion, Commerce Ministers of India and Pakistan had a separate interaction to lay down a roadmap for promoting trade between the two countries. They agreed to set up a Joint Study Group at Commerce Secretaries' level of both the countries for evolving a strategy for boosting trade between India and Pakistan.

World Development Report, 2005

*159. SHRI BADIGA RAMAKRISHNA: Will the Minister of FINANCE be pleased to state:

(a) whether the World Development Report 2005 has placed India at 4th position with regard to investment climate as reported in *Times of India* dated the September 29, 2004;

(b) whether it is also pointed out that some significant shortcomings in some key sectors;

(c) if so, the details thereof; and

(d) the corrective measures being taken to overcome the deficiencies?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir. The World Development Report (WDR) 2005 does not rank countries with regard to investment climate.

(b) and (c) No, Sir. On the contrary, WDR highlights that China and India have both grown impressively in recent years, greatly reducing poverty and provide lessons about strategies for making investment climate improvements.

(d) Does not arise.

[Translation]

Foreign debt

*160. SHRI SUNIL KUMAR MAHATO:
SHIR ADHIR CHOWDHURY:

Will the Minister of FINANCE be pleased to state:

(a) the present status of the foreign debt till the end of the last month;

(b) the load of foreign debts on the financial structure of the country and the total debts taken by the Government during the current financial year;

(c) the per-capita external loan as on date;

(d) the amount of interest and debt service charges being paid for these loans annually; and

(e) the steps taken to reduce the debt burden of the country?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) According to the latest

information available, India's total external debt stood at US\$ 112.6 billion as at the end of June 2004. Net draws under loans raised by the Government of India during the current financial year up to June 2004 amounted to US\$ 86 million. Gross draws amounted to US\$ 441 million and principal repayments were US\$ 355 million during April-June 2004.

(c) The per capita external debt at end-March 2004 is estimated at approximately US\$ 105 or Rs. 4,556 (at US\$ 1= Rs. 43.4).

(d) Total debt service payments for the last five years are given in the following Table:

India's External Debt Service Payments

(US\$ million)

	(April-March)				
	1999-2000	2000-01	2001-02	2002-03	2003-04 P
1. Principal Repayments	7,059	8,359	6,776	11,517	14,546
2. Interest Payments	4,484	4,462	4,086	3,564	6,403
3. Total Debt Service Payments (1+2)	11,543	12,821	10,862	15,081	20,949

P: Provisional.

(e) The Government follows prudent external debt management policies which include emphasis on raising funds on concessional terms and from less expensive sources with longer maturities, monitoring of short term debt, prepaying high cost loans and encouraging non-debt creating capital flows. Government of India prepaid high cost sovereign loans of US\$ 2.9 billion and US\$ 3.8 billion during 2002-03 and 2003-04, respectively.

Education Loan

1610. SHRI CHANDRABHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is giving large scale publicity to the scheme of granting educational loan to the students through banks without collateral security;

(b) if so, the details thereof;

(c) whether only the wards of the affluent parents are getting the benefit of education loan on the basis of security of their parents' wealth and on the contrary poor students are being deprived of this facility as their parents have no shops, offices or any other property as guarantee for the loan and how poor students will go for higher education in the absence of any such guarantee; and

(d) the details of the Government's plan to provide education loan to such poor but meritorious students?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) In consonance with the Budget announcement for the year 2004-05, Indian Banks' Association (IBA) has issued a revised circular dated August 31, 2004 to all member banks not to ask for any security on loans up to Rs. 4 lakh. For loans above Rs. 4 lakh and upto Rs. 7.5 lakh collateral in the form of a suitable third party guarantee is taken. For loans above Rs. 7.5 lakh collateral security

security of suitable value or suitable third party guarantee alongwith the assignment of future income of the student for the payment of instalments is taken. The scheme provides broad guidelines to banks for operationalising the educational loan scheme and the implementing bank will have the discretion to make changes for the convenience of the students/parents to make it more customer friendly. Banks have the discretion to sanction higher amounts of education loan for studies in India and abroad based on their commercial judgment and as approved by their respective Boards. The circular also provides discretion to banks that wish to support highly meritorious/deserving students without security. IBA has also advised the member banks to give adequate publicity for the above scheme.

[English]

Foreign Banks

1611. SHRI MAHBOOB ZAHEDI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to extend facility to foreign banks similar to the public sector banks;

(b) if so, the details thereof;

(c) whether the Government has a plan to allow foreign banks to obtain 10% share of the private banks in India each year and also make them control the administrative power of management within 3-4 years;

(d) if so, the details thereof;

(e) whether the Government has a further plan to uplift the private, public sector and foreign banks in equal tier and subsequently transform 3-4 public sector banks to a Group to compete in the Indian economy; and

(f) if so, whether the Government has expressed its keen desire for amalgamation/merging of all public sector banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) In pursuance of a Budget announcement made on February 28, 2003 the Government has issued a notification on 5th March, 2004 raising the Foreign Direct Investment (FDI) limit in private Banks from 49% to 74%, including the investment of Foreign Institutional Investors (FII). The aforesaid Press Note also clarifies that presently

there is a limit of 10 percent on voting rights in respect of banking companies and any change in the ceiling can be brought about only after final policy decisions and appropriate Parliamentary approvals. In order to regulate the flow of FDI and set out the roadmap for this purpose, Reserve Banks of India has placed in the public domain draft guidelines/a discussion paper on 2nd July, 2004.

(c) and (d) There is no such proposal at present.

(e) and (f) As part of new initiatives, the Public Sector Banks are seriously evaluating consolidation as one of the strategies to increase their competitiveness at global level and for better viability. Consolidation would allow economies of scale in terms of footprint, manpower and other resources. Having Indian Banks of a larger size would enable them to face competition arising from internationalization of the economy. Larger size also entails better management of risk. Small and weak banks pose systemic risks with their low capital adequacy ratio and high NPAs. Consolidation is a timely response to augment efficiency which would lead to income generation and add to GDP of the country.

[Translation]

Industrial Growth Centres

1612. SHRI TUKARAM GANPAT RAO RENGE PATIL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total number of industrial growth centres opened in the country till last month alongwith the number of these opened in Maharashtra;

(b) the funds provided by the Government to the industrial growth centres in Maharashtra during last three years; and

(c) the number of industrial growth centres proposed to be opened during the current financial year alongwith the location-wise details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (c) Under the Industrial Growth Centre Scheme, 71 Growth Centres were to be established. All these Growth Centres have been sanctioned and out of these 46 have become functional with the allotment of plots/sheds. In case of 16 Growth Centres land has been acquired. The process of land acquisition is underway in the remaining 9 growth centres. For the State of Maharashtra, 5 growth centres have

been allocated and year-wise release for these during the last three years is as under:-

Sl.No.	Name of the Growth Centre	Tenth Plan	
		2001-02	2003-04
1	2	3	4
MAHARASHTRA			
1.	Akola	-	-
2.	Chandrapur	100	-

1	2	3	4
3.	Dhule	80	200
4.	Nanded	60	90
5.	Ratnagiri	-	-

No central assistance was released in 2002-03.

Further, the status of their implementation is given in the enclosed Statement.

Statement

Maharashtra Physical Progress of Growth Centers as on 31.10.2004

(Rupees in lakh)

Sl. No.	Name of State, Growth Centre/District	Date of approval	Land acquired	Plots/sheds developed	Plots/sheds allotted	No. of units established	Capital invested by units	Employment generated	Remarks
1.	Maharashtra (B) Akola (Akola)	30.03.92	625.05 Hec.	533	509	58	9007	725	-
2.	Chandrapur (Chandrapur)	30.03.92	623.49 Hec.	34	13	-	-	-	-
3.	Dhule (Dhule)	30.03.92	707 Hec.	60	3	-	-	-	-
4.	Nanded (Nanded)	11.12.97	645.81 Hec.	197	31	1	42710	52	-
5.	Ratnagiri (Ratanagiri)	30.03.92	-	-	-	-	-	-	-

Financial progress of Growth Centers as on 31.10.2004

(Rupees in lakh)

Sl. No.	Name of State, Growth Centre/District	Date of approval	Approved Project cost	Amount of Central Release	Amount Released by States & its Agencies	Total expenditure
1.	Maharashtra Akola (Akola)	30.03.92	3479.90	1000.00	1500.00	2290.09
2.	Chandrapur (Chandrapur)	30.03.92	3107.52	815.00	732.25	1491.27
3.	Dhule (Dhule)	30.03.92	3172.00	780.00	800.00	1324.93
4.	Nanded (Nanded)	11.12.97	4628.00	1000.00	976.03	1804.60
5.	Ratnagiri (Ratnagiri)	30.03.92	3232.27	440.00	200.00	580.86

Smuggling of Liquor

1613. SHRI MAHESH KANODIA: Will the Minister of FINANCE be pleased to state:

(a) whether the incidents of liquor smuggling are continuously increasing in the country;

(b) if so, whether the Government are going to take some concrete measures to check it; and

(c) if so, the details thereof?

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

(b) and (c) Nil in view of (a) above.

[English]

Tax on Tea in Line with Agricultural Tax

1614. SHRIMATI MINATI SEN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is considering its recommendation to levy VAT @ 4% on tea instead of the proposed 12.5% since tea is a common man's beverage;

(b) whether rationalisation of agricultural tax by State Government has also been suggested to bring tax payable in the tea sector in line with taxes on agricultural income;

(c) whether Government intend to announce the incentives shortly for production of Orthodox tea to enable the industry to increase the production of Orthodox tea by 20 million kg every year to step up exports;

(d) whether review of the Plantation Labour Act has been recommended; and

(e) whether Government proposes to set up a small grower development agency modelled on the Kenyan and Sri Lankan lines under the aegis of the Tea Board?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) The proposal for fixing the VAT rate for tea to 4% was considered by the Empowered Committee of State Finance Ministers on VAT at its meetings held on 29th and 30th April 2003 but the same

was not agreed to. The matter has been taken up again with the Empowered Committee of State Finance Ministers on VAT in the light the recommendation that emerged at the stakeholders' conference on challenges before Indian tea industry held on 16th and 17th September 2004.

(b) Rationalization of Agriculture Income Tax by the State Governments so that the ultimate tax payable in the tea sector is in the line with the average taxes on income was also one of the recommendations at the stockholders' conference on tea. As per available information, Agricultural Income Tax has been reduced from 45% to 35% in Assam with effect from 1.4.2004, from 45% to 30% in West Bengal with effect from 1.4.2003 and Tamil Nadu Agricultural Income Tax Act, 1995 has been repealed with effect from 1.4.2004. The proposal to rationalize the Agricultural Income Tax has also been taken up with the Government of Kerala.

(c) The scheme to be financed out of the special fund created with collections of additional excise duty on tea provides for incentives for production of orthodox tea in India.

(d) One of the recommendation that emerged at the stakeholders' conference on challenges before Indian tea industry held on 16th and 17th September 2004 was regarding review of the Plantations Labour Act keeping in view the change in the plantations sector over the past 50 years and keeping in mind the interest of all stakeholders.

(e) The stakeholders' conference on tea has also recommended that in order to provide regular extension and marketing support to small growers and manufacturers, a special programme may be put in place under the aegis of the Tea Board to take care of their special needs. In pursuance of this Tea Board have proposed setting up of a Small Growers Development Directorate under the aegis of Tea Board.

Loan to New Industry by BoB

1615. SHRI VIKRAMBHAI ARJANBHAI MADAM: Will the Minister of FINANCE be pleased to state:

(a) the loan given to new industries for the last three years by Bank of Baroda in Gujarat;

(b) the number of industries not given loan disbursement by the Bank after sanctioning of loan;

- (c) the reasons for not disbursing the loan;
- (d) whether NRI Industrialists applied for their industries in Gujarat through this bank; and
- (e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Loans aggregating Rs. 484.06 crores were given by Bank of Baroda to 352 new industries during last three years.

(b) Seven industries were not given loan disbursement by bank after sanctioning loans.

(c) Non-compliance of terms and conditions and avallment of facilities from other banks are the reasons for not disbursing the loan.

(d) As per Bank of Baroda, they do not keep this kind of records.

(e) Does not arise.

Defaulted Companies

1616. SHRI MILIND DEORA: Will the Minister of FINANCE be pleased to state:

(a) the number of defaulting companies failing to fulfil their obligations to various banks and financial institutions;

(b) if so, the details thereof alongwith the amount involved during the last three years, State-wise;

(c) whether SEBI is aware of this fact;

(d) if so, whether investors were informed accordingly so as to protect them from loss;

(e) whether instances of such company inflating their shares have come to the notice of Government/SEBI; and

(f) if so, the action taken by the Government against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (f) The numbers of suit filed accounts in which the sum to be recovered is Rs. 1 crore and above and suit filed accounts

of wilful defaulters in which the sum to be recovered is Rs. 25 lac and above are given in Statement I and Statement II respectively. However, in accordance with the practices and usages customary amongst the banks and in conformity with provisions of statutes governing the financial institutions as also the provisions of the Public Financial Institutions (obligations as to Fidelity and Secrecy) Act, 1983, the information sought cannot be divulged.

Statement-I

*Suit Filed Accounts of Rs. 1 Cr. and Above
as on 31 March, 2004*

Suit-Filed Cases by Geographic Distribution

S.No.	State/Union Territory	No. of records	Value (Rs. in Lacs)
1	2	3	4
1.	Maharashtra	2638	1,972,217.98
2.	Delhi	1097	981,531.23
3.	Tamil Nadu	1446	783,503.04
4.	Andhra Pradesh	821	429,088.20
5.	Gujarat	646	425,753.65
6.	West Bengal	668	387,691.82
7.	Karnataka	438	327,604.50
8.	Uttar Pradesh	320	195,137.66
9.	Chandigarh	173	186,277.39
10.	Madhya Pradesh	230	160,665.03
11.	Orissa	125	69,072.00
12.	Rajasthan	114	69,070.83
13.	Kerala	206	67,806.87
14.	Punjab	191	57,990.83
15.	Haryana	79	33,341.23
16.	Bihar	55	22,544.00
17.	Assam	38	16,444.00
18.	Jharkhand	27	8,611.00

1	2	3	4
19.	Himachal Pradesh	11	6,085.07
20.	Chhattisgarh	21	5,874.00
21.	Goa	13	4,681.00
22.	Pondicherry	9	2,973.00
23.	Jammu & Kashmir	8	2,296.00
24.	Uttaranchal	3	582.00
25.	Nagaland	4	510.00
26.	Meghalaya	2	455.00
27.	Arunachal Pradesh	2	449.00
28.	Sikkim	1	329.00
29.	Daman	1	118.00
30.	Manipur	1	102.00
Total		9,388	6,198,805.33

Statement-II

Suit-Filed Accounts (Willful Defaulters) of Rs. 25 Lacs and Above as on 31 March, 2004 by Geographic Distribution

S.No.	State/Union Territory	No. of records	Value (Rs. in Lacs)
1	2	3	4
1.	Maharashtra	558	341,804.87
2.	Delhi	243	229,755.03
3.	Gujarat	186	141,557.18
4.	Tamil Nadu	395	140,727.38
5.	Andhra Pradesh	274	78,860.96
6.	West Bengal	123	62,245.15
7.	Karnataka	179	47,462.85
8.	Madhya Pradesh	97	42,476.00
9.	Uttar Pradesh	108	32,007.63
10.	Chandigarh	38	30,625.49

1	2	3	4
11.	Kerala	141	23,950.00
12.	Punjab	101	22,077.25
13.	Rajasthan	20	9,201.00
14.	Bihar	42	8,172.00
15.	Haryana	37	4,747.10
16.	Uttaranchal	14	3,018.00
17.	Jharkhand	29	2,870.00
18.	Chhattisgarh	8	2,562.00
19.	Orissa	21	2,516.00
20.	Assam	11	1,126.00
21.	Himachal Pradesh	6	1,023.00
22.	Jammu & Kashmir	4	652.00
23.	Daman	2	437.00
24.	Meghalaya	2	256.00
25.	Goa	4	235.00
26.	Pondicherry	3	229.00
27.	Nagaland	1	37.00
Total		2,647	1,230,650.88

[Translation]

Statistical Data on Industries

1617. SHRI SUNIL KUMAR MAHATO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have conducted any survey to find out the number of small, medium and big closed industries during the last one year in the country particularly in Jharkhand and Gujarat;

(b) if so, the details thereof;

(c) the type of industry which generally faces closure and the details thereof; and

(d) the steps taken by the Central Government to restart these closed industries in a stipulated time frame in the State?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (c) Labour Bureau, Shimla, under the Ministry of Labour and Employment collects information on closure of industrial units covered by the Industrial Disputes Act, 1947. As per the information available with the Labour Bureau, 114 (Provisional) units were closed during the period from January to September 2004. Out of these, 16 units were closed in Gujarat and 3 in Jharkhand. As per the industry-wise number of closures during 2003, the industries group most affected pertains to engineering followed by textiles and food products.

As per the Third Census of Small Scale Industrial (SSI) units with reference year 2001-02 conducted during November 2002 to June 2003 in the country, 8,87,427 units were found closed which were registered in the SSI sector. Of these, the number of units closed in Gujarat and Jharkhand were 39,159 and 13,822 respectively. The industry-wise closure data is not available in the Third Census.

(d) Revival of closed industrial units comes under the purview of the administrative Ministry concerned with that particular unit. The Government provides a policy regime that facilitates and fosters growth and development of industries. The Government has also taken a number of steps for revival of sick industrial units in the country which *inter alia*, include guidelines of Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies (Special Provision) Act, 1985 etc. Wherever feasible, rehabilitation schemes are sanctioned for the revival of these units registered with the BIFR which, *inter alia*, include restructuring of the capital, induction of fresh funds by the promoters, including Government assistance for public sector units, merger with other companies, change of management, relief and concessions by Financial Institutions/Banks, and relief and concession by the State and Central Governments in the form of rescheduling of dues.

[English]

WTO Agreement on Life Saving Drugs

1618. SHRI MOHAN RAWALE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have struck a deal with WTO allowing India to import life saving medicines to fight AIDS, Tuberculosis and other epidemics;

(b) if so, the details of the WTO deal;

(c) whether the duty structure on these life saving drugs has been decided; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) The Doha Declaration on the TRIPS Agreement and Public Health recognized that the TRIPS Agreement does not and should not prevent Members from taking measures to protect public health. It reaffirmed the right of WTO Members to use, to the full, the provision in the TRIPS Agreement which provide flexibility for this purpose. The Declaration recognized that these facilities include the right of each Member to grant compulsory license and the freedom to determine the grounds upon which such license is granted, the right to determine what constitutes a national emergency or other circumstances of extreme urgency and the freedom to establish its own regime for exhaustion of intellectual property rights.

Paragraph 6 of the Doha Declaration recognized difficulties of WTO Members with insufficient or no manufacturing capacities in the pharmaceutical sector in making effective use of compulsory licensing under the TRIPS Agreement and instructed the Council for TRIPS to find an expeditious solution to this problem.

The General Council of the WTO took a Decision on 30 August 2003 for implementation of paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health. The Decision allows manufacture and export of patented pharmaceutical products under a compulsory license to countries with limited or no manufacturing capacities in the pharmaceutical sector. This decision would enable countries with limited or no manufacturing capacities in the pharmaceutical sector to import pharmaceutical products at affordable prices.

(c) and (d) Customs duty on 126 life saving drugs/ medicines (as per List 4 of the Notification) is nil *vide* Government of India Notification Number 21/2002-Customs dated 1.3.2002 (against S. No. 83 of the Notification).

Customs Duty Default by MNCs

1619. SHRI V.K. THUMMAR: Will the Minister of FINANCE be pleased to state:

(a) whether some multinational companies producing IMFL indulge in under-invoicing and misdeclaration of goods and evaded crores of rupees in customs duty;

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

(c) the latest position of the action taken against these companies in regard to recovery of customs duty; and

(d) the details of the progress of the action taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, one such case has been booked.

(b) The DRI, New Delhi had booked one case against M/s Seagram Manufacturing Ltd. Gurgaon producing IMFL underinvoicing and misdeclaration of goods. The case was adjudicated by the Commissioner of Customs, ICD, Tughlakabad, vide Order-in-Original No. AKR/CC/ICD/TKD/45-46 dated 29.08.2003 confirming the demand of Customs duty amounting to Rs. 39.96 crores for the period Feb, 1995 to June, 2004.

(c) An amount of Rs. 9.75 crores have been deposited by the party who has filed an appeal with the CESTAT against the above order and the same is pending. The CESTAT has waived the pre-deposit of the remaining amount of Rs. 30.21 crores vide, Stay Order No. 138/04 NB(A) dated 10.02.2004.

(d) The CESTAT has been requested for early disposal of the case.

[Translation]

Handpumps in Rural Areas

1620. SHRIMATI KALPNA RAMESH NARHIRE:
SHRI ADHIR CHOWDHURY:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Government have received any proposal from the Government of Maharashtra for installing hand pumps in the rural areas of Maharashtra under (Prime Minister) Drinking Water Scheme;

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

(c) the time by which these proposals are likely to be cleared; and

(d) the time by which the funds are likely to be allocated?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) to (d) A proposal for installation of 9000 hand pumps in rural areas during 2004-05 under Prime Minister's Programme had been received from Government of Maharashtra. Keeping in view the overall targets under the Prime Minister's Programme, Government of India have considered and approved installation of 6673 hand pumps in Maharashtra during 2004-05 under the said programme. An allocation of Rs. 2115.12 lakh has been made to the State for this purpose and the first instalment of Rs. 1057.56 lakh has already been released.

[English]

Statement of RBI Governor

1621. SHRI K.S. RAO:
SHRIMATI KIRAN MAHESHWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news item captioned "oil crisis looming large" appearing in the *Hindustan Times*, dated October 28, 2004;

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

(c) whether as per RBI Governor, if the Indian economy is resilient enough to absorb the oil shock, the ogre of petrol inflation will adversely impact India's growth prospects; and

(d) if so, the reaction of the Union Government with the steps taken by the Government to tackle the problem?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a and (b) Yes, Sir The news item states, *inter alia*, that if oil prices remain at \$50 plus per barrel for the rest of the financial year 2004-05, GDP growth will be eroded by 1.5 percentage points and inflation could rise by 4.8 percentage points (if the Government were to abstain from controlling retail oil prices). Further, if crude prices average \$60 per barrel in financial year 2005-06, GDP growth will be eroded by 3 percentage points and inflation could rise by 3.5 percentage points because of the direct and indirect effects.

(c) In the Mid Term Review of Annual Policy for the year 2004-05, the RBI has placed the overall GDP growth for the year 2004-05 in the range of 6.0 to 6.5 percent as against the earlier expectation of 6.5-7.0 percent, assuming that the combined down side risks of high and uncertain oil prices and sudden changes in the international liquidity environments remain manageable.

(d) Containment of inflation remains high on the agenda of the Government. Anti-inflationary policies of the Government include strict fiscal and monetary discipline, rationalisation of excise and import duties of essential commodities so that there is no undue burden on the poor, effective supply-demand management of sensitive items through liberal tariff and trade policies, and strengthening the public distribution system. Specific measures taken by the Government to contain inflation include the following:

- On June 15, 2004 the Government reduced excise duties on selected petroleum products to keep their domestic retail prices in check in the face of rising international prices of oil. Excise duty on petrol was reduced from 30 percent to 26 percent, on high speed diesel from 14 percent to 11 percent and on liquefied petroleum gas (LPG) from 16 percent to 8 percent.
- On August 18, 2004, the Government further reduced excise and customs duties on selected petroleum products. Customs duty on petrol, diesel, LPG and kerosene was reduced by 5 percentage points each, while excise duty was reduced by 3 percentage points each for petrol and diesel and by 4 percentage points for kerosene.
- On August 20, 2004, the Government reduced customs duties on non-alloy steel and ships for

breaking to 5 percent from 10 and 15 percent respectively in order to check high inflation in metals and metal products. Melting scrap of iron and steel was fully exempted from customs duty.

- To check the liquidity overhang in the system, the Reserve Bank of India (RBI), on September 11, 2004, hiked the cash reserve ratio (CRR), to be maintained by banks, by 50 basis points to 5 percent of their demand and time liabilities.
- In a bid to control the price of edible oils and make its availability easy, the government on September 16, 2004 cut tariff values on many vegetable oils by around \$50 a metric ton.
- In its Mid-Term Review of the Annual Policy Statement for 2004-05 announced on October 26, 2004, the RBI hiked the reverse repo rate (i.e. the interest rate paid on bank funds placed with the RBI against government paper) by 25 basis points to 4.75 percent.

As there was a fall in the international price of crude oil, oil companies reduced the prices of petrol by up to Rs. 1.26 per liter with effect from November 15, 2004.

[Translation]

Tax Duty Evasion

1622. SHRI RAMDAS ATHAWALE: Will the Minister of FINANCE be pleased to state:

(a) the names of the companies against which the departmental and legal action is being taken for the evasion of Central Excise and Customs duty involving an amount of more than 100 crores;

(b) the names of the companies against which cases are pending before the Central Excise Gold Control Appellate Tribunal, High Courts and the Supreme Court for more than three years and the latest position of these cases as on date; and

(c) the steps taken or proposed to be taken by the Government to realize the said amount expeditiously?

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

[English]

Indian Investment Centre Employees

1623. SHRIMATI KIRAN MAHESHWARI:
SHRI K.S. RAO:

Will the Minister of FINANCE be pleased to state:

(a) the number of employees working in Indian Investment Centre;

(b) whether the Government have taken a decision to close the Indian Investment Centre; and

(c) if so, the reasons for the same and the manner in which interest of employees of IIC will be protected by the Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) At present, 73 employees are working in the Indian Investment Centre (IIC).

(b) Yes, Sir.

(c) IIC has lost its relevance in the present context of changed economic scenario. Voluntary Retirement Scheme (VRS) as applicable to surplus employees of the Central Government has been approved for the employees of the Indian Investment Centre to protect their interest.

[Translation]

Himachal Gramin Bank

1624. PROF. CHANDER KUMAR:
SHRI SURESH CHANDEL:
SHRIMATI PRATIBHA SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government/RBI has received applications for issue of licenses for setting up Gramin Banks in Himachal Pradesh;

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

(c) the action taken by the Government thereon; and

(d) the time by which these banks are likely to be functional?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) A proposal from Himachal Gramin Bank for opening of four new branches at Amroh (Hamirpur Distt.), Chintpurni (Una District), Amb (Una Distt.) and Ghumuarwin (Bilaspur Distt.) was received by Reserve Bank of India (RBI) through National Bank for Agriculture and Rural Development (NABARD) on July 31, 2004. The approval

for issue of licenses for opening the aforesaid branches has been conveyed by RBI to its Regional Office on December 6, 2004.

Operationalising Closed Industry

1625. SHRI GIRIDHARI YADAV: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of industries functioning in each State;

(b) the number of private industries among them;

(c) whether any Governmental or Non-Governmental Organisation has provided funds to make the closed industries operational, and the details thereof for last two years;

(d) whether the Government has made any efforts to promote small industries in each State; and

(e) if so, the details thereof and the success achieved by the Government in its efforts?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) The State wise number of factories an number of factories having wholly private ownership, as per the results of Annual Survey of Industries conducted by the Central Statistical Organisation for the year 2001-2002, is given in the enclosed Statement.

(c) The Government provides a policy regime that facilitates and fosters growth and development of industry. Government has taken a number of steps for revival of sick industrial units in the country which, *inter-alia*, include guidelines of Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provision) Act, 1985.

(d) and (e) While development of Small Scale Industries (SSIs) is primarily the responsibility of the State/UT Governments, the Central Government has taken several steps for promoting and strengthening of SSI Sector by implementing various schemes such as Integrated Infrastructure Development, technology upgradation, marketing and entrepreneurial development. Besides, on 30th August 2000, the Prime Minister announced a Comprehensive Policy Package for the promotion and development of Small Scale Sector to

enhance its competitiveness, both domestically and globally. The policy package consists of enhanced fiscal and credit support, better infrastructure and marketing facilities and incentives for technology upgradation. Because of these efforts, the SSI Sector has demonstrated the resilience to withstand the competition as it has recorded a rate of growth, which is higher than the overall industrial growth.

Statement

State-wise Number of Factories as per Annual Survey of Industries 2001-02

S.No	Name of State/U.T	Number of Factories	Number of factories having wholly private ownership
1	2	3	4
1.	Jammu and Kashmir	348	318
2.	Himachal Pradesh	500	477
3.	Punjab	7249	7136
4.	Chandigarh (U.T)	275	271
5.	Uttaranchal	698	643
6.	Haryana	4437	4360
7.	Delhi	3416	3409
8.	Rajasthan	5279	5093
9.	Uttar Pradesh	9157	8934
10.	Bihar	1478	1403
11.	Nagaland	117	114
12.	Manipur	61	56
13.	Tripura	240	236
14.	Meghalaya	34	31
15.	Assam	1422	1373
16.	West Bengal	6195	6002
17.	Jharkhand	1430	1330
18.	Orissa	1709	1613
19.	Chhattisgarh	1277	1154

1	2	3	4
20.	Madhya Pradesh	3019	2931
21.	Gujarat	13950	13873
22.	Daman & Diu	1411	1411
23.	Dadra & Nagar Haveli	976	970
24.	Maharashtra	17853	17284
25.	Andhra Pradesh	14238	14069
26.	Karnataka	6987	6815
27.	Goa	506	495
28.	Kerala	4812	4414
29.	Tamil nadu	18912	18514
30.	Pondicherry	540	523
31.	Andaman & Nicobar Islands	24	22
All India		128550	125274

Notes:

- (i) The reference period for collection of data from the industrial units relates to the financial year ending on any day between 1st April 2001 to 31st March 2002.
- (ii) The ASI 2001-2002 extended to the entire country except the States of Arunachal Pradesh, Mizoram, Sikkim and UT of Lakshadweep.
- (iii) In terms of Industrial units, it covers the following:-
 - (a) All factories registered under Section 2 m (i) and 2 m (ii) of the Factories Act, 1948 employing 10 or more workers using power and those employing twenty or more workers with or without using power on any day of the preceding twelve months;
 - (b) Bidi & Cigar manufacturing establishments registered under Bidi and Cigar Workers (condition of employment) Act, 1966, employing ten or more workers using power and those employing twenty or more workers with or without using power; and
 - (c) Certain services and activities like cold storage, water supply, repair of motor vehicles and other consumer durables like watches, etc.

**Unauthorised Withdrawals From Treasury
in North East**

1626. SHRI M.K. SUBBA: Will the Minister of FINANCE be pleased to state:

(a) whether large number of cases of irregular withdrawals of several crores of rupees from different

Treasuries in the North-East, especially Naogaon, Assam Treasury during 1996-2002 have been reported;

(b) if so, the number and details of such irregular withdrawals from each Treasury during the period;

(c) the officials and others apprehended in connection therewith; and

(d) the action taken against them?

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

(b) to (d) The matter is entirely within the jurisdiction of concerned State Governments.

Foreign Insurance Companies

1627. SHRI BALESHWAR YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Government is considering any proposal for encouraging foreign insurance companies in view of the condition of Health Insurance in the country;

(b) if so, the reasons therefor; and

(c) the time by which the Government is likely to announce decision in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Insurance Act, 1938 provides for preferential treatment to companies including foreign companies providing health cover to individuals or group of individuals. Under the Act, the Insurance Regulatory and Development Authority is required to give preference to companies to carry on health insurance business in terms of grant of certificate of registration subjects to capital requirement and limits of foreign equity participation.

HDFC Branches in Karnataka

1628. SHRI ANANT KUMAR HEGDE: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of Housing Development Finance Corporation in various States;

(b) whether HDFC has set up any new branch in Karnataka during the last three years;

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

(d) whether the Government proposes to set up new branches of HDFC during 2005-06; and

(e) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) As reported by the National Housing Bank (NHB), Housing Development Finance Corporation (HDFC) had 180 offices in India as on September 30, 2004.

(b) and (c) Presently, there are Eight offices of HDFC in Karnataka, of which four offices were opened in the last three years. Two of these were opened in Bangalore and one each in Gulbarga and Mangalore.

(d) and (e) Government does not hold any share in HDFC, hence the question does not arise.

Refinance Facilities

1629. SHRI JUAL ORAM: Will the Minister of FINANCE be pleased to state:

(a) whether the NABARD is giving various types of refinance facilities to Co-operative Banks and Regional Rural Banks (RRBs) for Agricultural and Non-Agricultural purposes; and

(b) if so, the name and the number of Co-operative Banks as well as RRBs given such facilities during the last three years and amount provided to these banks, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes Sir, National Bank for Agriculture and Rural Development (NABARD) is providing refinance facilities to cooperative banks and regional rural banks, for short term seasonal agriculture operations, marketing of crops, production and marketing activities of cottage, village and small scale industrial cooperative societies, marketing and distribution of inputs like seeds and fertilizers and other activities. The Statewise, agencywise details of disbursements of refinance under various schemes during last 3 years is given in the enclosed statement I to III.

Statement-I*State-wise refinance disbursement for the last three years in respect of State Cooperative Banks (SCBs)*

(Rs. in Lakh)

States/UTs	2001-02	2002-03	2003-04
1	2	3	4
Delhi	593	500	823
Haryana	3018	8292	6099
Himachal Pradesh	4498	11148	15621
Jammu & Kashmir	249	749	0
Punjab	6296	15901	21539
Rajasthan	3212	4052	3289
Arunachal Pradesh	107	464	355
Assam	159	70	43
Manipur	0	318	0
Meghalaya	338	737	548
Mizoram	604	1122	464
Nagaland	96	190	75
Bihar	29	0	0
Orissa	4051	4854	5068
West Bengal	5232	13811	29890
A & N Islands	245	405	545
Madhya Pradesh	4856	4175	2561
Chhattisgarh	495	713	537
Uttar Pradesh	555	6356	14740
Uttaranchal	0	397	132
Dadra & Nagar Haveli	0	0	1
Gujarat	13394	19539	10623
Goa	1126	1707	179
Maharashtra	33136	36866	19927
Andhra Pradesh	1716	8330	2330

1	2	3	4
Karnataka	6396	14712	13920
Kerala	2429	1209	6718
Pondicherry	142	105	98
Tamil Nadu	15934	21652	17524
Total	108906	178374	173649

*Statement-II**State-wise refinance disbursement for the last three years in respect on SCARDBs*

				(Rs, in Lakh)
States/UTs	2001-02	2002-03	2003-04	
1	2	3	4	
Haryana	31868	38144	38393	
Himachal Pradesh	3676	4136	4752	
Jammu & Kashmir	323	400	0	
Punjab	32032	32292	38486	
Rajasthan	20318	18034	15900	
Tripura	231	193	327	
Bihar	0	0	653	
Orissa	600	1100	962	
West Bengal	8548	10812	9150	
Madhya Pradesh	19298	26500	21526	
Chhattisgarh	3004	4000	4028	
Uttar Pradesh	67089	64255	62873	
Uttaranchal	0	2515	448	
Gujarat	9180	7717	5624	
Maharashtra	0	0	0	
Andhra Pradesh	16988	15750	4926	
Karnataka	11393	11416	8000	

1	2	3	4
Kerala	30336	26466	22590
Tamil Nadu	18298	21621	15777
Total	273182	285351	154413

Statement-III

State-wise Refinance Disbursement for The Last three Years in Respect of Regional Rural Banks (RRBs)

(Rs. In lakhs)

State/UT	Number of RRBs	2001-02	2002-03	2003-04
1	2	3	4	5
Haryana	4	2361	555	1664
Himachal Pradesh	2	446	828	848
Jammu & Kashmir	3	1028	187	210
Punjab	5	1235	932	2707
Rajasthan	14	8862	6760	5967
Arunachal Pradesh	1	158	226	356
Assam	5	3987	4929	7311
Manipur	1	44	201	219
Meghalaya	1	79	0	384
Mizoram	1	345	464	1221
Nagaland	1	13	14	27
Tripura	1	409	774	906
Bihar	16	5527	7483	9000
Jharkhand	6	1529	1298	637
Orissa	9	14939	16369	22641
West Bengal	9	8790	13562	15901
Madhya Pradesh	19	5578	5443	5321
Chhattisgarh	5	1287	547	496
Uttar Pradesh	36	16263	40113	27176

1	2	3	4	5
Uttaranchal	4	802	361	8
Gujarat	9	2910	1503	59
Maharashtra	10	4349	3213	1445
Andhra Pradesh	16	17919	25646	30515
Karnataka	13	10961	12378	12319
Kerala	2	2298	2141	2157
Tamil Nadu	3	3704	7936	9441
Total	196	117823	153863	158936

World Bank Directive

1630. SHRI RATILAL KALIDAS VARMA: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has asked India to accelerate the rate of economic development;

(b) if so, the details thereof; and

(c) the efforts being made by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The World Bank does not have any mandate to ask India to accelerate its rate of economic development.

(b) Does not arise.

(c) The Government of India, based on the country's needs and priorities, takes requisite steps to accelerate the pace of economic development.

Malnutrition Deaths

1631. SHRI HANSRAJ G. AHIR: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government have received information regarding death of children due to malnutrition;

(b) if so, the details thereof; and

(c) the remedial measures proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) The details of number of child deaths due to malnutrition are not being centrally maintained.

(b) Question does not arise.

(c) The Government of India has been implementing a number of direct and indirect nutrition interventions for improving nutrition and health through the Schemes such as reproductive and child health programme, National Iodine deficiency disorders control programme, immunization against preventable diseases, oral rehydration therapy for controlling diarrhoeal diseases, Food for Work Programme, Public distribution system for BPL population, Integrated Child Development Services scheme, Nutritional Component of Prime Minister Gram Udyoy Yojana, Nutrition programme for adolescent girls in 51 districts and National Nutrition Mission etc.

In addition to the above various poverty alleviation, Supply of Safe Drinking Water and Sanitation Programmes of Ministries of Urban and Rural Development contribute to improving nutritional status of Children and thus reducing the risk of deaths due to Malnutrition.

CAPART

1632. SHRI ANANTA NAYAK:
SHRI RAGHUVVEER SINGH KOSHAL:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the CAPART is taking steps to improve the quality of life of the people of rural areas;

(b) if so, the State-wise achievement made thereon during Ninth and Tenth Five Year Plan;

(c) the efforts made therefor; and

(d) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) Yes, Sir.

(b) to (d) CAPART has no system of fixing State-wise targets as it functions in a project mode. CAPART receives proposals for need based projects from Voluntary Organisations in various States for financial assistance which are considered on merit. Efforts are made by CAPART to generate more projects proposals from the areas, from where less number of project proposals are received, by organising workshops, seminars etc.

Percentage of Public Loan in GDP

1633. SHRI RAGHUVVEER SINGH KOSHAL: Will the Minister of FINANCE be pleased to state:

(a) the reaction of the Government on the report of the Asian Development Bank issued in December, 2003 regarding the status of public loan in India wherein it has been mentioned that the total public loan of India is more than 75 percent of the Gross Domestic Product (GDP);

(b) whether the Government propose to take any step to reduce the public loans under any scheme;

(c) if so, the details thereof; and

(d) the ratio of GDP and public loans during the last ten years, percentage-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Asian Development Bank in its India Economic Bulletin, September 2003 has reported that the level of combined public debt of the Centre and the States amounts to 75.5 percent of GDP. The Government is conscious of the need for fiscal consolidation to reduce the level of public debt and has been taking a number of steps in this direction. Important steps taken by the Government include *inter alia*, enactment of the Fiscal Responsibility and Budget Management (FRBM) Act, 2003, buy back of high coupon securities amounting to Rs. 14,434 crore and per-payment of high cost external loans amounting to US\$ 3753.56 million in 2003-04. The rules under the FRBM Act mandate the Central Government not to assume additional liabilities (including external debt as

current exchange rate) in excess of 9 percent of GDP in 2004-05 and progressive reduction of the limit of 9 percent of GDP by at least one percentage point in each subsequent year.

The Central Government has also taken a number of initiatives to help States reduce their debt burden. These initiatives include reduction in interest on loans to States and facilitating the States to swap their high cost debt with additional market borrowings and small savings loans. The above measures are expected to result in reducing the level of Central and State debts.

(d) The ratios of combined public debt and liabilities of the Centre and States to GDP for the last ten years are given below:

	Debt/GDP ratio
1995-96	58.0
1996-97	56.5
1997-98	58.6
1998-99	59.5
1999-00	62.2
2000-01	66.4
2001-02	71.4
2002-03	75.7
2003-04	76.7
2004-05	77.9

Source: Compiled from Handbook of Statistics on the Indian Economy 2003-04, Reserve Bank of India.

Construction of Roads by NABARD

1634. SHRI ADHIR CHOWDHURY: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the number of States in the country where most of works with regard to construction of rural roads are being carried out under the NABARD; and

(b) whether the Government propose to hand over the construction of rural roads to NABARD?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) Since Rural Roads is a State Subject, the policies and programmes are decided by the State Governments. The State Governments directly approach the National Bank for

Agriculture & Rural Development (NABRAD) for loans for rural infrastructure development. As reported by NABARD except Manipur and Tripura, all other States have obtained loan assistance from them for the construction of roads in rural areas in different tranches under NABARD's Rural Infrastructure Development Fund (RIDF).

(b) No Sir. Rural roads is a State subject. The Central Government is funding the Pradhan Mantri Gram Sadak Yojana (PMGSY) which is implemented as a 100% Centrally Sponsored Scheme by the State Governments.

Privatisation of Processing of I.T. Returns

1635. SHRI KHIREN RIJUJU: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are contemplating to entrust the income tax return processing work to the private sector;

(b) if so, the details thereof; and

(c) the action taken so far in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Returns of income are processed by the Officers of the Income Tax Department. However, the Chief Commissioners of Income Tax have been authorized to outsource data entry of returns of income wherever it is not possible to complete processing of returns within four months of filing, subject to ensuring security and privacy of the data.

Competition Commission

1636. PROF. M. RAMADASS: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) the composition and functions of Competition Commission;

(b) the differences in the objectives and functions of the Competition Commission and the proposed National Manufacturing Competitiveness Council;

(c) whether there is any mechanism to resolve the coordination aspects between these two bodies; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) As per the Competition Act, 2002, the Competition Commission of India (CCI) shall consist of a Chairperson and not less than two and not more than ten other Members to be appointed by the Central Government. The Commission shall have duty to eliminate practices having adverse effect on competition, promote and sustain

competition, protect the interests of consumers and ensure freedom of trade carried on by other participants, in markets in India.

(b) While the Competition Commission of India is statutory body to carry out the functions under the Competition Act, 2002, the National Manufacturing Competitiveness Council (NMCC) shall advise the Government on industrial and sector specific initiatives that may be required for enhancing competitiveness of India industry.

(c) and (d) The role of NMCC is to suggest measures, which will enable the Indian Industry to manage its affairs in a manner that makes it globally competitive; whereas the CCI is a statutory market regulator with the function of ensuring fair play in the market amongst the various competing entities. As the roles of NMCC and CCI are different, no coordination measures are perceived necessary at this stage.

Unification of Banking Sector

1637. SHRI DHARMENDRA PRADHAN:
DR. LAXMINARAYAN PANDEY:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is considering unification of the banking sector of SAARC countries;

(b) if so, the details thereof;

(c) whether the Government have received any proposals from countries in this regard;

(d) if so, the details thereof;

(e) whether all the SAARC countries have expressed their consent in this regard; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (f) The information is being collected and will be laid on the Table of the House to the extent available.

Lok Nayak Jai Prakash Narayan Fund

1638. SHRI DEVIDAS PINGLE:
SHRI MUNSHI RAM:

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government has announced setting up of Lok Nayak Jai Prakash Narayan Fund;

(b) if so, the details thereof;

(c) the details of other schemes in the agricultural sector earmarked for funding through the above fund, Scheme-wise; and

(d) the names of various constituents with the assistance to which NABARD has formulated the above scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Consequent to the announcement made on 3rd February, 2004 in the Interim Budget for the year 2004-05, Lok Nayak Jai Prakash Narayan Fund (LNJPNF) was set up with NABARD with a corpus of Rs. 50,000/- crores for a period of three years upto 31st March, 2007. With the operationalisation of LNPNF the Rural Infrastructure Development Fund (RIDF) was closed. Subsequently, with the announcement made in the Budget 2004-05, RIDF-X was revived w.e.f. 8th July, 2004 by setting up a corpus of Rs. 8000 crores for RIDF-X with the NABARD. Projects supported by the State Governments in the following activities will be eligible for financing under RIDF-X

1. Rural Roads;
2. Rural Bridges;
3. Minor Irrigation Projects/Micro Irrigation;
4. Soil Conservation;
5. Flood Protection;
6. Watershed Development/Reclamation of waterlogged areas;
7. Drainage;
8. Forest Development;
9. Market Yard/Godown, Apna andi, Rural Haats and other marketing infrastructure;
10. Cold Storage: Public or Joint Sector cold storage at various exit points;
11. Seed/Agriculture/Horticulture Farms;
12. Plantations and Horticulture;
13. Grading and certifying mechanisms such as testing and certifying laboratories, etc.;
14. Community irrigation wells for irrigation purposes for the village as a whole;
15. Fishing harbour/jetties;

16. Riverine Fisheries;
17. Animal Husbandry;
18. Modern Abattoir;
19. Medium Irrigation projects;
20. Mini Hydel Projects;
21. Drinking water;
22. School Buildings; and
23. Public Health Institution.

(English)

Agriculture Loan

1639. SHRI DALPAT SINGH PARSTE:
SHRI R.L. JALAPPA:
SHRI JUAL ORAM:
SHRI G. KARUNAKARA REDDY:
SHRI NARENDRA KUMAR KUSHAWAHA:
SHRI CHANDRA BHUSHAN SINGH:
SHRI SARVEY SATYANARAYANA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that farmers are committing suicide as they are unable to pay the loan taken for buying fertilizers and seeds;

(b) if so, the details thereof alongwith the number of farmers committed suicide during last three years, State-wise;

(c) whether there have been persistent demands from the farmers for immediate liquidation/cancellation of debt;

(d) if so, the details thereof alongwith the action taken by the Government thereon;

(e) the funds earmarked for agriculture loan for the year 2004-05 and disbursed to farmers so far, bank-wise and State-wise;

(f) whether big farmers are getting more benefit of agriculture loan than small farmers;

(g) if so, the reasons therefor; and

(h) the remedial steps taken by the Government in this regard and to save the farmers?

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

Denial of Loan to Farmer in Andhra Pradesh

1640. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it has been reported that despite a "farmer friendly" policy Government has denied more than 37 lakh farmers of the State of Andhra Pradesh bank loans on minor technicalities;

(b) if so, the number of farmers denied bank loan during the last three years;

(c) the steps the Government proposes to take to help all type of farmers in Andhra Pradesh for providing loan facilities from banks; and

(d) the extent to which the Government is able to fulfil the needs of the farmers who were up till now being denied the bank loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) As reported by Andhra Bank, the convenor for SLBC in Andhra Pradesh, no such report has come to their notice.

(c) and (d) In pursuance of the announcements made by the Govt. of India on 18th June, 2004 for stepping up credit flow to agriculture and allied sectors, banks in Andhra Pradesh have taken a number of steps including *inter alia*, increase in lending by 35.81% during the current year so far against the target of 30% increase over the previous year. The total credit disbursement to agriculture activities in the State as at the end of September, 2004 was around Rs. 18,802 crores. Out of 106.43 lakh farm holdings in the State, banks have covered 86.09 lakh holdings with bank finance as on 30.09.2004.

The banks in Andhra Pradesh have covered about 7.96 lakh new farmers with bank finance during the kharif season of the current year.

To enable the tenant farmers to access bank credit, a new Scheme has been formulated in Andhra Pradesh called Rythu Mithra Groups (RMGs). Bankers in the State have also requested the State Govt. to issue Pattadar Pass Books (revenue records) to all the eligible farmers to enable them to access bank credit.

Cotton Prices

1641. SHRI BASU DEB ACHARIA: Will the Minister of TEXTILES be pleased to state:

(a) whether the cotton prices in India are set to drop with rising domestic supply and soft global prices;

(b) if so, whether due to fall in domestic prices of cotton there will be an adverse impact on Indian economy; and

(c) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Domestic cotton prices depend on a number of factors including previous balance, current supply, current as well as future demand for cotton in both domestic and international markets. It is a fact that domestic cotton prices are also influenced by the international price trends of cotton. At present, cotton prices in both domestic and international markets are ruling lower than the prices, which prevailed during the corresponding period last year.

(b) and (c) No Sir. Government of India is taking effective measures to arrest the decreasing trend of cotton prices in the domestic market by expanding the Minimum Support Price operations by the Cotton Corporation of India (CCI). The CCI has been directed to procure cotton from the markets at the declared MSP prices without any quantitative limit.

Industrial Growth Rate

1642. SHRI D. VITTAL RAO: Will the Minister of COMMERCE and INDUSTRY be pleased to state:

(a) the industrial growth rate of the country during the last three years, State-wise and industry-wise; and

(b) the target fixed for industrial growth rate for the current year, 'State' wise and 'industries' wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Based on data on Index of Industrial Production (IIP with base year 1993-94=100) brought out by the Central Statistical Organisation (CSO), the overall industrial growth rate of the country during the last three years was 7.0% in 2003-04, 5.7% in 2002-03 and 2.7% in 2001-02. During April-September, 2004 the growth rate

was 7.9% compared to 6.2% during the same period of the previous year. The industry-wise growth rate for the country at two-digit level of industrial classification for the said three years is given in the enclosed Statement. CSO compiles and releases IIP data at all-India level only. State-wise information is not compiled by CSO.

(b) No targets are set for the individual States or for specific industries. The target for the industry sector for the Tenth Five Year Plan (2002-07) has been set at 10 percent.

Statement

Growth Rates in Industrial Production: At 2 Digit Classification Based on IIP: 1993-94=100

Industry Groups	Weight	Growth Rate (%)					
		2000-01			2001-02		
		2000-01	2001-02	2002-03	2003-04	2003-04	2004-05
		April-March		April-September			
Food Products	9.08	10.1	-1.6	11.0	-0.5	8.8	-6.3
Beverage, tobacco and related products	2.38	4.3	12.2	27.9	8.5	13.9	8.4
Cotton textiles	5.52	2.9	-2.2	-2.7	-3.1	-7.1	7.8
Wool, silk and man made fibre textiles	2.26	5.8	4.4	3.0	6.8	4.5	6.4
Jute and other vegetable fibre textiles (except cotton)	0.59	0.8	-5.9	8.3	-4.2	2.4	-5.0
Textile products (including wearing apparel)	2.54	4.0	2.4	14.4	-3.2	1.6	3.1
Wood and wood products; furniture & fixtures	2.70	2.9	-11.0	-17.6	6.8	11.3	-10.6
Paper & paper products and printing, publishing & allied industries	2.65	-9.1	3.0	6.8	15.6	20.8	3.1
Leather and leather & fur products	1.14	10.7	5.3	-3.2	-3.9	-8.4	5.4
Basic chemical & chemical products (except products of petroleum & coal)	14.00	7.3	4.8	3.7	8.7	1.7	17.6
Rubber, plastic, petroleum and coal products	5.73	11.8	11.1	5.5	4.5	6.4	3.2
Non-metallic mineral products	4.40	-1.2	1.1	5.1	3.7	4.3	-0.4
Basic metals and alloy industries	7.45	1.8	4.3	9.2	9.2	11.2	-0.5
Metal products and parts except machinery and equipment	2.81	15.0	-10.0	6.4	3.7	0.6	6.5
Machinery and equipment other than transport equipment	9.57	7.3	1.3	1.6	15.8	7.8	26.0
Transport equipment and parts	3.98	-2.0	6.8	14.6	17.0	22.3	1.4
Other manufacturing industries	2.56	11.6	8.9	0.1	7.7	8.1	15.4
Mining & quarrying (sub-total)	10.47	2.8	1.2	5.8	5.2	4.2	4.9
Manufacturing (sub-total)	79.36	5.3	2.9	6.0	7.4	6.7	8.2
Electricity (sub-total)	10.17	4.0	3.1	3.2	5.1	3.0	7.7
Overall	100.00	5.0	2.7	5.7	7.0	6.2	7.9

Source: Central Statistical Organisation (CSO).

Excise Exemption

1643. SHRI JIVABHAI AMBALAL PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Gujarat has made numerous representations to the Union Government to extend excise exemption to all the districts till December 31, 2006;

(b) whether the matter is under consideration of the Government; and

(c) if so, the likely date by which a decision will be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government of Gujarat has represented to the Union Government requesting for extension of the period, for setting up of new units and start of commercial production by them, from 31st December 2004 to 31st December 2006, for being eligible for excise duty exemption for Kutchh District of Gujarat.

(b) and (c) The Government has extended the period of setting up of new units and start of commercial production, for Kutehh exemption, from 31st December, 2004 to 31st December, 2005; vide notification No. 55/2004-Central Excise, dated 9th November, 2004.

[Translation]

Swajaldhara Yojana

1644. SHRI AVTAR SINGH BHADANA: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether any budget limit has been fixed for every State for the implementation of Swajaldhara Gramin Peyajal Parlyojana;

(b) the highest limit of the cost of one such project; and

(c) the State-wise details of the benefits to various States under Rashtriya Swajaldhara Yojana during the year 2002 to 2004?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) to (c) The comprehensive Guidelines on Swajaldhara issued in June 2003 stipulate earmarking of upto 20 percent of the Budget provision for Rural Water Supply Programme of Government of India for Swajaldhara projects. It further stipulates that funds under Swajaldhara will be allocated to the States every year as per the inter State Accelerated Rural Water Supply Programme (ARWSP) allocation ratio fixed for the year.

The Comprehensive guidelines, issued in June 2003, do not envisage any ceiling in respect of project cost of a single scheme.

Statement indicating the amount released so far under Swajaldhara scheme is enclosed.

Statement

State/UT-wise status of release of funds under Swajaldhara Scheme (as on 5.11.2004)

(Rs. in lakh)

Sl.No.	State/Union Territory	Amount released under Swajaldhara 2002-03	Amount released under Swajaldhara 2003-04	Amount released under Swajaldhara 2004-05
1	2	3	4	5
1.	Andhra Pradesh	5670.53	808...
2.	Arunachal Pradesh	—	223...
3.	Assam	370.12	377.....	
4.	Chhattisgarh	131.5	—

1	2	3	4	5
5.	Gujarat	162.54	765.50
6.	Haryana	10.98	117.12	-
7.	Himachal Pradesh	335.79	340.11	-
8.	Jammu & Kashmir	-	748.95	1170.02
9.	Jharkhand	-	178.01	-
10.	Karnataka	118.31	753.77	940.15
11.	Kerala	272.84	252.02	-
12.	Madhya Pradesh	264.49	420.27	-
13.	Maharashtra	3843.86	1086.07	-
14.	Meghalaya	-	-	139.59
15.	Mizoram	-	-	34.67
16.	Nagaland	-	65.11	-
17.	Orissa	335.84	373.03	648.92
18.	Punjab	-	156.89	263.33
19.	Rajasthan	374.52	1095.50	1902.91
20.	Tamil Nadu	1394.63	673.20	666.84
21.	Tripura	-	104.36	92.80
22.	Uttar Pradesh	569.42	766.46	1215.80
23.	Uttaranchal	-	182.00	-
24.	West Bengal	23.88	471.50	-
25.	Dadra & Nagar Haveli	4.74	4.00	-
Total		13883.99	9962.94	9151.91

Tea Export

1645. SHRI BACHI SINGH RAWAT "BACHDA": Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the target fixed for the export of tea in the current financial year, whether there is increase in the export of tea from India;

(b) whether efforts are being made by the Government to explore new market for Indian tea especially in West Africa and North America: and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) The target fixed for export of tea from India during 2004-05 is 200 million kgs. During the period April-October, 2004, there has been an increase in tea exports by 1.60 million kgs. As compared to the corresponding period of last year.

(b) and (c) Yes. Sir. As part of the efforts to explore new markets for Indian Tea, market research studies have

been conducted to assess potential in various new markets. Tea Board's promotional activities have been geared towards tapping potential in newer markets including West Africa and North America.

[English]

Monitoring of Rural Development Programmes

1646. SHRI KULDEEP BISHNOI:
SHRI VARKALA RADHAKRISHNAN:
SHRI NIKHIL KUMAR CHOUDHARY:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government proposes to formulate District Level Vigilance Committees to monitor execution of various Rural Development Programmes;

(b) if so, details thereof; and

(c) time by when these Committees are likely to start working?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) to (c) With a view to revitalizing the role and functions of the Vigilance & Monitoring Committees for making them important instruments of effective monitoring of the implementation of the programmes of the Ministry, these Committees at State/Union Territory and District levels have recently been reconstituted. Hon'ble Members of Parliament have been assigned a crucial role in the reconstituted Vigilance & Monitoring Committees. Detailed Guidelines containing the composition, role and functions of these reconstituted Committees as well as instructions for conducting Meetings have been issued to all concerned. It has been stipulated that the meetings of these Committees may be held on a quarterly basis.

[Translation]

VRS to NTC Mills Employees

1647. SHRI SARVEY SATYANARAYANA: Will the Minister of TEXTILES be pleased to state:

(a) whether NTC mills were closed in the recent past;

(b) if so, the number of textile mills closed so far, location-wise;

(c) whether many employees of NTC opted for VRS on account of closure of mills;

(d) whether the employees/salesmen posted at retail outlets/sale centres are being paid bare minimum wages because of non-supply of clothes and consequently are not being paid any incentive;

(e) whether the same facility be extended to the employees posted at retail outlets and the same amount will be paid to them if they opt for VRS on par with the mill employees who have taken VRS at the time of closure of mills; and

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

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) Yes, Sir. As per the Scheme approved by the BIFR, 66 NTC units were identified as unviable and were to be closed. Out of this, 65 units have already been closed. In respect of the remaining unit, namely, Swadeshi Cotton Mills, Pondicherry, the closure of this mill is under process.

In the 66 mills, 36357 employees have availed the benefit of MVRS. A statement showing the names of the NTC mills closed, their location and the number of employees availed MVRS as on 15.11.2004 in these mills is enclosed.

(d) No Sir. The employees are being paid wages as per the Minimum Wages Act Notification issued by the respective State Govts., from time to time. Incentives are paid depending upon the sale of each retail outlets/sales centres.

(e) and (f) The employees posted at retail outlets are paid VRS benefits as per the following details:

(i) 35 days of emoluments (Basic Pay, DA, HRA) for each year of service rendered.

(ii) 25 days of emoluments (Basic Pay, DA, HRA) for each year of left over service.

(iii) Additional incentive for retail outlet employees based on average of best net sales during the last five years.

Statement

S. No.	Name of the Mills	No. of Employees Aailed MVRS as on 15.11.2004
1	2	3
I.	NTC (APKKM) LTD. Andhra Pradesh	
1.	Adoni Mills, Adoni	104
2.	Natraj Mills, Niramal	59
3.	Netha Mills, Secunderabad	126
4.	Azam Jahi Mills, Warangal Karnataka	453
5.	M.S.K. Mills, Gulbarga	749
6.	Mysore SPG & WVG. Mills, Bangalore	Merged with Minerva Mills
II.	NTC (DPR) LTD. Punjab	
7.	Dayal Bagh, Amritsar	505
8.	Panipat Woollen Mills, Kharar Rajasthan	630
9.	Edward Mills, Beawar	280
III.	NTC Gujarat LTD.	
10.	Rajkot Mills, Ahmedabad	307
11.	Petlad Mills, Petlad	376
12.	New Manekchowk Text Mills, Ahmedabad	778
13.	Viramgam Text. Mills, Viramgam	732
14.	Mahalaxmi Text. Mills, Bhavnagar	725
15.	Rajnagar-2, Ahmedabad	838
16.	Ahmd. Jupiter Mills, Ahmedabad	794
17.	Himadri Textile Mills, Ahmedabad	525
18.	Jehangir Text. Mills, Ahmedabad	1102
IV.	NTC (MN) LTD. Maharashtra	
19.	Kohinoor-3, Mumbai	16.

1	2	3
20.	Kohinoor-2, Mumbai	83
21.	Indo No-4, Mumbai	592
22.	Indu No-2, Mumbai	813
23.	Indu No-3, Mumbai	490
24.	Jam MFG. Mills, Mumbai	702
25.	Shri Sitaram Mills, Mumbai	292
26.	Model Mills, Nagpur	1305
27.	R.S.R.G. Mills, Akola	621
28.	Vidharbha Mills, Achalpur	528
V.	NTC (MP) LTD. Madhya Pradesh	
29.	Kalyanmal Mills, Indore	1445
30.	Swadeshi Mills, Indore	615
31.	Hira Mills, Ujjain	874
32.	Indore Malwa Mills, Indore Chhattisgarh	1807
33.	Bengalnagpur Cotton Mills, Rajnandgaon	1203
VI.	NTC (SM) LTD. Maharashtra	
34.	Bharat Text. Mills, Mumbai	809
35.	Digvijay Text. Mills, Mumbai	870
36.	Elphinstone SPG. & WVG. Mills, Mumbai	702
37.	Jupiter Text. Mills, Mumbai	737
38.	Mumbai Text. Mills, Mumbai	794
39.	New Hind Text. Mills, Mumbai	875
40.	Podar Processors, Mumbai	431
41.	Shree Madhusudan Mills, Mumbai	512
VII.	NTC (WBABO) LTD. West Bengal	
42.	Central Cotton Mills, Belur	219
43.	M.B. Text. Mills, Cossimbazar	101

1	2	3
44.	Bengal Fine-II, Katagunj	46
45.	Jyoti WVG. Factory, Patipukar	92
46.	Shree Mahalaxmi Mills, Palta	144
47.	Bangasri Cotton Mills, Sukhchar	64
48.	Bengal Luxmi Cotton Mills, Serampore	171
49.	Rampooria Cotton Mills, Rishra	194
50.	Bengal Fine S&W Mills-I, Konnagar Bihar	157
51.	Gaya Cotton Mills, Bihar	147
VIII.	NTC (UP) LTD. Uttar Pradesh	
52.	Atherton Mills, Kanpur	979
53.	Buli Cotton Mills, Hathras	109
54.	Laxmirattan Cotton Mills, Kanpur	1131
55.	Lord Krishna Text Mills, Saharanpur	510
56.	Muir Mills, Kanpur	1235
57.	New Victoria Mills, Kanpur	1265
58.	Rae Bareli Text. Mills, Rae Bareli	155
59.	Shri Vikram Cotton Mills, Lucknow	470
60.	Swadeshi Cotton Mills, Kanpur	1106
IX.	NTC (TN&P) LTD. Tamilnadu	
61.	Om Parasakthi Mills, Coimbatore	264
62.	Kishnveni Text, Mills, Coombatore	223
63.	Kaleeswarar "A" Coimbatore	216
64.	Somasundram Mills, Coimbatore	642
65.	Balaramvarma, Shecncottah Pondecherry	292
66.	Swadeshi Cotton Mills, Pondicherry	206 Closure under process
	Total	36357

[English]

World Bank Aid for District Poverty Alleviation Schemes

1648. SHRI M. RAJA MOHAN REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank provides assistance for "District Poverty Alleviation" schemes in the country;

(b) if so, the details of districts in each State covered under the scheme;

(c) the criteria laid down for identifying such districts;

(d) the requests received from each State for inclusion of more districts from their State to be covered under the scheme; and

(e) the details of assistance provided by World Bank so far, State-wise?

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

(b) and (e) Presently 5 District Poverty Alleviation Projects are being implemented: Andhra Pradesh District Poverty Initiatives Project (IDA Credit US\$ 111 million), Andhra Pradesh Rural Poverty Reduction Project (IDA Credit US\$ 150 million), Chhattisgarh District Rural Poverty Project (IDA Credit US\$ 112.56 million), Madhya Pradesh District Poverty Initiatives Project (IDA Credit US\$ 110.1 million), and Rajasthan District Poverty Initiatives Project (IDA Credit US\$ 100.5 million). These schemes cover all districts in Andhra Pradesh and Chhattisgarh, 14 districts in Madhya Pradesh and 7 districts in Rajasthan.

(c) Poverty and Human Development indicators are the main criteria for identifying districts under the projects while keeping in view the preference of the State Governments.

(d) The number of Districts chosen in each State depend on the negotiated loan amounts and a joint assessment by the State Government, the Government of India and the World Bank, of the required quantum of assistance per District. Government of India has not supported demands for adding on more Districts within an approved loan amount since this would mean that all Districts would, prorata, get less. Such lesser amounts per District may not be enough to meet the critical minimum development objectives.

Sanitation in Rural Areas

1649. SHRI G.M. SIDDESWARA:
SHRI G. KARUNAKARA REDDY:
SHRI ANANTA NAYAK:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the proposals received by Union Government for providing Central assistance for sanitation in the primary and middle schools in the rural areas during the last three years and till date, State-wise;

(b) the proposals cleared and assistance provided, State-wise and year-wise;

(c) total allocation and utilization of funds under central rural sanitation programme for different projects;

(d) the subsidies provided for various programmes under rural sanitation sector;

(e) whether the Government has received any proposal from Gujarat for total sanitation campaign in certain districts;

(f) if so, the details thereof;

(g) whether NGOs/Voluntary Organisations are working in drought prone areas/villages; and

(h) if so, the details alongwith funds received?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) and (b) Government of India are providing assistance to State Governments in the rural sanitation sector under the centrally sponsored Central Rural Sanitation Programme (CRSP). Under CRSP, demand driven Total Sanitation Campaign (TSC) projects are sanctioned taking district as a unit. While sanctioning TSC projects, toilet facilities in primary and middle schools are also sanctioned along with other items. Total number of proposals received by Union Government for sanction of TSC projects, proposals cleared and assistance provided State-wise and year-wise during the last three years and till date are given in the enclosed Statement.

(c) and (d) Total outlay of Central funds in the 426 TSC projects approved so far is Rs. 2428.08 crore, out of which Rs. 797.66 crore has been released to the States

till date. Subsidy for constructing household toilets is provided to individual beneficiaries who are below poverty line (BPL). Government of India, State Governments and BPL beneficiaries bear the cost of construction in the ratio of 60:20:20 if the basic cost of the toilet is upto Rs. 625, and in the ratio of 30:30:40 if the basic cost is upto Rs. 1000. No subsidy is given if the basic cost of the unit is more than Rs. 1000.

(e) and (f) Yes Sir, Total number of 25 proposals from Government of Gujarat for sanction of TSC projects were received. Out of these, TSC projects have been

sanctioned in 23 districts. Total Central share sanctioned for these projects is Rs. 141.80 crore. In addition, Rs. 10 lakh has been released to the remaining two districts to conduct baseline survey and prepare project report.

(g) and (h) TSC guidelines permit engagement of NGOs and Voluntary Organisations in TSC projects for various activities. However, their engagement is decided by the respective project implementing agencies in the States and no record of engagement of NGOs and Voluntary Organisations is maintained by Government of India.

Statement

State-wise and year-wise number of proposals received, cleared and assistance provided

(Rs. in Lakhs)

S. No.	State	2001-2002			2002-2003			2003-2004			2004-2005			Total		
		Proposal received	Proposal Cleared	Assistance Provided	proposal received	Proposal Cleared	Assistance Provided	Proposal received	Proposal Cleared	Assistance Provided	Proposal received	Proposal Cleared	Assistance Provided	Proposal received	Proposal Cleared	Assistance Provided
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1.	Andhra Pradesh	6	6	2359.45	8	8	1600.87	4	4	4660.35	0	0	2672.16	18	18	11292.83
2.	Arunachal Pradesh	2	2	52.80	0	0	0.00	0	0	0.00	9	0	0.00	11	2	52.80
3.	Assam	8	8	410.98	0	0	0.00	3	3	199.31	9	0	0.00	20	11	609.69
4.	Bihar	5	5	2862.82	6	6	1548.70	0	0	0.00	12	0	0.00	23	11	4411.52
5.	Chhattisgarh	1	1	229.33	3	3	175.64	2	2	0.00	10	0	1000.17	16	6	1405.14
6.	D & N Haveli	0	0	3.15	1	1	3.15	0	0	0.00	0	0	0.00	1	1	6.30
7.	Goa	0	0	0.00	0	0	0.00	1	1	0.00	1	0	124.67	2	1	124.67
8.	Gujarat	0	0	76.20	2	2	194.65	0	0	12.50	20	18	0.00	22	20	283.35
9.	Haryana	2	2	187.74	3	3	402.90	12	12	62.06	0	0	811.13	17	17	1463.83
10.	Himachal Pradesh	1	1	55.41	5	5	79.29	0	0	0.00	4	0	0.00	10	6	134.70
11.	Jammu & Kashmir	0	0	0.00	2	2	0.00	10	10	76.48	0	0	964.73	12	12	1041.21
12.	Jharkhand	2	2	856.58	2	2	223.87	0	0	284.81	16	0	0.00	20	4	1365.06
13.	Karnataka	0	0	0.00	0	9	0.00	0	0	0.00	24	0	221.99	24	0	221.99
14.	Kerala	4	4	741.98	7	7	439.27	0	0	864.13	0	0	625.17	11	11	2670.55
15.	Madhya Pradesh	1	1	404.86	9	9	718.10	30	30	4352.79	0	0	2124.62	40	40	7800.37
16.	Maharashtra	0	0	305.14	11	11	591.37	13	13	725.05	0	0	3346.76	24	24	4968.32
17.	Manipur	0	0	0.00	3	3	0.00	0	0	103.56	0	0	0.00	3	3	103.56

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
18.	Meghalaya	0	0	0.00	0	0	0.00	2	2	221.37	0	0	0.00	2	2	221.37
19.	Mizoram	0	0	0.00	1	1	0.00	1	1	11.51	6	0	0.00	8	2	11.51
20.	Nagaland	0	0	0.00	1	1	13.79	0	0	0.00	1	0	0.00	2	1	13.79
21.	Orissa	2	2	925.46	10	10	1113.85	0	0	284.16	15	9	393.16	27	21	2716.63
22.	Pondicherry	1	1	47.42	0	0	0.00	0	0	0.00	0	0	47.42	1	1	94.84
23.	Punjab	1	1	194.84	2	2	52.67	9	9	0.00	3	0	669.94	15	12	917.45
24.	Rajasthan	0	0	265.62	5	5	265.62	0	0	119.12	22	1	76.33	27	6	726.69
25.	Sikkim	2	2	124.42	0	0	17.98	0	0	38.36	0	0	74.07	2	2	254.83
26.	Tamil Nadu	3	3	2375.72	12	12	2192.49	6	6	2768.98	0	0	1419.79	21	21	8756.98
27.	Tripura	3	3	364.63	0	0	249.56	0	0	819.21	0	0	253.66	3	3	1687.06
28.	Uttar Pradesh	16	16	2429.31	13	13	2272.40	29	29	3120.44	0	0	2045.27	58	58	9867.42
29.	Uttaranchal	1	1	34.62	5	5	151.16	7	7	13.40	0	0	503.23	13	14	702.41
30.	West Bengal	4	4	2442.94	5	5	1528.88	3	3	1181.10	0	0	927.82	12	12	6080.74
Total		65	65	17750.82	116	116	13836.21	132	132	19916.49	152	28	18302.09	465	341	69807.61

Resham Krishi Mela

1650. SHRI M. SHIVANNA: Will the Minister of TEXTILES be pleased to state:

(a) whether Central Sericulture Research and Training Institute (CSRTI) has organised "RESHAM KRISHI MELA-2004" at Mysore during the first week of November, 2004; and

(b) if so, the objectives and outcome of this Mela?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir. The Central Sericulture Research and Training Institute (CSRTI) organized Resham Krishi Mela on 16th November, 2004 at Mysore.

(b) The objectives and outcome of this Mela are given below:

Objectives

- (i) To create awareness among the farmers.
- (ii) To improve the participatory approach among the farmers, scientists and extension staff to get proper feed back and share the knowledge and experiences.

(iii) To popularize the improved cost cutting technologies towards producing quality bivoltine cocoons at lower cost.

Outcome

- (i) It provided a common platform for exchange of experiences, ideas and concepts. About 1500 sericulture farmers including 250 women sericulture farmers, 200 scientists from various research institutes, policy makers, extension officers of the State Government, quality club members, manufacturers and distributors of sericulture inputs participated in the Mela and interacted. The Mela helped to prepare the farmers on participatory mode to produce large quantity of bivoltine cocoons of improved races.
- (ii) Publications and CDs on sericulture and "Spoothi", a mulberry health drink developed by scientists of CSB were released.
- (iii) Progressive farmers who have obtained higher cocoon yield in bivoltine silkworm rearings were felicitated.

*[Translation]***CD Ratio of PSB**

1651. SHRI SURAJ SINGH:
SHRI BALASAHEB VIKHE PATIL:

Will the Minister of FINANCE be pleased to state:

(a) whether there has been a phenomenal increase in the cash deposit ratio of public sector banks and also private banks;

(b) if so, the details about the turnover and income of the private banks during the last three years;

(c) the details about the deposit/loan ratio of private banks and public sector banks during the last three years;

(d) whether banks has started raising the deposit rates by 0.25% to 0.5% and also lending rates;

(e) if so, the manner by which the Government would maintain them at current rate;

(f) whether the private banks are involved in making more customers by way of providing loans through various schemes thus making them indebted;

(g) if, so the details thereof;

(h) whether the Government proposes to take action by way of checking the schemes of the private banks in which loans are provided at higher interest rate: and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The bank-wise details of credit-deposit ratio of Public and Private Sector Banks, based on outstanding aggregate deposits and gross bank credit as on March, 31st of 2002, 2003 & 2004 are given in the enclosed Statement I and II. The Reserve Bank of India (RBI) has no information about the turnover and income of the private banks during the last 3 years.

(d) Some banks have recently raised their deposit rates by 25-50 basis points. As to advances, some banks such as SBI, ICICI and HDFC have raised their lending rates by 25-75 basis points since November, 2004 for home loans in fixed/floating categories.

(e) According to the mid term review of RBI's annual policy statement for the year 2004-05 released on October 26, 2004, the outcome for interest rates depends mainly on inflation, growth, prospects and investment demand and it is not possible to predict short-run movements in interest rates, without taking cognizance of possible movements in all other macro-economic variables which are also subject to unanticipated changes because of unforeseen domestic or external developments.

(f) to (i) Banks have been offering different products to their customers, keeping in view the sharp increase in loans for housing and consumer credit. The mid term review of the annual policy of the RBI for 2004-05 has proposed raising the risk weight from 50% to 75% in case of housing loans and from 100% to 125% in the case of consumer credit including, personal loans and credit cards.

Statement-I**Bank-wise CD-Ratio of Public Sector Banks****(Percent)**

Bank Name	As on March 31		
	2002	2003	2004**
1	2	3	4
Allahabad Bank	53.84	54.52	52.68
Andhra Bank	54.54	55.56	59.83
Bank of Baroda	57.85	55.38	49.74

1	2	3	4
Bank of India	63.62	63.94	63.06
Bank of Maharashtra	47.07	46.89	48.84
Canara Bank	53.47	57.49	57.57
Central Bank of India	51.76	51.17	46.17
Corporation Bank	59.56	55.35	61.97
Dena Bank	56.50	57.18	56.68
Indian Bank	51.62	51.16	53.73
Indian Overseas Bank	47.66	48.32	50.15
Oriental Bank of Commerce	53.23	57.29	58.58
Punjab and Sind Bank	47.61	49.93	48.91
Punjab National Bank	57.54	56.63	57.03
State Bank of Bikaner and Jaipur	54.76	55.55	59.27
State Bank of Hyderabad	52.64	50.31	52.15
State Bank of India	71.45	60.61	57.84
State Bank of Indore	58.02	58.19	65.96
State Bank of Mysore	63.01	63.20	61.15
State Bank of Patiala	69.26	62.48	59.98
State Bank of Saurashtra	60.31	54.53	52.69
State Bank of Travancore	57.28	60.87	58.35
Syndicate Bank	52.67	50.80	46.74
UCO Bank	51.11	55.92	56.18
Union Bank of India	56.95	60.93	62.25
United Bank of India	41.33	39.60	38.81
Vijaya Bank	44.28	48.55	53.91
Public Sector Banks	58.51	56.38	55.63

**Date for 2004 are Provisional.

Source: BSR-7 Survey March 2002-2004.

*Statement-II**Bank-Wise CD-Ratio of Private Sector Banks*

(Percent)

Bank Name	As on March 31		
	2002	2003	2004**
1	2	3	4
Bank of Madura Ltd.	12.34	●	●
Bank of Punjab Limited	59.88	50.80	66.61
Bank of Rajasthan Ltd.	55.90	50.17	44.29
Benares State Bank Ltd.	23.57	26.20	
Bharat Overseas Bank Ltd.	47.55	55.31	59.43
Catholic Syrian Bank Ltd.	44.97	49.75	57.14
Centurion Bank Ltd.	66.33	60.02	62.68
City Union Bank Limited	53.04	56.00	57.76
Development Credit Bank Ltd.	82.01	95.69	77.65
Dhanalakshmi Bank Ltd.	60.10	56.03	57.91
Federal Bank Ltd.	66.58	63.48	64.53
Ganesh Bank of Kurundwad Ltd .	57.23	64.55	59.93
Global Trust Bank Limited	67.38	61.19	54.85
HDFC Bank Ltd.	40.63	53.75	57.59
ICICI Bank Limited	202.71^	80.41	74.65
IDBI Bank Limited	77.19	79.48	74.72
Indusind Bank Ltd.	66.62	65.28	63.53
ING Vysya Bank Ltd.	62.38	70.60	77.20
Jammu & Kashmir Bank Ltd.	63.91	71.36	67.62
Karnataka Bank Ltd.	52.99	52.51	55.68
Karur Vysya Bank Ltd.	67.12	72.19	77.30
Kotak Mahindra Bank Ltd.	-	-	48.67
Lakshmi Vilas Bank Ltd.	68.33	69.17	66.79
Lord Krishna Bank Ltd.	62.06	60.90	54.27
Nainital Bank Ltd.	23.17	26.80	31.85
Nedungadi Bank Ltd.	60.98	67.98	#

1	2	3	4
Ratnakar Bank Ltd.	49.21	51.30	51.85
Sangli Bank Ltd.	43.59	41.39	44.40
SBI Commercial & International Bank Ltd.	56.37	50.85	48.58
South Indian Bank Ltd.	59.76	57.19	58.03
Tamil Nadu Mercantile Bank Ltd.	50.94	51.35	52.92
United Western Bank Ltd.	67.00	68.90	70.92
UTI Bank Ltd.	58.37	51.42	55.08
private Sector Banks	79.95	68.85	65.58

** Data for 2004 are Provisional.

• Merged with Bank of Baroda.

Merged with Punjab National Bank.

⊙ Merged with ICICI Bank Ltd.

^ Effect of ICICI Merger with ICICI Bank Ltd.

Source: BSR-7 Survey March 2002-2004.

[English]

Development of Wasteland

1652. SHRIMATI D. PURANDESWARI:
SHRI DUSHYANT SINGH:
SHRI RANEN BARMAN:
SHRI TUKARAM GANPAT RAO RENGE
PATIL:
SHRI SUNIL KUMAR MAHATO:
SHRI HARIKEWAL PRASAD:
SHRI HITEN BARMAN:
SHRI ADHIR CHOWDHURY:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the total waste land in the country, State-wise;
- (b) the steps taken to develop the waste land in those States during last three years;
- (c) the amount required and sanctioned by the Government for the development of the waste land;
- (d) whether the Government proposes to involve private/corporate sector for this objective;

(e) if so, the details thereof;

(f) whether the Government has launched Loknayak Jaiprakash Narayan national mission investment promotion scheme for the development of wasteland; and

(g) if so, the details thereof alongwith the allocations made therefor?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) As per the 'Wastelands Atlas, 2000' published by the Department of Land Resources in collaboration with the National Remote Sensing Agency (NRSA), Hyderabad, the extent of total wastelands in the country is 63.85 million hectares. State-wise break up of wastelands is given in the enclosed statement-I.

(b) Watershed development projects for treatment of wastelands/degraded lands in the country are sanctioned by the Department of Land Resources under the Ministry of Rural Development under 3 Area Development Programmes namely Integrated Wastelands Development Programme (IWDP), Drought Prone Areas Programme (DPAP) and Desert Development Programme (DDP) for

a period of 5 years. The Department has released Rs. 198656.13 lakhs for various projects under the above programmes in the States during the last three years as per details given in enclosed statement-II. Under these programmes, various soil and moisture conservation activities, water harvesting, afforestation, pasture development etc. are carried out with the active participation of local inhabitants.

(c) Out of 63.85 million hectares of wastelands, 51.049 million hectares are treatable wastelands. Out of this, Department of Land Resources is to treat 30.84 million hectares of wastelands (balance being treated by other Ministries). At the present cost norm of

Rs. 6000 per hectare, the total cost for treatment comes to Rs. 18,503.28 crores. The Department of Land Resources has sanctioned an amount of Rs. 3456.48 crores w.e.f. 1.4.1995 till 31.03.2004 under IWDP, DPAP and DDP for treatment of 19.41 million hectares on watershed basis which also includes wastelands.

(d) and (e) Land is a State subject. Therefore, allotment of wastelands for development purposes is the responsibility of the concerned States.

(f) and (g) No such Mission has been launched by the Government.

Statement-I

State-Wise Wastelands of India

(Area in Sq. Kms)

S. No.	State	No of Districts covered	Total Geog. Area of distts. covered	Total Wastelands area in distts. covered	% of wastelands to total geog. Area
1	2	3	4	5	6
1.	Andhra Pradesh	23	275068.00	51750.19	18.81
2.	Arunachal Pradesh	13	83743.00	18326.25	21.88
3.	Assam	23	78438.00	20019.17	25.52
4.	Bihar	55	173877.00	20997.55	12.08
5.	Goa	02	3702.00	613.27	16.57
6.	Gujarat	25	196024.00	43021.28	21.95
7.	Haryana	19	44212.00	3733.98	8.45
8.	Himachal Pradesh	12	55673.00	31659.00	56.87
9.	Jammu and Kashmir	14	222236.00	65444.24	64.55
10.	Karnataka	27	191791.00	20839.28	10.87
11.	Kerala	14	38863.00	1448.18	3.73
12.	Madhya Pradesh	62	443446.00	69713.75	15.72
13.	Maharashtra	32	307690.00	53489.08	17.38
14.	Manipur	09	22327.00	12948.62	58.00
15.	Meghalaya	07	22429.00	9904.38	44.16

1	2	3	4	5	6
16.	Mizoram	03	21081.00	4071.68	19.31
17.	Nagaland	07	16579.00	8404.10	50.69
18.	Orissa	30	155707.00	21341.71	13.71
19.	Punjab	17	50362.00	2228.40	4.42
20.	Rajasthan	32	342239.00	105639.11	30.87
21.	Sikkim	04	7096.00	3569.58	50.30
22.	Tripura	04	10486.00	1276.03	12.17
23.	Tamil Nadu	29	130058.00	23013.90	17.70
24.	Uttar Pradesh	83	294411.00	38772.80	13.17
25.	West Bengal	18	88752.00	5718.48	6.44
26.	Union Territories	20	10973.00	574.30	5.23
Total		584	3287263.00	638518.31	20.17

Source: 1:50,000 scale wasteland maps prepared from Landsat Thematic Mapper/IRS LISS II/III data contained in NRSA Wastelands Atlas, 2000.

Note: 1,20849.00 sq.kms. in Jammu & Kashmir is not mapped and hence not considered for calculating the percentage.

Statement-II

Funds Released Under Various area Development Programmes of the Ministry of Rural Development During the Period 2001-02 to 2003-04 (Including On-Going Projects)

					(Rs. in lakhs)
Sl. No.	Name of the State	Funds released			Total
		IWDP	DPAP	DDP	
1	2	3	4	5	6
1.	Andhra Pradesh	6098.95	13859.39	2778.13	22736.47
2.	Arunachal Pradesh	896.28	—	—	896.28
3.	Assam	4790.03	—	—	4790.03
4.	Bihar	503.25	814.87	—	1318.12
5.	Chhattisgarh	2042.71	3629.01	—	5671.72
6.	Goa	82.50	—	—	82.50
7.	Gujarat	4360.27	7801.58	11288.58	23450.43

1	2	3	4	5	6
8.	Haryana	809.25	—	5213.02	6022.27
9.	Himachal Pradesh	3886.22	1217.09	2151.99	7255.30
10.	Jammu & Kashmir	783.89	941.94	2604.14	4329.97
11.	Jharkhand	391.67	2647.97	—	3039.64
12.	Karnataka	4508.00	7574.56	4726.60	16809.16
13.	Kerala	531.59	—	—	531.59
14.	Maharashtra	2401.07	4788.54	—	7189.61
15.	Madhya Pradesh	7980.78	14103.67	—	22084.45
16.	Manipur	1283.42	—	—	1283.42
17.	Meghalaya	520.70	—	—	520.70
18.	Mizoram	2250.51	—	—	2250.51
19.	Nagaland	4771.56	—	—	4771.56
20.	Orissa	3647.72	2917.12	—	6564.84
21.	Punjab	172.05	—	—	172.05
22.	Rajasthan	3910.10	4605.42	26204.54	34720.08
23.	Sikkim	824.98	—	—	824.98
24.	Tamil Nadu	3574.45	4326.01	—	7900.46
25.	Tripura	191.84	—	—	191.84
26.	Uttar Pradesh	4854.72	4121.70	—	8976.42
27.	Uttaranchal	1005.50	1360.48	—	2365.98
28.	West Bengal	127.50	668.65	—	796.15
	Others	1000.00	73.62	36.00	1109.62
	Total	68201.51	75451.62	55003.00	198656.13

Interest of Central Loans on States

(b) If so, the details thereof;

1653. SHRI KIRIP CHALIHA:
SHRI PRAKASHBAPU V. PATIL:

(c) whether it is also a fact that the rate of interest on Central loan is much higher than the market rate;

Will the Minister of FINANCE be pleased to state:

(d) If so, the reasons therefor; and

(a) whether it is a fact that Planning Commission have suggested reduction in the interest rate that the States pay on all outstanding central loans;

(e) whether the Government have taken a final decision on the suggestion of Planning Commission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No. Sir.

(b) Does not arise.

(c) and (d) The rate of interest on Central loans, which is fixed keeping in view all the relevant factors, including the cost of borrowings, maturity mismatch, etc., has been reduced from 10.5 percent to 9 percent with effect from April 1, 2004 in pursuance of the Budget announcement, 2004-05.

(e) Does not arise.

Health of Subordinate Courts

1654. SHRI UDAY SINGH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Union Government has expressed concern over the health of subordinate courts in the country as reported in the *Statesman* dated October 21, 2004;

(b) if so, whether the cases in the subordinate courts and even in the High courts are mounting and no effective steps taken to check such trend;

(c) if so, the reasons therefor; and

(d) the strategies to be adopted to improve the health of subordinate courts in the country?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) During the course of the conference of Chief Ministers and Chief Justices inaugurated by the Prime Minister on September 18, 2004, as reported in the *Statesman* dated October 21, 2004, the Hon'ble Prime Minister, Hon'ble Union Law Minister and Hon'ble Chief Justice of India had, *inter alia*, expressed their concern for improvement of the functioning in the Subordinate courts in the country.

(b) to (d) The reasons for pendency of cases in the courts include inadequacy of judge strength, non-filling up of vacancies of judges, Lawyers' strike, frequent adjournment of cases etc.

The Government has been periodically monitoring the pendency position in various courts. The steps taken for speedy disposal of pending cases, include timely filling the vacancies of judges, increasing the judge strength,

grouping of cases involving common questions of law, constitution of specialized benches, organizing Lok Adalats at regular intervals, encouraging alternative modes of dispute resolution like negotiation, mediation and arbitration and setting up of special tribunals like Central Administrative Tribunals, State Administrative Tribunals, Income Tax Appellate Tribunals, Family Courts, Labour Courts and Fast Track Courts etc.

Tea Industry Workers

1655. SHRI JOACHIM BAXLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the facilities of Provident Fund, Gratuity and LTC is being given to all workers working in the tea industry of West Bengal;

(b) if so, the details thereof;

(c) whether the Government has received any complaint from any quarters for non-payment of Provident Fund, Gratuity to the workers at the time of retirement; and

(d) if so, the total number of complaints received and total amount of non-payment made by the Management to the workers in the last three years and the steps taken or proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) Yes, Sir, The facilities of Provident Fund and Gratuity are available to all the eligible workers of the tea gardens in West Bengal. Benefits of LTC is enjoyed by staff members only and not by general body of workmen.

(c) and (d) As per the information received from Government of West Bengal, 118 tea gardens have reportedly defaulted in payment of Provident Fund dues to the tune of Rs. 43.26 crores approximately. There were also complaints of non-payment of gratuity to the workers in the tea gardens of North Bengal. Total number of complaints received regarding non-payment of gratuity is about 80. Out of these, certificates for recovery have been issued in 15 cases.

Labourers in Salt Industry

1656. SHRI P.S. GADHAVI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of salt work/industries in the country, State-wise details;

(b) the details of land under each salt work/industry in the respective State;

(c) whether any records of labourers working in the salt works is being maintained by each State;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) The State-wise details of number of salt works and the area under salt works is given in the enclosed Statement-I.

(c) and (d) Yes, Sir. Records of labourers working in the Salt works are being maintained by the respective State Governments. The number of labourers employed in the Salt Industry as estimated by the Salt Commissionerate is given in Statement-II.

(e) Does not arise

Statement-I

State-Wise Details of Salt works/Industry and Land Under Salt Works

S.No.	Name of the State/U.T.	No. of Units	Area (In Acres)
1.	Gujarat	2767	361519
2.	Tamil Nadu	3502	49409
3.	Rajasthan	1729	77599
4.	Andhra Pradesh	1834	25662
5.	Maharashtra	361	20847
6.	Orissa	46	4560
7.	West Bengal	47	4203
8.	Goa	55	221
9.	Himachal Pradesh	1	130
10.	Diu & Daman	5	1774
Total		10347	545824

Statement-II

State-wise Details of Labourers Working in the Salt Industry

S.No.	Name of the State	2001	2002	2003
1.	Andhra Pradesh	10460	11046	14388
2.	Goa	70	134	132
3.	Gujarat*	47886	55800	53900
4.	Himachal Pradesh	50	50	50
5.	Karnataka	196	227	397
6.	Maharashtra	7276	7526	2974
7.	Orissa	528	249	748
8.	Rajasthan	16203	18969	12425
9.	Tamil Nadu	13990	14321	15083
10.	West Bengal	235	230	235
Total		96894	108552	100332

* Including Daman & Diu.

[Translation]

IWDP

1657. SHRI GIRDHARI LAL BHARGAVA: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has received some proposal from the State Government of Rajasthan regarding IWDP (Integrated Watershed Development Programme);

(b) if so, the details thereof;

(c) whether there has been delay in this regard; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) to (d) In 2004-2005, nine IWDP projects at a total cost of Rs. 27.00 crores for development of 45,000 hectares of wastelands have been sanctioned for the State of Rajasthan under Haryali guidelines on the basis of priority list submitted by the State and the recommendations made by the

Project Sanctioning Committee comprising representatives from the State Government.

Training Scheme for Weavers

1658. SHRI BHAL CHANDRA YADAV: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to formulate any scheme to impart training to weavers;

(b) if so, the details thereof; and

(c) the total number and location of such training centres, State-wise?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Government of India has introduced "Integrated Handloom Training Project" in December 2003 for imparting training to handloom weavers & workers to upgrade their technical, managerial & marketing skills.

(c) Training of the weavers is conducted in a decentralized manner in different handloom pockets by the Master Trainers who have undergone refresher course in Weavers' Service concerned. State-wise locations of the 25 Weavers' Service Centres are as follows:

S.No.	Name of State	Locations of Weavers' Service Centre
1	2	3
1.	Andhra Pradesh	Hyderabad, Vijayawada
2.	Assam	Guwahati
3.	Bihar	Bhagalpur
4.	Delhi	Delhi
5.	Gujarat	Ahmedabad
6.	Haryana	Panipat
7.	Jammu & Kashmir	Srinagar
8.	Karnataka	Bangalore
9.	Kerala	Kannur
10.	Madhya Pradesh	Indore
11.	Maharashtra	Mumbai, Nagpur

1	2	3
12.	Manipur	Imphal
13.	Orissa	Bhubneshwar
14.	Rajasthan	Jaipur
15.	Tamilnadu	Chennai, Kancheepuram, Salem
16.	Tripura	Agartala
17.	Uttar Pradesh	Meerut, Varanasi
18.	West Bengal	Kolkata
19.	Chhattisgarh	Raigarh
20.	Uttaranchal	Chamoli

(English)

Rubber Research Institute

1659. SHRI VARKALA RADHAKRISHNAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have extended FCS (Flexible Complementary Scheme) to all research institutes under the different Ministries/departments;

(b) if so, the steps taken by the Government for granting FCS to the Scientists in Rubber Research Institute; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) No, Sir. The Flexible Complementary Scheme (FCS) is not extended to all research institutes under different Ministries/departments.

(b) and (c) The proposal for extending the FCS to the Scientists in Rubber Research Institute of India is under consideration of Government.

Shortage of Staff in Customs Department

1660. SHRI SURAVARAM SUDHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the customs department is facing severe shortage of staff due to which they could not detect the live shells imported from abroad through containers;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes Sir, there is shortage of staff in Customs and Central Excise department. However, there is no direct relation of this shortage with non detection of shells in import of metal scrap from abroad through containers.

(b) There is shortage of 458 officers in group "A", 1147 officers in group "B", 7522 officers in group "C" and 2212 employees in group "D" posts as against sanctioned strength of 2661, 14482, 36288 and 16742 in group "A", "B", "C" and "D" respectively as on 01.07.2004 under Central Board of Excise and Customs.

(c) The process of direct recruitment against 1401 vacancies in various grades existing in the Customs and Central Excise field formation has been initiated as a normal exercise.

As regards import of metal scrap and detection of live shells etc. separate action on further restrictions on import and detailed examination of metal scrap have been prescribed by the Central Board of Excise and Customs.

Dairy Sector Suggesting Re-Negotiations with WTO

1661. SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI ANANDRAO VITHOBA ADSUL:

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

(a) whether dairy industry has suggested a strategy to re-negotiate with WTO to increase import duties on skimmed milk powder and butter oil;

(b) if so, the details of strategies suggested by dairy sector;

(c) the extent to which Government agree with the strategies of dairy sector; and

(d) the action Government proposes to adopt to save the domestic dairy sector?

THE MINISTER OF STATE IN MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S.

ELANGOVA): (a) to (d) Yes, Sir. A number of measures for the dairy sector, including the renegotiation of the bound duty on imports of butter oil from 40 percent to 75 percent, have been proposed in memoranda and representations received from time to time and considered by the Government. The bound duty on imports of whole milk powder (WMP) and skimmed milk powder (SMP) have been increased from zero percent to 60 percent with a tariff rate quota of 10,000 MT per annum and an in-quota duty of 15 percent applicable on the two tariff lines 0402.10 and 0402.21 taken together. Additionally, the applied rate of duty on imports of butter oil has been increased to 40 percent. The Livestock Importation Act has also been amended requiring a Sanitary Import Permit on imports of a number of livestock products, including dairy products.

[Translation]

Development Bank for Women

1662. SHRI MANSUKHBHAI D. VASAVA:
SHRI M. ANJAN KUMAR YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether a Development Bank for women entrepreneurs has been set up or proposed to be set up by the Government;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

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

(b) and (c) Do not arise.

[English]

Subsidy Strategy

1663. SHRI BALASAHEB VIKHE PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is planning to review subsidy strategy;

(b) if so, the reasons therefor;

(c) whether the Government has accepted the recommendations of NIPFP; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The National Common Minimum Programme has pledged to target subsidies to the poor and truly needy sections of the society. In pursuance of this, the Government has asked the National Institute of Public Finance and Policy (NIPFP) to prepare a blueprint to accomplish the objective of targeting the subsidies.

(c) and (d) The NIPFP is expected to submit its full report shortly.

Surplus Employees of Apparel Export Promotion Council

1664. SHRI LONAPPAN NAMBADAN:
SHRI ANANTA NAYAK:
SHRI ANANDRAO VITHOBA ADSUL:

Will the Minister of TEXTILES be pleased to state:

(a) the progress made under the Apparel Parks for exports and Textiles Centres Infrastructure Development Scheme during the year 2003-04 and 2004-05 till date;

(b) the number of projects cleared under the Apparel Parks Scheme during the above period, State-wise and location-wise;

(c) whether the textile exporters face stiff competition from low cost suppliers like Bangladesh, China and Pakistan; and

(d) if so, the steps taken by the Government to increase the textile exports and solving the problems of Apparel Exporters?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Government has sanctioned three projects under Apparel Park for Exports Scheme and eleven projects under "Textile Centre Infrastructure Development (TCID) Scheme" during the year 2003-04 and 2004-05 till date. The approved projects are under various stages of implementation. Central grant-in-aid amounting to Rs. 14.79 crores has been released for various approved Apparel Park projects and Rs. 11.95 crores for various approved TCID projects during the above period.

(b) The State-wise details of the projects sanctioned under 'Apparel Park for Exports' Scheme are given below:

(Rs. in crores)

S.No.	State	Location	Total Project Cost	Central Share
1.	Madhya Pradesh	SEZ, Indore	29.07	17.00
2.	Rajasthan	Mahal-Jaipur	27.10	17.00
3.	Maharashtra	Butibori-Nagpur	16.20	13.15

(c) Yes, Sir.

(d) To strengthen domestic textile industry for meeting the growing global competition, the following important announcements have been made in the Union Budget 2004-05:

- Except for mandatory excise duty on polyester filament yarn including texturised yarn, synthetic and artificial fibres and synthetic and artificial filament yarns, the whole value addition chain has been given excise exemption option.
- Additional Excise Duty on Textiles & Textile Articles (AT&T) and Additional Excise Duty (Goods of Special Importance) Act have been abolished.
- Basic customs duty on various textile machinery and spare parts has been reduced to 5%.

Beside, Government has been taking a number of steps from time to time to increase textile exports from the country. Some of the important initiatives taken are:

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

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

A High Level Committee has been constituted under the chairmanship of Secretary (Textiles) for redressal of exporters' grievances. The Committee meets periodically and efforts are made for quick redressal of the grievances of the exporters.

Licence to Co-operative Banks

1665. SHRI ASADUDDIN OWAISI: Will the Minister of FINANCE be pleased to state:

- (a) whether RBI has been empowered to issue licence to multi-state co-operatives to carry on banking business;
- (b) if so, the details thereof;
- (c) whether this measure is likely to remove doubts raised in the wake of Supreme Court order about legality of licence issue to 34 urban co-operative banks registered under MSCS Act, 1984;

(d) if so, the details thereof; and

(e) the extent to which this measure is likely to provide safety to depositors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) 'The Banking Regulation (Amendment) and Miscellaneous Provisions Ordinance 2004' promulgated on 24th September, 2004 has brought Co-operative Banks registered under the Multi State Co-operative Societies Act, 2002 under the Banking Regulation Act, 1949 (BR Act) and has empowered Reserve Bank of India (RBI) to issue licence to Multi State Co-operative Banks to carry on banking business.

(c) and (d) Yes Sir, The amendment carried out through the said Ordinance provides that every licence granted to a Multi State Co-operative Society by RBI, which was subsisting on the date of commencement of the Ordinance, shall be valid and be deemed always to have been validity granted in accordance with law.

(e) Since the Banking Regulation Act, 1949 now governs Multi State Co-operative Banks, the eligibility condition prescribed in the Deposit Insurance and Credit Guarantee Corporation (DICGC) Act has been satisfied and as such the Multi State Urban Co-operative Banks have now been made eligible for DICGC cover and the depositors of these Banks will be eligible for deposit insurance as per the provisions of the DICGC Act, 1961.

New Foodgrains Export Policy

1666. SHRI TUKARAM GANGADHAR GADAKH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether any new Foodgrains Export Policy is under consideration of the Ministry;
- (b) if so, the details thereof;
- (c) whether private exporters will be encouraged to export foodgrains items to export under this new policy;
- (d) is it appropriate to export foodgrains while there is still shortage of foodgrains in remote areas, villages and some parts of the country where still starvation death occurs;
- (e) whether there will be sufficient discussions, debate before finalizing this policy; and

(f) please give details?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (f) A new foodgrains export policy is being formulated. It is at an advanced stage of consideration in the Government of India. The details and incentives under the scheme are yet to be finalised.

[Translation]

FERA Cases

1667. SHRI M. ANJAN KUMAR YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the proceedings against the persons involved in FERA cases has not been completed since 1995 till date, due to which the persons involved therein could not be punished;

(b) if so, the number of persons against whom the proceedings have not been completed under FERA since 1995-2001 and the reasons for delay in each case;

(c) whether the Government is likely to review the cases of undue delay; and

(d) if so, the details thereof and the improvement brought about after the review?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The investigations against all the persons involved in FERA cases had been completed by issue of Show Cause Notice by 31.5.2002 as provided under the law. Prosecutions in courts of law were also filed, wherever required, by 31.5.2002.

(b) Investigation proceedings are complete in respect of all cases. Adjudication and prosecution are quasi-judicial/judicial proceedings that conclude after due process.

(c) and (d) Government has been periodically reviewing the position of pendency of Show Cause Notices as well as prosecutions. Government has appointed additional adjudicating officers for expeditious disposal of Show Cause Notices. As regards prosecutions filed in the courts, the Government Counsels are advised from time to time for early disposal of prosecution cases. As a result of these measures, the pendency of Show Cause

Notices have come down from 15408 as on 1.6.2002 to 5419 as on 1.10.2004. Similarly, the pendency of prosecution cases has come down from 5654 as on 1.6.2002 to 4962 as on 1.10.2004.

[English]

Disinvestment of PSUs

1668. SHRI KIRTI VARDHAN SINGH:
SHRI AJOY CHAKRABORTY:
SHRI VIJOY KRISHNA:
SHRI SURENDRA PRAKASH GOYAL:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to disinvest some Public Sector Undertakings in the current Five Year Plan;

(b) if so, the names of the PSUs identified so far alongwith the names of those PSUs already disinvested;

(c) whether the Government has also drawn any plan to achieve the target fixed for current five year plan;

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

(e) the steps proposed to protect the interest of employees affected therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The disinvestment policy of the Government is stated in the National Common Minimum Programme (NCMP) and appropriate decisions are taken from time to time in line with the NCMP.

(b) Currently, there is no ongoing case of disinvestment of a PSU. The PSUs disinvested through Strategic Sale during the current Five Year Plan are 1. Hindustan Zinc Ltd. 2. Indian Petrochemicals Corporation Ltd. 3. India Tourism Development Corporation (Ten hotel properties viz. (i) Kovalam Ashok Beach Resort, (ii) Manali Ashok, (iii) Khajuraho Ashok, (iv) Varanasi Ashok, (v) Aurangabad Ashok, (vi) Kanishka, New Delhi, (vii) Indraprastha, New Delhi, (viii) Chandigarh Project, (ix) Hotel Ranjit, New Delhi and (x) Hotel Airport Kolkata), 4. Centaur Hotel Airport Mumbai of Hotel Corporation of India Ltd. and 5. Jessop & Co. Ltd. The PSUs in which a minority portion of the Government's shareholding was sold through Offers for Sale are 1. IBP Ltd., 2. Dredging

Corporation of India Ltd., 3. GAIL (India) Ltd. 4. Oil and Natural Gas Corporation Ltd. and 5. National Thermal Power Corporation Ltd.

(c) and (d) The Tenth Five Year Plan envisages realisation from disinvestment equal to 0.4% of the average GDP during the Plan period. Targets are fixed on an annual basis. The target for 2004-05 is Rs. 4000 crore against which the achievement so far is Rs. 2749 crores.

(e) The interest of employees is always adequately safeguarded including in the case of Strategic Sale, if any, by suitable provisions in the Share Holders Agreement entered into with the Strategic Partner.

Indian Institute of Handloom Technology

1669. SHRIMATI SUMITRA MAHAJAN: Will the Minister of TEXTILES be pleased to state:

(a) the details about annual budget, courses, number of students and performance report of all six Indian Institutes of Handloom Technology;

(b) whether IIHTs still not capable to inspire more youths to make career in Handloom sector;

(c) if so, the reasons therefor; and

(d) the steps taken by the Government for better performance of the aforesaid Institutes?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) At present, 4 Indian Institutes of Handloom Technology (IIHTs) at Varanasi, Salem, Guwahati and Jodhpur are functioning in the Central Sector and 2 Institutes namely, Shri Pragada kotaiah Memorial Indian Institute of Handloom Technology at Venkatagiri and Karnataka Handloom Technology Institute at Gadag are functioning in the State Sector. The details of the budget, courses etc. are as follows:

(i) Budget Estimate for the year 2004-05 of 6 Institutes: Rs. 5.25 crore

(ii) Courses conducted: (i) 3 years Diploma in Handloom Technology in all Institutes.

(ii) 1½ years Post Diploma in Textile Chemistry in IIHT, Salem and Varanasi.

(iii) Number of Students: (i) Number of seats for Diploma in Handloom Technology in 6 Institutes are 305 and against this, number of students admitted during the year 2004-05 are 299. offer of admission has been issued to another 4 students who may join shortly.

(ii) Number of seats for Post Diploma in Textile Chemistry in 2 Institutes are 20 and against this, number of students admitted during the year 2004-05 are 20.

(iv) Performance : These Institutes are providing technically qualified professionals for meeting the requirements of the Textile Sector, including Handloom Sector.

(b) and (c) IIHTs have been attracting youths for their career in Handloom Sector. Against the total number of seats of 305 in Diploma in Handloom Technology, 299 students have been admitted during the year 2004-05. Similarly, against the total number of seats of 20 in Post Diploma in Textile Chemistry, all have been filled up. In some of the Institutes like Salem, Varanasi, Jodhpur etc. the students were put in the waiting list. However, they could not be admitted as all the seats got filled up in the Institutes concerned.

(d) Government of India, from time to time has taken steps for improving performance of the institutes in the Central Sector. Some of the steps taken as follows:

(i) Institutes have been equipped/upgraded with the requisite machines, equipments and necessary infrastructure.

(ii) Upgradation of the curriculum to match with the changing requirement of the industry.

(iii) Provision has been made to invite guest faculty to update the knowledge of the students with the latest trends and development in the industry.

- (iv) To organize all India Educational Tours/Technical visits for the students to expose them with the wide varieties of the products produced in different part of the country, use of latest technology etc.
- (v) Training of faculty.
- (vi) A Placement Brochure is also printed by the IIHTs for better employment avenues and wider publicity.

Charotar Nagarik Co-operative Bank

1670. SHRI TEK LAL MAHTO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Charotar Nagarik Co-operative Bank of Gujarat has collapsed due to release of large amount of unrealizable loan;

(b) if so, the details thereof;

(c) the number of persons who were involved in the collapse of the said bank; and

(d) the action taken by the Government against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The financial position of the Charotar Nagrik Sahakari Bank Ltd. especially its liquidity started showing signs of deterioration after March 2001 and liquidity was affected mainly due to large scale withdrawal of deposits from cooperative banking sector following Madhayapura Mercantile Cooperative Bank Ltd. crisis in March 2001. The unsustainable and indiscriminate lending by the Board of the bank aggravated the situation further and led to an over extended credit portfolio and high level of non-performing advances. Some of the loans granted to directors/firms were unsecured and thus contravened the provision of Banking Regulation Act 1949. Subsequently, the Reserve Bank of India issued directions to the bank under Section 35 (A) of the Banking Regulation Act 1949 on 20th December, 2001 and put a number of operational restrictions on it. The Registrar of Cooperative Societies, Gujarat superseded the Board on 2nd January 2002 and an Administrator was also appointed. The subsequent inspection of the Bank conducted with reference to the financial position as on 31st December 2002 revealed that its financial position had deteriorated to irremediable point. Therefore, it was decided to take the bank into liquidation. The Registrar of Cooperative Societies, Gujarat

placed the bank under liquidation vide orders dated 28th July, 2003.

(c) and (d) The poor performance of the bank can be attributed to senior executives sanctioning loans in indiscriminate manner. The Bank has filed criminal complaint with the police authorities against the entire Board of Directors, including Chairman, Managing Director and Vice-chairman of the Board of 20th December, 2001. Further, the Registrar of Cooperative Societies has also filed a criminal complaint against ex-member of the Board in January, 2002.

Deen Dayal Hathkargha Protsahan Yojana

1671. DR. ARUN KUMAR SARMA: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has decided to abolish DDHP Yojana;

(b) if so, the details thereof indicating alternative scheme envisaged for the benefit of the weavers;

(c) the status of pending proposals already submitted by various States under the Yojana;

(d) the district-wise implementation status of project package, health package and integrated handloom training programme in the country including Assam indicating number of proposals pending for sanction;

(e) whether the proposal for training on cane and bamboo submitted by Subansiri Valley Regional Weavers Samabay Samittee Limited of Assam is pending for approval; and

(f) if so, when it is likely to be sanctioned?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) No. Sir. No decision has been taken by the Government to abolish the Deen Dayal Hathkargha Protsahan Yojana (DDHPY).

(b) Does not arise.

(c) 210 proposals submitted by Government of Nagaland, 98 by Manipur, 95 by Government of Uttar Pradesh, 40 by Government of Karnataka, 22 by Government of Kerala, 117 by Government of Andhra Pradesh, 7 by Government of Himachal Pradesh, 7 by Government of Orissa, 2 by Government of West Bengal and 1 each by Government of Tamil Nadu, Bihar and Dehli under DDHPY are at various stages of examination.

(d) The Government of India is maintaining only State-wise implementation status and not district wise.

Under the Project Package Scheme (PPS), the Government of India had sanctioned 2794 projects including 360 projects sanctioned to Government of Assam. The Government of Assam has not completed any project so far. Various other States have completed 249 projects so far. The rest of the projects are at various stages of implementation. The PPS was discontinued w.e.f. 1.4.2000 and hence no proposals are pending for sanction.

Under the Health Package Scheme assistance is released to State Governments on reimbursement basis. Proposals received from Government of Tamil Nadu for Rs. 100.08 lakh, Uttar Pradesh for Rs. 147.18 lakh, Kerala for Rs. 17.16 lakh and Assam for Rs. 109.13 lakh are at various stages of examination.

Under the Integrated Handloom Training Programme, during the year 2003-04 187 programmes were sanctioned to various States to cover 3740 weavers. Out of those 137 programmes covering 2740 weavers have been completed and 21 programmes covering 420 weavers are under implementation. Rest of the 29 programmes are yet to commence. During the year 2004-05, 512 programmes have been sanctioned to cover 10240 weavers. These programmes are at various stages of implementation. Proposals to cover 500 weavers of Uttar Pradesh 25 programmes, 160 weavers of Delhi under 8 programmes and 600 weavers of Himachal Pradesh under 30 programmes are at various stages of examination.

(e) No proposal has been received for training on Cane and Bamboo from M/s Subansiri Valley Regional Weavers Samabey Samittee Ltd. Assam.

(f) Does not arise.

[Translation]

Soft Loan to Exporters

1672. SHRI BHUPENDRASINH SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to provide the soft loans to the exporters;

(b) if so, whether the Government has taken any action in this regard; and

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

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

(b) No, Sir.

(c) Exporters are already eligible for working capital finance both at the pre shipment and post shipment stages at concessional rates of interest from the banks and, therefore, the Government do not propose further action in this behalf.

[English]

Tainted Companies

1673. SHRI ALOK KUMAR MEHTA:
SHRI MOHAN RAWALE:
SHRI SURESH ANGADI:
SHRI MUNAWAR HASSAN:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether attention of the Government has been drawn to the news-item appeared in 'Economic Times' dated October 7, 2004 captioned "Citi fined for letting Telgi & company park fund";

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

(c) whether a probe has been ordered into the functioning of citi bank with regard to parking the funds of promoters of scam tainted Pharma companies associated with Ketan Parekh;

(d) if so, the details thereof;

(e) whether Avmour, Adani Exports, Global Trust Bank, Cadila Health Care, CIPLA, Okasa, Zee Telefilms have been inspected under Section 209 (A) of the Companies Act, 1956; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a)

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

[Translation]

Export of Iron Ore

1674. SHRI SUSHIL KUMAR MODI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have exported iron ore worth two billion dollars to China during first 5 months of the year 2004;

(b) if so, the details thereof;

(c) whether the Government have received any complaints regarding export of sub-standard iron ores to China by exporters;

(d) whether there has been steep hike in the price of steel due to large scale exports of iron ores during the last two years;

(e) whether the Government are contemplating complete ban on the export of iron ores to reduce the prices of steel;

(f) the names of the countries to whom iron ores were exported during last three years alongwith the value of total exports; and

(g) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) and (b) No, Sir, The total exports of iron ore from India to China from April '04 to Aug' 04 was about US dollars 0.75 billion.

(c) No, Sir.

(d) No, Sir.

(e) There is no such proposal under consideration at present.

(f) and (g) The names of countries to which iron ore has been exported during the last three years, along with values are as follows:

(Value in Rs. Crores)

Country	2001-2002	2002-2003	2003-2004
China	1,560.47	2,080.92	5,535.63
Japan	1,166.60	1,112.72	996.10
S. Korea	281.44	190.38	146.66
Taiwan	66.03	74.06	74.55
Europe	77.90	116.28	157.75
Others	169.39	80.79	131.39
Total	3,321.83	3,655.15	7,042.08

(Source: MMTC)

[English]

Leather Goods Export Park

1675. SHRI SANAT KUMAR MANDAL:
SHRI KINJARAPU YERRANNAIDU:

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

(a) whether the Government is intending to set up a leather goods export park in the country;

(b) if so, any proposal received from States;

(c) by when these are proposed to be set up in respective States and the details of employment opportunities created by setting up of these export parks;

(d) whether Government of West Bengal has registered for release of Rs. 400 crore fund for modernization of leather industry; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) The Government has approved a proposal for establishment of Leather Goods Export Park at Kolkata, West Bengal with an outlay of Rs. 5.0 crores. The Government assistance will be utilized for common infrastructure like design studio, common facility centre, display-cum-warehousing facility etc. The Council for Leather Exports (CLE) is the implementing agency for the project and has been requested to submit the Detailed

Project Report (DPR). Details of the employment opportunities in the Leather Goods Park would be known after the preparation of the DPR.

(d) and (e) Government of West Bengal has requested for funds under the Indian Leather Development Programme (ILDP) towards modernization and technology upgradation of leather units, located in West Bengal. Indian Leather Development Programme (ILDP) has an outlay of Rs. 400 crores in the Tenth Five Year Plan. The programme involves technology upgradation/modernization of individual units, infrastructure development, capacity building and productivity improvement in Leather Sector across the country. The scheme for technology upgradation and modernization in the leather sector with an outlay of Rs. 290 crores is yet to be approved by the competent authority.

LIC Insurance Coverage

1676. SHRI GURUDAS DASGUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Public Sector Life Insurance Corporation (LIC) has increased insurance coverage area since the entrance of the private sector in the field particularly in rural areas; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Life Insurance Corporation of India (LIC) have informed that they have increased the insurance coverage in the rural areas since the entrance of the private sector in the field. Details of new policies of LIC, including rural business for the last three years are given below:

Financial Year	Total Business	Rural Business	% of rural business to total business
2001-2002	2,32,49,851	37,80,004	16.26%
2002-2003	2,45,29,946	45,46,148	18.53%
2003-2004	2,69,51,919	61,73,960	22.91%

[Translation]

Establishment of new Industries

1677. SHRI KAMLA PRASAD RAWAT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government contemplating to set up new industries in the country in near future;

(b) if so, the locations in the country where these new industries are likely to be set up;

(c) if so, whether the Central Government is intending to set up Industry in Barabanky district of Uttar Pradesh to check the unemployment in the area; and

(d) if not, the reasons therefor along with complete details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (d) Under the liberalized industrial policies, setting up of industries depends upon the commercial judgment of the entrepreneurs which, in turn, is also based on the initiatives taken by the State Governments by way of providing basic infrastructure facilities and other incentives. However, the Government of India supplements their efforts through various incentives and schemes like Growth Centre Scheme, Transport Subsidy Scheme, Industrial Infrastructure Upgradation Scheme and Special Packages for States.

Special Power to Banks

1678. SHRI KAILASH MEGHWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has given approval for a Bill for giving special power to the banks to sell the objects being mortgaged by the customers to recover outstanding loans;

(b) if so, the details thereof;

(c) whether attention of the Government has been drawn to the fact that at the time of auction, banks by way of making pools of bidders sell the goods at a nominal price and the amounts are distributed among bank officials and bidders; and

(d) the steps taken by the Government for protection of the property owners who have taken loan from such irregularities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act which was

enacted in 2002, *interalia*, provide for enforcement of security interest for realisation of dues without the intervention of Courts or Tribunals. As per section 2 (1) (zf) of the said Act, the security interest, *interalia*, covers mortgage.

(c) In terms of Rule 6 and sub-rule (5) of rule 8 of the Security Interest (Enforcement) Rules, 2002 framed under the above Act, the authorised officer shall obtain the valuation of the movable/immovable asset from the approved valuer and in consultation with the secured creditor fix the reserve price of the property before effecting the sale and the property may not be sold below the reserve price.

The sale of whole or any part of the secured movable/immovable asset can be effected by adopting any of the following methods:

- (i) obtaining quotations from parties dealing in the secured assets or otherwise interested in buying such assets; or
- (ii) inviting tenders from the public; or
- (iii) holding public auction; or
- (iv) by private treaty.

(d) Section 19 of the above Act provides that if the Debt Recovery Tribunal or the Appellate Tribunal, as the case may be, on an appeal filed under Section 17 or Section 18, holds the possession of secured assets by the secured creditor as wrongful and directs the secured creditor to return such secured assets to the concerned borrower, such borrower shall be entitled to payment of such compensation and costs as may be determined by such Tribunal or Appellate Tribunal.

[English]

Sick Industrial Companies Act, 1985

1679. SHRI VIJOY KRISHNA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government enacted Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and established the Board for Industrial and Financial Reconstruction (BIFR);

(b) if so, the aims and objectives of the Act and Board framed/constituted; and

(c) the extent to which the objectives of the said Act and Board have been achieved so far?

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

(b) The aims and objectives of the Act and BIFR was to secure the timely detection of sick and potentially sick companies owning industrial undertakings, the speedy determination by a Board of experts of the preventive, ameliorative, remedial and other measures which need to be taken with respect to such companies and the expeditious enforcement of the measures so determined and for matters connected therewith or incidental thereto.

(c) The objectives of the said Act and Board have been achieved only to a limited extent.

Production of Silk

1680. SHRI G. KARUNAKARA REDDY: Will the Minister of TEXTILES be pleased to state:

(a) the rank of India in global silk production;

(b) the steps being taken by the Government to improve silk production of various kinds to top among silk producing countries in the world;

(c) the various proposals mooted in this regard; and

(d) the steps being taken to implement these proposals?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) India is the second largest silk producing country in the world contributing to about 17% of world raw silk production.

(b) to (d) Several programmes and schemes to increase the production, quality and the competitiveness of the domestic silk industry have been instituted. The major ones are:

- Research and Development efforts of Central Silk Board have been stepped up to improve quantity and productivity of sericulture, by evolution of more productive and stress tolerant breeds and hybrids of mulberry and non-mulberry food plants and silkworms; and development of low cost reeling and processing technologies in silk;

- Seed Support and Technical Assistance is being given by the Central Silk Board to State Governments, farmers & reelers by maintenance of parent races and basic seed, supply of commercial seed and augmentation of grainage facilities for production of disease free high yielding and drought resistant seeds;
- Central assistance is being extended to States through Centrally Sponsored & Central sector schemes to strengthen farm infrastructure, increase area under sericulture, upgrade reeling facilities, improve finishing processes, strengthen cocoon and silk testing systems;
- Low cost and productivity enhancing technologies developed by the Central Silk Board are being popularized through central assistance to beneficiaries, training to the States' extension machinery and beneficiaries, organizing of various awareness programmes, etc.;
- For technology upgradation of the indigenous silk industry loan at 5% point less than applicable bank rate, under the Technological Upgradation Fund Scheme (TUFS) for the textiles sector is available *inter alia* to silk sector;
- Supply chain issues between the farmers, raw silk producers and the weavers are being addressed by advocating contract farming models, price linked grading, etc.;
- An amount of Rs. 450 crores has been provided in the X Plan for the Sericulture sector to support the above strategy and programmes.

Integrated Handloom Village Development Programme

1681. SHRI SHIVRAJ SINGH CHOUHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether the Integrated Handloom Village Development Programme was launched for the development of villages having concentration of handloom weavers;

(b) if so, the results achieved so far;

(c) the number of villages covered under the programme;

(d) whether the Government propose to include more villages under the Programme during the current year; and

(e) if so, the details thereof, State-wise?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir. The Integrated Handloom Village Development (IHVD) Scheme was launched by the Government of India in the year 1991-92 and discontinued w.e.f. 1.4.1997. The committed liabilities towards the sanctioned projects are, however, still being entertained.

(b) and (c) 208 villages have been covered under the scheme to benefit 21,234 weavers and an amount of Rs. 3109.30 lakh has been released so far.

(d) No, Sir. The IHVD scheme stands discontinued w.e.f. 1.4.1997.

(e) Does not arise.

Assistance Under ASIDE

1682. SHRI C.K. CHANDRAPPA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) salient features of the scheme called Assistance to States for Infrastructure Development for Exports, known as ASIDE;

(b) funds of assistance, the GOI stipulated to offer to various States in the country;

(c) kind of financial and the essential assistance proposed for exports excellence, the Food Park, biotechnology parks etc. under the scheme; and

(d) details of cases sanctioned under ASIDE?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) The salient features of the Assistance to States for Development of Export Infrastructure and Allied Activities (ASIDE) scheme are as follows:

- The ASIDE Scheme establishes a mechanism for seeking the involvement of States in the development of infrastructure for exports through assistance linked to export performance.
- The outlay of the scheme has two components. 80% of the funds are earmarked for allocation to the States, and 20% are retained for the central component.

- At the State level, a State Level Export Promotion Committee (SLEPC) headed by the Chief Secretary of the State approves the implementation of the scheme.
- At the central level, an Empowered Committee on ASIDE under the Chairmanship of the Commerce Secretary approves the projects under the central component.

(b) to (d) The funds under the State component are allocated to the States based on their export performance. The SLEPC of each State can approve export linked projects including projects like Food Park, Bio-Technology Park etc. The funds under the central component are utilised for meeting *inter-alia* the requirements of inter state projects, capital outlays of Special Economic Zones, and any activity considered important by the Central Government from the regional or the national perspective.

Funds Available for Lending

1683. SHRI PAWAN KUMAR BANSAL: Will the Minister of FINANCE be pleased to state:

- (a) whether the banks in the country are unable to find big borrowers;
- (b) if so, the reasons therefor; and
- (c) the total amount of funds presently available with the banks for lending?

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

(b) Does not arise.

(c) The aggregate deposits of scheduled commercial bank for the fortnight ending 12th November, 2004 (latest available) were Rs. 1596617 crores. Out of this Rs. 1117632 crores are available for lending. Rest of the amount is kept towards Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR).

Amounts Sanctioned to Kerala

1684. SHRI P. RAJENDRAN: Will the Minister of FINANCE be pleased to state:

(a) the amount sanctioned to the State of Kerala, under several ongoing and new Central Government Schemes, Scheme-wise and year-wise of last two years;

(b) the details of progress made in the pace of implementation of the schemes; and

(c) any amount lapsed to States exchequer, due to non-utilisation or non-payment of State contribution during the last two years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) A statement is enclosed with respect to Central assistance for State plan schemes. Ministry of Finance releases the Central Plan Assistance to States on recommendations of Planning Commission/Administrative Ministry concerned, made after taking into account utilisation status.

(c) No amount lapses to States exchequer.

Statement

Allocation of Central Assistance to State Plan of Kerala and releases made there against by Ministry of Finance during the years 2002-03 & 2003-04

(Rs. in Crores)

Schemes	2002-03		2003-04	
	Allocation	Released	Allocation	Released
1	2	3	4	5
Normal Central Assistance	508.15	498.06	508.15	503.07
Addl. Central Assistance	75.00	78.66	80.00	82.04
Slum Development	9.72	9.72	9.72	9.72

1	2	3	4	5
Externally-aided Projects	969.75	730.10	925.00	162.60
PMGY (Other than rural Roads)	76.08	76.08	76.08	76.08
Accelerated Irrigation Benefit Prog.	17.00	5.67	15.00	31.00
Western Ghats Dev. Programme	13.13	13.13	13.13	13.13
Accelerated Power Dev. & Reforms Prog.	119.49	30.43	119.49	74.23
National Social Assistance Programme	17.63	17.63	17.63	17.63
Urban Reforms Incentive Fund	14.50	0.00	14.50	7.25
Nutritional Prog. For Adolescent Girls	0.00	0.00	5.80	2.13
Rastriya Sam Vikas Yojna	0.00	0.00	30.00	20.00

[*Translation*]

Recovery of Loan Under Self Employment Scheme

1685. SHRI HARIKEWAL PRASAD:
SHRI BIR SINGH MAHATO:

Will the Minister of FINANCE be pleased to state:

(a) whether the recovery of loans distributed under the Self-employment Scheme for providing self-employment to educated unemployed are going as per expectations;

(b) if not, whether the Government has reviewed this scheme and the details thereof in this regard; and

(c) the actual number of people employed on the basis of loans provided under Pradhan Mantri Rozgar Yojana?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) As per the information furnished by Reserve Bank of India (RBI), the percentage recovery of loans sanctioned by scheduled commercial banks under Swarna Jayanti Swarozgar Yojana (SJSRY) and Prime Minister Rozgar Yojana (PMRY) during the last three years is as under:

Year ended	Percentage Recovery of Loan Under Scheme	
	SJSRY	PMRY
March		
2001-02	40.20	34.90
2002-03	41.46	35.20
2003-04	38.43	34.96

(b) The Ministry of Urban Employment & Poverty Alleviation i.e. the Administrative Ministry for SJSRY Scheme has advised RBI recently to furnish suggestions/comments/modifications of the scheme. RBI's suggestions/comments are awaited.

(c) The details of the applications received, number of applications sanctioned and disbursed under PMRY Scheme for the last three years are as under:

Year	No. of Applications Received	No. Sanctioned	No. Disbursed
2002-03	414001	228031	190521
2003-04	427926	256403	177100
2004-05	110417	44928	23788

[*English*]

Closure of Handicraft Industry

1686. SHRI JASHUBHAI DHANABHAI BARAD: Will the Minister of TEXTILES be pleased to state:

(a) the number of handicraft units lying closed in the country, especially in Gujarat, State-wise;

(b) the number of workers left unemployed;

(c) the details thereof, State-wise; and

(d) the steps being taken by the Government to provide alternate employment to these workers?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Handicrafts being an unorganized and dispersed sector, majority of the artisans are self-employed and work in the informal sector. No closure of handicrafts units in the country, including the State of Gujarat has been reported to the Government.

(b) to (d) Do not arise.

[Translation]

Regarding Vacancy of Posts of IT Commissioner

1687. SHRI MAHENDRA PRASAD NISHAD: Will the Minister of FINANCE be pleased to state:

(a) whether about 350 posts of Assistant Commissioner/Deputy Assistant Commissioner of Income Tax are laying vacant;

(b) if so, whether the Government is aware of the fact that there is a shortfall in the collection/realization of the Government revenue due to the shortage of officers;

(c) whether the Government propose to fix any time limit to fill up the posts of Assistant Commissioner/Deputy Assistant Commissioner of Income Tax lying vacant; and

(d) if so, by when and if not, the reasons therefor?

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

(b) In spite of constraints arising out of temporary vacancies at certain levels, there is no relaxation in the efforts, towards revenue collection, as a result of which, there is no shortfall in the direct tax collections in the current financial year.

(c) and (d) No Sir, The reasons are as follow:

(1) In accordance with Department of Personnel and Training Office Memorandum dated 16.5.2001, this Department can fill up only 1/3rd of the vacancies or 1% of the cadre strength, whichever is less, arising in every year in order to downsize the strength at all levels of Direct Recruitment. Therefore 63 vacancies of Direct Recruit Officer for the post could not be filled up in last three years.

(2) 170 Direct recruited officers selected from the exam year 2002 and 2003 would become available after completion of their training for the posting and 139 Assistant Commissioners of Income Tax would be available for posting after the DPC is held by UPSC under the promotion quota for the post.

[English]

Second Generation Reforms

1688. SHRI BIR SINGH MAHATO: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government have embarked upon the implementation of second generation reforms in the country;

(b) whether vigorous implementation of economic reforms has not yielded any help to the youth of the country by way of growth in the employment opportunities;

(c) if so, the reasons for the joblessness;

(d) the manner in which the Government propose to generate one millions jobs to unemployed youth of the country; and

(e) the manner in which the Government plan employment in the period of second generation reforms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) Economic Reforms are a continuous process and the policy instruments to implement them are reviewed from time to time in the light of the prevailing situation. As per the results of the 55th NSSO Round (1999-2000), the rate of growth of employment, on Current Daily Status (CDS) basis, declined from 2.7 percent per annum in 1983-94 to 1.07 percent per annum in 1994-2000. During the 1990s, there has been a decline in the labour intensity of production. Providing gainful employment to the people in the labour force has been one of the important elements of the poverty alleviation strategy. The Tenth Five Year Plan (2002-07) aims at provision of gainful and high quality employment in excess of addition to the labour force during the Tenth Plan. The Tenth Five Year Plan has advocated the need for increasing the employment content of growth by promoting growth of such sectors/activities which employ more labour per unit of output. Agriculture and Allied Activities, Agro Forestry,

Energy Plantation for Bio-Mass Power Generation, Small and Medium Enterprises including village industries, Information and Communication Technology and provision of Education, Health, Family and Child Welfare Services have been identified for special attention during the Tenth Plan for employment generation.

[*Translation*]

Demand of Indian Tussar Silk

1689. SHRI RAMDAS ATHAWALE: Will the Minister of TEXTILES be pleased to state:

(a) whether the demand of Indian tussar silk has increased in the foreign markets;

(b) if so, the details thereof;

(c) the steps taken by the Government to increase the production area of tussar silk; and

(d) the expenditure incurred by the Government for the development of this sector in the last three years, State-wise?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) The table below indicates the details of export earnings from tasar silk goods during last three years and shows no increase in demand:

Year	Export earnings (Rs. in crore)
2001-02	283.38
2002-03	201.33
2003-04	160.90

(c) Steps taken by the Government to increase the production of tasar silk include the following:

- Research and Development efforts of Central Silk Board have been stepped up to improve quantity and productivity of tasar silk, by evolution of more productive and stress tolerant breeds and hybrids of food plant and silkworm; and development of low cost reeling cum twisting machines and spinning wheels;
- Central Silk Board has established Basic Tasar Silkworm Seed Organisation with a network of 22 Basic Tasar Seed Multiplication cum Training Centres to produce and supply quality basic seed to States for further multiplication;
- Central assistance is being extended to States through Centrally Sponsored & Central sector schemes to strengthen farm infrastructure, increase area under sericulture including tasar, upgrade reeling facilities, improve finishing processes, strengthen cocoon & silk testing systems;
- Low cost and productivity enhancing technologies developed by the Central Silk Board are being popularized through central assistance to beneficiaries, training to the States' extension machinery and beneficiaries, organizing of various awareness programmes, etc.;
- Special Projects for development of silk including tasar in various States are being implemented with financial assistance from the SGSY Scheme of Ministry of Rural Development under which necessary infrastructure for sustainable production is being created.

(d) Expenditure incurred by the Central Government for development of tasar silk during the last three years, State-wise is given in the enclosed Statement.

Statement

Unit: (lakh Rs.)

Details	Expenditure incurred during			Remarks
	2001-02	2002-03	2003-04	
1	2	3	4	5
R & D	1455.73	1592.51	1691.78	State-wise details enclosed as Annexure-I.
CDP (X plan)	-	238.08	217.51	State-wise details enclosed as Annexure-II.
Special SGSY Project (tasar)	-			
Bihar		126.16	79.30	

1	2	3	4	5	6	7	8	9	10	11
12.	Orissa	10.87	129.67	140.54	137.93	26.22	164.15	130.76	25.09	155.85
13.	Uttar Pradesh	5.38	33.30	38.68	39.48	2.18	41.66	42.74	1.88	44.62
14.	Uttaranchal	18.09	7.17	25.26	23.51	5.68	29.19	24.09	10.89	34.98
15.	West Bengal	0.00	38.41	38.41	35.54	4.54	40.48	43.57	6.45	50.02
Total		307.28	1,148.45	1,455.73	1,116.72	475.79	1,592.51	1,179.68	512.10	1,691.78

Annexure-II

Catalytic Development Programme During 10th Plan [State-wise amount spent/released in respect of Tasar Sector during 2002-03, 2003-04 and 2004-05 (upto November)]

(Rs. in Lakhs)

Sl.No.	Name of State	Amount spent/released during			Cumulative expenditure (upto November)
		2002-03	2003-04	2004-05 (Upto November)	
1.	Andhra Pradesh	16.56	10.3	13.68	40.54
2.	West Bengal	5.5	10.30	17.55	33.35
3.	Maharashtra	3.39	5.11	—	8.5
4.	Madhya Pradesh	0.43	2.60	—	3.03
5.	Orissa	5.37	11.15	10.64	27.16
6.	Bihar	91.33	17.44	—	108.77
7.	Uttar Pradesh	1.19	5.79	—	6.98
8.	Himachal Pradesh	—	1.68	—	1.68
9.	Chhattisgarh	1.14	84.02	55.47	140.63
10.	Jharkhand	101.22	50.93	—	152.15
11.	Uttaranchal	6.67	7.62	3.69	17.98
12.	Arunachal Pradesh	0.84	1.00	—	1.84
13.	Manipur	—	3.19	7.14	10.33
14.	Mizoram	2.44	4.31	5.87	12.62
15.	Nagaland	—	2.07	6.89	8.96
Total		236.08	217.51	120.93	574.52

*[English]***World Bank Loan to India**

1690. SHRI ANANDRAO VITHOBA ADSUL: Will the Minister of FINANCE be pleased to state:

- (a) whether the World Bank has agreed to extend \$ 2.5 billions loans to India this fiscal year;
- (b) if so, whether this amount is lower than the targeted \$ 3 billion annually during 2004-07;
- (c) if so, the reasons therefor;
- (d) the projects which are likely to be covered under this loan; and
- (e) the manner in which the loan is likely to be repaid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The World Bank's Country Assistance Strategy for India for the period July 2004-June 2008 envisages an annual loan assistance of upto US\$ 2.15 billion.

(b) No separate targets have been fixed by the Government for the period 2004-2007.

(c) Does not arise.

(d) During the current financial year, the World Bank has approved the following projects for loan assistance:

- (i) Orissa Socio-Economic Development Loan
- (ii) Rural Roads Project
- (iii) Madhya Pradesh Water Sector Restructuring Project
- (iv) Hydrology Project Phase-II
- (v) Karnataka Urban Water Sector Improvement Project

(e) Repayment of World Bank loan based on the terms of the agreement is made by the Government by keeping necessary provisions in the budget each year.

Non-Banking Companies

1691. SHRI S.P.Y. REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has formulated a scheme where under all Residuary Non-Banking Companies would henceforth be required to refrain from accepting retail deposits and to invest all their existing funds only in Government and other approved securities;

(b) if so, the details thereof;

(c) by when the scheme is likely to be implemented; and

(d) the other measures being contemplated to safeguard the interests of the small depositors most of whom are hailing from the small income groups and belong to the rural areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Reserve Bank of India (RBI) have reported that they have not decided to start a scheme where under all Residuary Non-Banking Companies (RNBCs) would be required to refrain from accepting retail deposits.

The RNBCs were required to maintain 80 percent of their Aggregate Liabilities to Depositors (ALD) as per directed pattern of investment.

This discretionary limit of 20 percent will have to be reduced to 10 percent of their ALD from April 1, 2005 and to nil with effect from 1, 2006. In other words discretionary limit will stand abolished from April 1, 2006.

(d) Comprehensive regulatory framework has been put in place which is aimed at protecting the interests of the depositors and ensuring that NBFCs function on sound and healthy lines. The regulatory framework includes, *inter-alia*, compulsory registration, maintenance of liquid assets, transfer of at least 20% of net profit to reserve fund and empowering RBI to issue directions to NBFCs. RBI takes various actions against errant NBFCs for various defaults and contravention of provisions of RBI Act and directions issued thereunder.

Cancellation of Licence of Co-operative Banks

1692. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has cancelled the licence of several Co-operative Banks during the last three years; and

(b) if so, the details thereof alongwith the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Reserve Bank of India has cancelled the licenses of 85 Urban Cooperative Banks and rejected the license application of 16 Urban Cooperative Banks since 1st January, 2002. RBI has also rejected the applications for license of 6 District Central Cooperative Banks (DCCBs) from the year 2002

(b) Details of the Urban Cooperative Banks whose licenses have been cancelled and licenses applications rejected since the year 2002 are given in the enclosed Statement-I. The reasons for cancellation of the licenses

issued to Urban Cooperative Banks include, *inter-alia*, the bank's precarious financial position, high level of NPAs, erosion of net worth affecting deposits etc. The cancellation of the license is effected after giving due opportunity to the bank and satisfying that the chances for its revival in the future are bleak.

Details of the 6 DCCBs whose license applications have been rejected since the year 2002 are given in the enclosed Statement-II. The reasons for rejection of license applications of DCCB's include, *inter-alia*, the real or exchangeable value of paid up capital and reserves of the banks being negative, inability of the banks to pay their depositor's as and when their claims accrue, high NPAs levels, high accumulated losses, financial positions of the banks being extremely unsatisfactory etc.

Statement-I

List of Urban Co-operative Banks whose licenses have been cancelled or Licence Application Rejected since the year 2002

Sl. No.	Name of Bank	Regional Office	Date of Speaking
1	2	3	4
1.	Aryan Cooperative Urban Bank Ltd. A.P.	Hyderabad	17-Jan-02
2.	Majoor Sahakari Bank Ltd. Ahmedabad	Ahmedabad	06-Feb-02
3.	Ahmedabad Mahila Nagarik Sahakari Bank Ltd., Ahmedabad	Ahmedabad	05-Mar-02
4.	Mafatal Engg. Empl. Co-operative Bank Ltd., Mumbai	Mumbai	05-Mar-02
5.	Urban Co-op. Bank Ltd., Tehri	Lucknow	30-Mar-02
6.	First City Cooperative Urban Bank Ltd.	Hyderabad	08-Apr-02
7.	Begusarai Urban Development Co-operative Bank Ltd.	Patna	22-Apr-02
8.	Madhepura Urban Development Co-operative Bank Ltd.	Patna	22-Apr-02
9.	People's Co-operative Bank Ltd.	Lucknow	22-Apr-02
10.	Peoples Co-operative Bank Ltd.	Patna	22-Apr-02
11.	Jawahar Cooperative Urban Bank Ltd.	Hyderabad	11-May-02
12.	Datia Nagrik Sahakari Bank Ltd., Datia	Bhopal	14-May-02
13.	Theni Urban Co-operative Bank Ltd. (R)	Chennai	20-May-02
14.	Tiruvanaikovil Co-operative Bank Ltd. (R)	Chennai	23-May-02
15.	Sravva Cooperative Urban Bank Ltd. (Now Liquidated)	Hyderabad	30-May-02

1	2	3	4
16.	Nalanda Urban Co-operative Bank Ltd. (R)	Patna	10-Jun-02
17.	Shri Adinath Sahakari Bank Ltd., Pune	Mumbai	25-Jun-02
18.	Praja Co-operative Urban Bank Ltd.	Hyderabad	02-Jul-02
19.	Rajampet Co-operative Town Bank Ltd. (R)	Hyderabad	03-Jul-02
20.	Shree Labh Co-operative Bank Ltd., Mumbai	Mumbai	31-Jul-02
21.	Megacity Co-operative Urban Bank Ltd.	Hyderabad	03-Aug-02
22.	Jhargram Peoples Co-operative Bank Ltd. (R)	Kolkata	05-Aug-02
23.	Kalwa Belapur Sahakari Bank Ltd., Navi Mumbai	Mumbai	10-Aug-02
24.	Maa Sharda Mahila Sahakari Bank Mayadit, Akola	Nagpur	10-Aug-02
25.	Yamunanagar UCB, Yamunanagar	Chandigarh	14-Aug-02
26.	Armoor Cooperative Urban Bank Ltd.	Hyderabad	26-Aug-02
27.	Nagrik Co-op. Commercial Bank Ltd., Bilaspur	Bhopal	14-Sep-02
28.	Manmadurai Co-op. Urban Bank Ltd. (R)	Chennai	19-Sep-02
29.	Mother Teresa Hyderabad Cooperative Urban Bank Ltd.	Hyderabad	14-Oct-02
30.	Gulbarga Urban Cooperative Bank Ltd. (R)	Bangalore	01-Nov-02
31.	Pithapuram Co-operative Bank Ltd. (R)	Hyderabad	07-Nov-02
32.	Sevalal Urban Co-operative Bank Ltd., Solapur	Mumbai	04-Dec-02
33.	Mandsaur Commercial Co-operative Bank Ltd.	Bhopal	12-Dec-02
34.	Star Cooperative Urban Bank Ltd., Hyderabad	Hyderabad	27-Dec-02
35.	Shree Jamnagar Nagrik Sahakari Bank Ltd., Jamnagar (R)	Ahmedabad	27-Dec-02
36.	Yeshwant SBL, Mumbai	Mumbai	04-Feb-03
37.	Palanz Cooperative Bank Ltd., Palana	ahmedabad	19-Feb-03
38.	Lamka Urban Co-op. Bank Ltd., Churachandpur, Manipur	Guwahati	25-Feb-03
39.	Pratibha Mahila SBL, Jalgaon	Mumbai	25-Feb-03
40.	Dhana Cooperative Urban Bank Ltd., Eluru	Hyderabad	07-Apr-03
41.	Sri Mouneshwar Cooperative Bank Ltd.	Bangalore	23-Apr-03
42.	Narasaraopet Cooperative Urban Bank Ltd. (R)	Hyderabad	24-May-03
43.	Solapur Merchants CBL, Solapur	Mumbai	20-Jun-03
44.	Manikanta Cooperative Urban Bank Ltd., Hyderabad	Hyderabad	07-Jul-03
45.	Bhavnagar Welfare Cooperative Bank Ltd.	Ahmedabad	31-Jul-03

1	2	3	4
46.	General Cooperative Bank Ltd., Ahmedabad	Ahmedabad	31-Jul-03
47.	Janta Commercial Cooperative Bank Ltd., Dholka	Ahmedabad	31-Jul-03
48.	Santram Cooperative Bank Ltd., Nadiad	Ahmedabad	31-Jul-03
49.	Madurai Co-operative Bank Ltd.	Chennai	22-Aug-03
50.	Vasundara Cooperative Urban Bank Ltd., Hyderabad	Hyderabad	01-Sep-03
51.	Citizen Co-operative Bank Ltd., Damoh	Bhopal	03-Sep-03
52.	Railbag Urban Co-operative Bank Ltd. (R)	Bangalore	17-Sep-03
53.	Neelagiri Cooperative Urban Bank Ltd., Nalgonda	Hyderabad	26-Sep-03
54.	Charotar Nagarik Sahakari Bank Ltd., Visnagar	Ahmedabad	10-Oct-03
55.	Nayaka Mercantile Cooperative Bank Ltd.	Ahmedabad	22-Oct-03
56.	Trinity Cooperative Urban Bank Ltd.	Hyderabad	28-Nov-03
57.	Mahalaxmi Cooperative Urban Bank Ltd., Hyderabad	Hyderabad	13-Jan-04
58.	Kalyan Cooperative Urban Bank Ltd., Hyderabad	Hyderabad	14-Jan-04
59.	Vijaya Cooperative Urban Bank Ltd., Hyderabad (W)	Hyderabad	20-Jan-04
60.	Shree Co-operative Bank Ltd., Indore	Bhopal	27-Jan-04
61.	Cauvery Urban Co-operative Bank Ltd. (R)	Bangalore	06-Feb-04
62.	Karnataka Contractors Co-operative Bank Ltd., Bangalore (R)	Bangalore	09-Feb-04
63.	Sree Swamy Gnanananda Yogeeswara Mahila CU Bank	Hyderabad	24-Feb-04
64.	Petlad Nagrik Sahakari Bank Ltd.	Ahmedabad	09-Mar-04
65.	Baroda Peoples Coop., Bank Ltd., Baroda	Ahmedabad	19-May-04
66.	Sai Co-operative Urban Bank Ltd.	Hyderabad	22-May-04
67.	Indian Coop., Development Bank Ltd., Merrut	Lucknow	31-May-04
68.	Ujavar Coop., Bank Ltd., Ahmedabad	Ahmedabad	01-Jun-04
69.	Nagariya Sahakari Bank Ltd.	Lucknow	05-Jun-04
70.	Coop. Bank of Umreth	Ahmedabad	09-Jun-04
71.	Matar Nagrik Sahakari Bank Ltd.	Ahmedabad	09-Jun-04
72.	Sri Satya Sai Coop. Urban Bank Ltd.m Secunderabad	Hyderabad	09-Jun-04
73.	Classic Coop. Bank Ltd., Ahmedabad	Ahmedabad	10-Jun-04
74.	Mitramandal Sahakari Bank Ltd., Indore	Bhopal	18-Jun-04
75.	Diamond Jubilee Coop Bank Ltd.	Ahmedabad	19-Jun-04

1	2	3	4
76.	Nagaon Urban Coop. Bank Ltd.	Guwahati	22-Jun-04
77.	Nagrik Sahakari Bank Maryadit, Dhamtari	Bhopal	28-Jun-04
78.	Suryapur Co-operative Urban Bank Ltd.	Ahmedabad	30-Jul-04
79.	Bellampalli Co-operative Bank Ltd.	Hyderabad	02-Aug-04
80.	Shree Vikas Co-operative Bank Ltd.	Ahmedabad	14-Aug-04
81.	Nadiad Mercantile Co-operative Bank Ltd.	Ahmedabad	17-Aug-04
82.	Petlad Commercial Co-operative Bank Ltd.	Ahmedabad	18-Aug-04
83.	Sanskardhani Mahila Nagrik Sahakari Bank Ltd.	Bhopal	27-Aug-04
84.	Sriganganagar Urban Co-operative Bank Ltd.	Jaipur	28-Aug-04
85.	Sabarmati Co-operative Bank Ltd.	Ahmedabad	31-Aug-04
86.	Lord Balaji Co-operative Bank Ltd.	Mumbai	03-Sep-04
87.	Samasta Nagar Co-operative Bank Ltd.	Mumbai	09-Sep-04
88.	Shree Vithal Co-operative Bank Ltd.	Ahmedabad	14-Sep-04
89.	Pragati Co-operative Bank Ltd.	Ahmedabad	20-Sep-04
90.	Maharashtra Brahman Sahakari Bank Ltd.	Bhopal	21-Sep-04
91.	Lok Vikas Urban Co-operative Bank Ltd.	Jaipur	28-Sep-04
92.	Jai Lakshmi Co-operative Bank Ltd.	New Delhi	11-Oct-04
93.	City Co-operative Bank Ltd.	Lucknow	23-Oct-04
94.	Jai Hind Co-operative Bank Ltd.	Mumbai	28-Oct-04
95.	Shir Rajkot Mercantile Co-operative Bank Ltd. (R)	Ahmedabad	28-Oct-04
96.	Rajkot Mercantile Co-operative Bank Ltd. (R)	Ahmedabad	28-Oct-04
97.	Textile Processors Coop. Bank Ltd. (R)	Ahmedabad	06-Nov-04
98.	Navsari People Co-operative Bank Ltd.	Ahmedabad	06-Nov-04
99.	Sheth B.B. Shroff Balar Peoples Co-operative Bank Ltd.	Ahmedabad	06-Nov-04
100.	City Co-operative Bank Ltd	Lucknow	27-Nov-04
101.	Partur Peoples Co-operative Bank Ltd. Partur, Jalna	Nagpur	29-Nov-04

(R) Licence Application Rejected

year-wise information based on calendar year

Statement-II***DCCBs whose licence applications have been rejected***

Sl.No.	Name of the Bank	Date of rejection of licence applications
1.	The Chapra DCCB, Bihar	21.01.2002
2.	The Gonda DCCB, U.P.	17.08.2002
3.	Madhepura Supaul, Bihar	19.05.2003
4.	Sibsagar DCCB, Assam	10.06.2003
5.	Darbhanga DCCB, Bihar	12.07.2003
6.	Raigad DCCB, Chhattisgarh	31.12.2003

Export of Leather and Leather Products

1693. SHRI DUSHYANT SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are taking steps to increase the export of leather and leather products;

(b) if so, the States from which these items are exported;

(c) whether there is a vast scope to promote the export of these items from the respective States;

(d) if so, the incentives granted by the Centre to respective States to promote the export of these items; and

(e) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes Sir, Government is supporting the leather industry to increase its exports *inter alia* by modernisation/production, up-gradation through setting up of leather/leather goods/footwear components parks, facilitating product development by assisting design development centres; supporting export marketing efforts under export promotion schemes such as Market Development Assistance (MDA) and Market Access Initiative (MAI)

(b) Major exporting States in leather and leather products are Tamil Nadu, Uttar Pradesh, West Bengal,

Delhi, Maharashtra, Haryana, Karnataka and Punjab. Four States namely Tamil Nadu, Uttar Pradesh, Delhi and West Bengal account for 86% of the total exports of leather and leather products from India.

(c) Yes, Sir

(d) and (e) No Sector specific incentives are granted by the Central Government to the States to promote the export of leather and leather products. However, the Central Government provides assistance to States for infrastructure development under the Assistance to States for Infrastructure Development for Exports (ASIDE) Scheme, under which schemes such as the construction of Common Effluent Treatment Plants for leather units have been taken up.

International Trade Fair

1694. SHRI N.S.V. CHITTHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) number of International Trade Fairs conducted in India during the year 2004;

(b) details on the sectors participated in these trade fairs;

(c) business ventures signed in these trade fairs; and

(d) total value of business generated through these trade fairs?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) 184 International Trade Fairs approved and sponsored by the India Trade Promotion Organisation (ITPO) are scheduled to be held in 2004, of which 156 have already been held.

(b) Agriculture, Automobiles, Broadcasting, Building Materials, Consumer Products, Defence, Electronics, Food & Food Processing, Garment Machinery, Garments, Handicrafts, Handloom, Information Technology, Instruments, Jewellery, Leather & Leather Products, Machine Tools, Paints & Varnishes, Pharmaceuticals, Powerloom and Mill-made, Printing & Packaging, Publishing, Software, Telecommunication, etc.

(c) The information being of confidential nature has not been provided by the exhibitors.

(d) Business worth Rs. 378.96 crores was generated in the Fairs organised by ITPO. This does not include information in respect of IITF-2004 which is under compilation. Information on business generated during other international fairs conducted by other organisers was not furnished to ITPO.

Crumbling Plantation Industry

1695. SHRI GEORGE FERNANDES: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the severe crisis in the plantation industry for the last 6 years has caused closure of plantation industry in Karnataka, Kerala and Assam due to accumulation of debt in the Coffee and Tea Industry;

(b) whether Government in these States have expressed fear that the displaced workers are likely to join the Naxalite and other extremist movements as a result thereof;

(c) whether Government propose to create a comprehensive package for stabilization of constituents of plantation industry as promised by the Ministers on the request of the plantation growers organization to save the industry and the workers; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Due to fall in the prices of tea and coffee over the last five years, the financial health of the tea plantations and coffee growers has suffered resulting in accumulation of debt and other credit related problems.

(b) As per the available information, no such fear has been reported by the concerned State Governments.

(c) The Government is considering a relief package for coffee sector to solve the credit related problems of the coffee industry. Tea Board has proposed a programme for replantation and rejuvenation of the old tea bushes.

(d) Does not arise.

[Translation]

Funding of Coffee Growers Cooperative

1696. SHRI IQBAL AHMED SARADGI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Karnataka Government has decided to provide the multi-State coffee growers co-operative Comark Rs. 15 crore for funding its procurement operations;

(b) if so, whether the State Government of Karnataka would also consider the Karnataka Planters' Association's request in this regard; and

(c) if so, to what extent it has helped the coffee growers in the State?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Yes, Sir.

(b) Matter is under consideration of the Government of Karnataka.

(c) Indian Coffee Marketing Cooperative Limited has purchased coffee worth Rs. 147.24 lakhs and has sold coffee worth Rs. 87.33 lakhs.

Funds for Rural Projects by Banks

1697. SHRI SUBHASH SURESHCHANDRA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has any proposal to make laws for borrowing dollar funds from the RBI for undertaking the infrastructure projects;

(b) if so, the details thereof;

(c) whether it is a fact that banks and financial institutions are not willing to support rural projects in sectors like roads, healthcare, education and agriculture; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Government is of the view that a proposal regarding utilization of a part of foreign exchange reserves for undertaking infrastructure projects and modalities relating thereto requires careful assessment, *inter alia*, of the impact of such a measure on the fiscal situation, money supply, exchange rate, domestic interest rates and inflation and extant legal framework.

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

[*English*]

Cigarette Production without Licence

1698. SHRI BADIGA RAMAKRISHNA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government is aware that the cigarettes are being produced without obtaining licence under the ID & R Act, 1951;
 (b) if so, details of such manufacturers, State-wise; and
 (c) the steps likely to be taken by the Government to curb the activities of such manufacturers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) under the provisions of the Industries (Development and Regulation) Act, 1951 license to manufacture cigarette is required by factories where for manufacturing with the aid of power, 50 or more workers, or for manufacturing without aid of the power. 100 or more workers, are working or were working on any day during the preceding 12 months. No case of manufacture of cigarettes in violation of the provisions of the aforesaid Act has come to the notice of the Government.

[*Translation*]

Trade Talks with Australia

1699. SHRI Y.G. MAHAJAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government propose to have talks with Australia to promote the trade of wool and woollen clothes;
 (b) if so, the details thereof; and
 (c) the progress made in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) In pursuance of the

recommendation of the India-Australia Joint Commission, an India-Australia Joint Business Group on Natural Fibres and Textiles was set up in February 2000, *inter-alia*, to promote interaction between the businessmen and officials of the two countries with a view to promoting trade in natural fibres such as wool, silk, cotton, jute etc. and other related issues. The 3rd meeting of the Group was held in New Delhi in September 2003.

The two sides had, in the mean time, got a Supply Chain Study conducted regarding movement of wool from the back of the sheep to the Australian port on the one side and from the Indian port to the end users such as exporters etc.

[*English*]

Loan to Farmers

1700. SHRI MOHAN RAWALE: Will the Minister of FINANCE be pleased to state:

- (a) whether Punjab National Bank and Bank of Baroda have introduced special incentive schemes for extending loan to farmers;
 (b) if so, the details thereof alongwith the target set for the purpose;
 (c) the steps taken to achieve the target;
 (d) whether any other commercial bank has taken similar initiatives; and
 (e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) The Punjab National Bank (PNB) has reported that it has taken several measures for extending loans to farmers. These measures includes:

- (i) PNB Krishi Card Scheme;
 (ii) PNB Kisan Sampurna Yojana;
 (iii) Scheme for providing relief package to farmers;

- (iv) Relaxation in margin and security norms;
- (v) Tie-up with Tractor Manufacturers to obtain documents for farmers;
- (vi) Kisan Gioshthies;
- (vii) Village Adoption Scheme;
- (viii) Farmers Training Centres; and
- (ix) Krishak Protsahan Yojana;

Consequent on the announcement made by the Government on 18th June, 2004 to double the flow of credit to agriculture and allied activities in the next three years and to achieve growth of 30 percent in credit disbursement during the current financial year, the Bank has intensified its programme on agriculture lending to achieve 30 per cent growth over the previous year's disbursement. The Bank has also set a target to add 100 new farmers per rural/semi urban branch during the year 2004-05. By and large similar measures are being taken by other Public Sector Banks including Bank of Baroda to achieve the target of 30 per cent growth in credit disbursement to agriculture during the year 2004-05.

Growth in Bank Credit

1701. SHRIMATI KALPNA RAMESH NARHIRE: Will the Minister of FINANCE be pleased to state:

(a) whether Government of Maharashtra has submitted any plans for sustained growth of Mumbai in terms of trade, industrial development and Bank credit;

(b) if so, the details thereof; and the Central aid sought for infrastructural and other development for realizing the goals set out under the plan; and

(c) the action taken by the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No, Sir. However, Chief Minister, Maharashtra requested the then Prime Minister *vide* his letter dated 16.01.2004 to consider certain infrastructural and rehabilitation projects of Mumbai on priority. Chief Minister in a delegation, also handed over a Memorandum to PM on August 21, 2003 about plans of the State Government for housing, urban and other infrastructure projects of Mumbai and requested for Central assistance of Rs. 6000 crores over

a four year period for this purpose. Government of Maharashtra created a Task Force for preparing a plan of action in this regard.

(c) Minister of Finance has nominated a Member on this Task Force. Assistance for any specific project is considered under Centrally Sponsored Scheme initiated for such purpose or under State Plan of the State which is finalised every year in consultation with State Government.

[Translation]

Grants to Government of Orissa

1702. SHRI PARSURAM MAJHI: Will the Minister of FINANCE be pleased to state:

(a) the total amount of Central grants released to the State Government of Orissa for the development of KBK districts during the last three years;

(b) the various heads under which the fund has been sanctioned in those years;

(c) whether the Central grants has been spent in time;

(d) if so, to what extent; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) Special Central Assistance (SCA) for funding the Special Plan for the KBK districts of Orissa is released to the State Government of Orissa for the Special Plan as a whole. SCA released to the State Government for this Special Plan during the last three years and expenditure reported against the same is as under:

(Rs. in crore)

Year	SCA released	Expenditure reported
200102	100.00	61.37
2002-03	200.00	131.99
2003-04	225.00	318.54

Import of Contaminated Food Products

1703. SHRI BALESHWAR YADAV: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether certain rules are laid down for the import of food products in the country to avoid possibility of import of contaminated products;

(b) whether the Government feels the need for such a protocol under which the responsibility to examine the contamination is fixed on the country exporting the products; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (c) The import of all food articles is regulated as per section 5 & 6 of the Prevention of Food Adulteration Act (PFA), 1954. The Customs Officers may detain the consignment of imported food and draw a sample and get it analyzed in the Central Food Laboratories/authorized State Food Laboratories to assess the quality of such food articles as per the provisions for the Prevention of Food Adulteration Act and rules made thereunder. Under the WTO Regulations and based on the principle of national treatment all imports are subject to laws and rules regulating the domestic sector. In terms

of this, all standards mandated by the PFA Act, 1954, are imposed on the import of food products.

Disinvestment Commission Report

1704. SHRI SURESH CHANDEL: Will the Minister of FINANCE be pleased to state:

(a) the number of reports submitted by the Disinvestment Commission regarding disinvestment of Public Sector Undertakings upto 5th February, 2004; and

(b) the number of Public Sector Undertakings in which disinvestment was carried out on the basis of recommendations made in these reports and the details of amount received, Public Sector Undertaking-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Public Sector Disinvestment Commission constituted in August 1996 submitted I to XII reports on 58 Public Sector Undertakings (PSUs). The Commission, which was reconstituted in July 2001, submitted XIII to XXIV reports on 39 PSUs till 5th February 2004, out of which 4 PSUs were review cases of the recommendations of the earlier Commission.

(b) Details of the PSUs, on which recommendations of the Disinvestment Commission were received and which were disinvested are given in the enclosed Statement.

Statement

Sl. No.	Name of the PSU	Realisation Rs. in crore
1	2	3
1.	GAIL (India) Ltd.	
	—through domestic sale	671.86
	—through GDR issue	945.00
2.	Bongaigaon Refineries & Petrochemicals Ltd. (cross purchase by India Oil Corporation Ltd.)	148.80
3.	Modern Food Industries (India) Ltd.	105.45
4.	Bharat Aluminium Company Ltd.	826.5^
5.	HTL	55.00
6.	IBP	1153.68

1	2	3
7.	Paradeep Phosphates Ltd.	151.70
8.	Hindustan Zinc Ltd.	445.00
9.	Indian Petrochemicals Corporation Ltd.	1490.84
10.	Dredging Corporation of India Ltd. (through Offer for Sale)	221.20
11.	ITDC-19 Hotels	
	(i) Agra Ashok	3.61
	(ii) Bodhgaya Ashok	1.81
	(iii) Hassan Ashok	2.27
	(iv) TBABR Mamallapuram	6.13
	(v) Madurai Ashok	4.97
	(vi) Bangalore Ashok*	39.41
	(vii) Qutab	34.46
	(viii) Lodhi	71.93
	(ix) LVPH, Udaipur	6.77
	(x) Manali Ashok	3.65
	(xi) KABR Kovalam	40.39
	(xii) Aurangabad Ashok	16.50
	(xiii) Airport Kolkata Ashok	19.39
	(xiv) Khajuraho Ashok	2.19
	(xv) Varanasi Ashok	8.38
	(xvi) Kanishka	92.37
	(xvii) Indraprastha (AYN)	43.39
	(xviii) Chandigarh Hotel project	17.27
	(xix) Ranjit	29.28
12.	Hotel Corporation of India Ltd.	
	(i) Centaur Hotel Juhu, Bombay	153.00
	(ii) Indo Hokke Hotels Ltd.	6.51
	(iii) Centaur Hotel Airport, Mumbai	83.00

* Including NPV of future earnings on MGAP & lease rentals.

^ Including dividend & divi. Tax.

Compulsory Registration of Marriage

1705. SHRI RAGHUVeer SINGH KOSHAL: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the National Human Rights Commission has requested the Union Government for making registration of Hindu marriages mandatory; and

(b) if so, the response of the Union Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Yes, Sir.

(b) Sub-section (2) of section 8 of the Hindu Marriage Act, 1955 enables every State Government to make rules making registration of Hindu Marriages compulsory in the State or in any part thereof, whether in all cases or in such cases as it may specify. As the subject matter "Marriage and divorce" falls under entry 5 of the Concurrent List of the Seventh Schedule to the Constitution of India, it is considered appropriate to allow the State Governments to bring in the necessary changes if the conditions obtaining in the States allow such changes before any Parliamentary legislation could be considered. Some of the State Governments have made laws for uniform compulsory registration of marriages. However, the National Population Policy, 2000 has set the target of compulsory registration of marriages by 2010.

PPF in Post Offices

1706. SHRI KINJARAPU YERRANNAIDU: Will the Minister of FINANCE be pleased to state:

(a) whether Public Provident Fund is maintained only in Post Offices and branches of State Bank of India, but higher rates of interest on savings of Senior Citizens has recently been allowed to those who hold accounts in Post Offices and not in the SBI;

(b) if so, the reasons for this discriminatory decision and whether this higher rate of interest will also be allowed to Senior Citizens holding PP Fund accounts in Branches of SBI; and

(c) if not, the reasons therefor?

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

(b) and (c) Does not arise.

Exporters Insurance Fund

1707. SHRI K.S. RAO:
SHRIMATI KIRAN MAHESHWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has a proposal to set up Exporters Insurance Fund;

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

(c) the manner in which it would be useful for exporters; and

(d) the time by which the proposal is likely to be finalised?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Yes, Sir. There is a proposal to set up a National Export Insurance Account (NEIA) for meeting the requirements of Indian exporters when the export credit insurance supported by Export Credit Guarantee Corporation of India Ltd. (ECGC) is not available due to non-availability of appropriate reinsurance to ECGC. The proposed NEIA is expected to enhance the competitiveness of Indian exporters.

[English]

Income and Assets of Banks

1708. SHRIMATI MINATI SEN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has made an indepth assessment of income and assets of the State-owned banking sector;

(b) whether the Government on a sentinel introduced various prudential norms (Income, Recognition, Asset Clarification, Capital Adequacy, etc.);

(c) whether the Banking Sector is to go through a cluster of programmes—Adequate capital structure, Sound Accounting Policy, Transparency, Professional Management, Independent Board, strong regulatory framework, Sound Risk Management Policy, upgrading skills, competence, etc.;

(d) if so, whether these systems are adopted by Government to make the Banking Sector stronger and more stable;

(e) whether the banking Sector is to incur 30 percent to 40 percent of their budget every year on computers in addition to financial agreement with hardware & Software vender annually;

(f) whether the sector continues to bear the legal costs for unrealized amounts; and

(g) if so, whether the Government is to minimize the expansion by adopting other norms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The performance of public sector is reviewed on a continued basis on all aspects of their operations including income and assets.

(b) Reserve Bank of India introduced prudential norms on income recognition, asset classification and provisioning requirement w.e.f April, 1992.

(c) Yes, Sir.

(d) These systems are adopted by RBI to make the banking sector stronger and more stable.

(e) Each bank has its own plan and budget for adoption and use of Information Technology.

(f) Legal expenses for recovery of loans is incurred by the banks initially but recovered from the borrower at the time of final settlement.

(g) Does not arise.

[Translation]

Orchids Import

1709. SHRIMATI MANORAMA MADHAVRAJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether clandestine import of inferior species of Orchids from Thailand, posing threat to nascent domestic orchid industry:

(b) whether such clandestine imports of orchids is facilitated by lax and inadequate Plant Quarantine regulations in India; and

(c) if so, steps being taken to prevent such clandestine imports?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) No, Sir.

(b) The ITC (HS) Classification of Exports and Imports lays down that import of Orchids into India will be allowed on the basis of scientific Pest Risk Analysis and will have to be accompanied by, *inter-alia*, Phyto sanitary Certification by the Plant Quarantine authorities of the country of origin.

(c) Officials posted at various Plant Quarantine Stations have been advised to maintain vigil to prevent the illegal entry of orchids into the country.

[Translation]

Service Value Index

1710. SHRI KHIREN RIJU: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has prepared 'Service Value Index';

(b) if so, the details thereof;

(c) the details of the services included in it; and

(d) if not, the time by when it is likely to be prepared?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No Sir.

(b) Not Applicable.

(c) Not Applicable.

(d) It is not being contemplated.

[English]

Production of Cloth

1711. SHRI PRABHUNATH SINGH:
SHRI G.M. SIDDESWARA:
SHRIMATI JAYAPRADA:
SHRI NITISH KUMAR:
DR. CHINTA MOHAN:
SHRI RAJIV RANJAN SINGH "LALAN":

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that there is decline in production of cloth in handloom sector from 1998-99 as compared to the targets set for each year;

(b) if so, the reasons therefor; and

(c) the steps by the Government to increase the production of cloth?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The estimated cloth production in handloom sector from 1998-99 to 2003-04 compared to target is given below:

Year	Target (In Million Sq. Mtrs.)	Production (In Million Sq. Mtrs.)
1998-99	7336	6792
1999-2000	7795	7352
2000-01	8282	7506
2001-02	8800	7585
2002-03	4005	5980
2003-04	4239	5518 (P)

(b) The handloom sector is highly decentralized in nature and therefore the production in the handloom sector is estimated on the basis of domestic delivery of hank yarn in Kgs. During the 4 years *i.e.* 1998-99 to 2001-02, the production of handloom cloth has shown an increasing trend. One of the factors for subsequent decline in production of handloom cloth may be related to the fiscal changes, such as imposition of excise duty on hank yarn. However, in the current year duty on yarn has been withdrawn. Further, although the estimated quantum of production has shown a decrease, it is estimated that the value of handloom cloth production is improving due to production of value added items rather than low value items like janata cloth etc. which was prevalent in the past. This is indicated by the rising value of handloom exports over the last 3 years.

(c) The Government is implementing a number of Schemes for the development of the handloom sector, with a view to promote product diversification, provide marketing support and technology upgradation. The main developmental Schemes are Deen Dayal Hathkargha Pratsahan Yojana, Integrated Handloom Technology Project, Marketing Promotion Programme, Mill Gate Price Scheme, Handloom Export Scheme and 10% Special Repeat on Sale of handloom Products.

Indo-Japan Trade

1712. SHRI CHANDRA BHUSHAN SINGH:
SHRI DUSHYANT SINGH:

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

(a) whether India-Japan trade had amounted to four billion US Dollars last year and there was a growth of 18 percent over the preceding year;

(b) the details of areas in which Indo-Japan trade has been established;

(c) whether it is true that there was a marked negative balance of trade in favour of Japan;

(d) whether it is also true that the Government has invited more Japanese investment in the country; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) The position of Indo-Japan trade during 2003-04, as compared to 2002-03 is as follows:

	(Value in US \$ million)		
	2002-03	2003-04	Percentage Increase
India's exports to Japan	1864.03	1714.34	-8.03
India's imports from Japan	1836.33	2642.26	+43.89
Total	3700.36	4356.60	+17.7
Balance of Trade	+ 27.70	-927.92	

(b) The major areas of trade with Japan include gems and jewellery, marine products, iron ore, textile products, machinery, electronic goods, professional instruments, iron and steel, transport equipment, organic chemicals, etc.

(c) India's balance of trade with Japan declined from a surplus of US \$ 27.70 million in 2002-03 to a negative of US \$ 927.92 million in 2003-04.

(d) and (e) It is the constant endeavour of the Government to attract Foreign Direct Investment, including

from Japan. In this connection, various measures being taken include dissemination of information, participation in seminars, exhibitions and fairs, exchange of information at Government and industry level, etc.

Infrastructure Projects with Forex Reserve

1713. SHRI RAM KRIPAL YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has decided to use forex reserves for the first repayment of external debt during current fiscal year;

(b) if so, whether the Government has set in motion process by planning pre-payment of Japanese bilateral loans aggregating close to \$ 1 billion;

(c) if so, whether in view of the good position in forex reserves Government is also considering to repay loans to World Bank and other organizations; and

(d) if so, whether any concrete proposals have been worked out as to how the comfortable forex position is utilized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Encouraged by buoyant foreign exchange reserves and low level of domestic as well as international interest rates. Government of India effected premature retirement of high cost loans during 2002-03 and 2003-04 amounting to US \$ 2.9 billion and US \$ 3.8 billion, respectively. However, so far no such proposal is under consideration during the current fiscal year. India's foreign exchange reserves are now more than US \$ 126 billion. The policy of foreign exchange management aims at maintaining a level of foreign exchange reserves which takes into account not only anticipated current account deficits but also "liquidity at risk" arising from unanticipated capital movements. Thus, the policy for reserve management is judiciously built upon a host of identifiable factors and other contingencies.

Debt Restructuring Mechanism

1714. SHRI BRAJA KISHORE TRIPATHY: Will the Minister of FINANCE be pleased to state:

(a) whether small and medium enterprises are under stress from globalisation and competition,

(b) if so, whether Reserve Bank of India has recommended a debt restructuring mechanism for medium sized companies with loan exposures;

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

(d) the time by which the recommendations of RBI in this direction are likely to be implemented by commercial banks and other financial institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Competition from more efficient units can stress to Small & Medium enterprises.

(b) to (d) Reserve Bank of India (RBI) has reported that, as announced by the Governor in his Annual Policy Statement for the year 2004-05, a Special Group has been constituted under the Chairmanship of one of the Chief General Managers of RBI with other members from SIDBI, State Bank of India, Bank of Baroda and Department of Banking Operations and Development of RBI to formulate a mechanism for debt restructuring for medium enterprises, on the lines of the Corporate Debt Restructuring (CDR) Scheme for large industries. The Special Group has held discussions with different stakeholders viz. SSI Associations, State Finance Corporations, commercial banks and urban co-operative banks. The Group has also visited an ancillary cluster near Pune. The Group has submitted the report on November 5, 2004. The report has been put in the public domain by RBI for seeking comments from the public/experts and for taking a view on the future course of action.

Violation of Tender Guidelines by EIC

1715. SHRI GANESH PRASAD SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Export Inspection Council of India under Ministry of Commerce and Industry violated procedure for tender in tender No. EIC/D (Q/C/T-208/2003-2004 by calling only private companies to participate in the tender;

(b) whether the Government organizations like C-DAC, STPI, ERNET, TCIL were called in this enquiry;

(c) if not, the reasons for violating the CVC guidelines;

(d) whether the Government has got the issue examined; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) No, Sir, Government organizations were also invited to take part in the tender.

(c) to (e) Do not arise.

National Family Benefit Scheme

1716. SHIR CHENGARA SURENDRAN:
SHRI P. RAJENDRAN:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has received requests for additional allocation under National Family Benefit Scheme;

(b) if so, the details thereof; and

(c) the action taken/proposed to be taken thereon?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) Yes Sir.

(b) Details are given in the enclosed Statement-I.

(c) The Ministry of Rural Development had requested the Planning Commission to take a view regarding appropriate increase in the allocation under National Social Assistance Programme (NSAP) to the States requesting for additional funds, as the NSAP consisting of the National Old Age Pension Scheme (NOAPS) and the National Family Benefit Scheme (NFBS) alongwith Annapurna Scheme was transferred to the State Plan with effect from 2002-03. After transfer of the Schemes the total allocation for the transferred Schemes is decided by the Planning Commission. The Planning Commission has recently enhanced the allocation for the NSAP and Annapurna Scheme by Rs. 510 crores for Annual Plan 2004-05 making the total allocation Rs. 1189.87 crores for the States/UTs. The details of the States/UTs-wise revised combined allocation for three Schemes is given in the enclosed Statement-II. As per the Guidelines of the transferred Schemes the States/UTs have the flexibility to utilize the funds on Welfare Schemes of Old Age Pension, Family Benefit or free foodgrains to the aged by taking up one or two or all of the three or in any other combination, in accordance with their own priorities and needs.

Statement-I

		(Rs. in Lakhs)
Sl. No.	Name of the State	Request for Additional funds under National Family Benefit Scheme
1.	Uttaranchal	720.90
2.	Kerala	5000.00
3.	Madhya Pradesh	600.00
4.	Chhattisgarh	722.70
5.	Karnataka	470.00
6.	West Bengal	2735.70
7.	Jharkhand	1500.00
8.	Orissa	Amount not specified
9.	Maharashtra	Amount not specified

Statement-II

Year: 2004-05		(Rs. in Lakhs)
Sl. No.	States/UTs	Revised Combined Allocation for 3 schemes
1	2	3
1.	Andhra Pradesh	6742.62
2.	Bihar	13205.06
3.	Chhattisgarh	2888.60
4.	Goa	66.90
5.	Gujarat	3580.34
6.	Haryana	1310.94
7.	Himachal Pradesh	546.83
8.	J & K	734.65
9.	Jharkhand	4812.55
10.	Karnataka	5204.61
11.	Kerala	2872.43

1	2	3
12.	Madhya Pradesh	7644.82
13.	Maharashtra	10227.84
14.	Orissa	5896.20
15.	Punjab	897.34
16.	Rajasthan	3771.19
17.	Tamil Nadu	7038.76
18.	Uttar Pradesh	19839.69
19.	Uttaranchal	1223.52
20.	West Bengal	7988.73
	Sub Total	106293.63
North Eastern States		
21.	Arunachal Pradesh	415.42
22.	Assam	8217.33
23.	Manipur	628.87
24.	Meghalaya	684.66
25.	Mizoram	195.83
26.	Nagaland	446.99
27.	Sikkim	190.68
28.	Tripura	1119.23
	Sub Total	11899.00
UTs		
29.	A&N Islands	42.70
30.	Chandigarh	28.91
31.	D&N Haveli	34.20
32.	Daman & Diu	3.78
33.	NCT Delhi	598.68
34.	Lakshadweep	2.83
35.	Pondicherry	115.26
	Sub Total	794.37
	Grand Total	118987.00

Utilisation of Industrial Waste

1717. DR. LAXMINARAYAN PANDEY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have formulated any scheme for proper utilisation of industrial waste;

(b) if so, the details thereof;

(c) whether the Government organises workshops from time to time to implement said scheme; and

(d) if so, places where said workshops were organised during last one year, date-wise details and the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) The Government identifies opportunities for utilization of industrial waste in the form of recycle, reuse and recovery. Under the National Programme on Energy Recovery from Urban & Industrial Waste Central Financial Assistance is provided for setting up of waste-to-energy projects. For the projects based on industrial wastes, this support is available in the form of interest subsidy for reducing the interest rate to 4% in special category States and to 6% in other States on the loans taken from financial institutions.

(c) and (d) The Ministry of Non-Conventional Energy Sources organizes workshops related to the programme from time to time and also provides funds for organizing such workshops through State Governments/NGOs/Municipal Corporations etc. No specific workshop on industrial waste, however, has been organized during last one year.

Computerisation of Land Records

1718. SHRI SUGRIB SINGH:
SHRIMATI JAYABEN B. THAKKAR:

Will the Minister of RURAL DEVELOPMENT be pleased to state;

(a) whether the Government has taken steps towards computerisation of land records in the country;

(b) whether funds have been released to each State for the above purpose;

(c) if so, the details thereof, district-wise;

(d) whether State Governments have demanded additional allocation of funds to achieve target in computerisation of land records; and

(e) if so, the steps taken to release the additional funds to the State Governments?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) Yes, Sir. The Scheme of Computerization of Land Records was started in 1988-89 with 100% financial assistance by Government of India with the aim of removing inherent flaws in the existing land records maintenance system. This Scheme has been extended to 582 out of 593 districts of the country.

(b) and (c) District-wise funds are not released under this scheme. However, funds are released to the Revenue Department of State for implementation of the Scheme in various districts. A statement showing State-wise funds released since inception is enclosed.

(d) and (e) The scheme of Computerization of Land Records is a demand-driven scheme. Therefore, State-wise allocation is not being made. As and when, the proposal is received from the State, it is examined and funds are released as per the Guidelines to achieve the targets under the Scheme.

Statement

Sl. No.	Name of the State/ U.T.	Total Funds Released so far (Rs. in lakh)
1	2	3
1.	Andhra Pradesh	2357.66
2.	Arunachal Pradesh	75.30
3.	Assam	335.50
4.	Bihar	648.00
5.	Gujarat	2073.56
6.	Goa	153.30
7.	Haryana	567.40
8.	Himachal Pradesh	901.30

1	2	3
9.	Jammu & Kashmir	286.00
10.	Karnataka	2263.93
11.	Kerala	955.14
12.	Madhya Pradesh	3792.71
13.	Maharashtra	3290.80
14.	Manipur	188.23
15.	Meghalaya	28.00
16.	Mizoram	442.96
17.	Nagaland	178.55
18.	Orissa	2924.40
19.	Punjab	282.62
20.	Rajasthan	1748.61
21.	Sikkim	200.73
22.	Tamil Nadu	2214.78
23.	Tripura	343.80
24.	Uttar Pradesh	1955.60
25.	West Bengal	2566.35
26.	Chhattisgarh	437.90
27.	Jharkhand	828.00
28.	D & N Haveli	12.38
29.	Delhi	101.13
30.	Pondicherry	93.45
31.	Chandigarh	15.00
32.	Daman & Diu	25.00
Total		32288.29

Growth Centre Scheme

1719. SHRI B. VINOD KUMAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the overall contribution of growth centre scheme to the development of infrastructural facilities for industries across the country;

(b) the amount allocated and actually spent on growth centre by Union Government, State Governments and other financial institutions during the last two years and the last six months of the current year, year-wise and State-wise;

(c) the status of growth centres, particularly in Andhra Pradesh as on date;

(d) whether the Government propose to review the growth centre scheme;

(e) if so, the details thereof; and

(f) the extent to which the centres are likely to help industrialization in the States?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) The Growth Centre Scheme was introduced in 1988 for creating infrastructural facilities in the 71 identified industrially backward centres with a view to promote setting up of industries in these centres. The Growth Centre Scheme has achieved considerable success in the industrial development of these centres. 1000 industrial units have so far been established in these Growth Centres and capital investment of Rs. 9885.20 crore has been made. Further, employment for 34008 workers has been generated.

(b) The details are given in the enclosed Statement-I.

(c) The status of growth centres including the centres in Andhra Pradesh is given in the enclosed Statement-II.

(d) Since all the 71 Growth Centres which were to be established under the Scheme have been sanctioned, only the performance of these Centres is being reviewed in the normal manner by obtaining periodical progress reports from the State Governments. The Scheme, as a whole, shall be reviewed once all these Growth Centres become functional.

(e) and (f) Infrastructural facilities created/likely to be created in the identified Growth Centres will encourage entrepreneurs to set up industrial units there and will help in prompting industrialization in these areas, creation of assets and employment, as shown in (a) above.

Statement-I

Sl. No.	Name of State	Amount of Central Released during the last two and half years	Amount Released by States & its Agencies during the last two and half years
1.	Andhra Pradesh	210	159.56
2.	Arunachal Pradesh	520	0
3.	Assam	1666	1494.32
4.	Bihar	200	45.87
5.	Chhattisgarh	207	1065.5
6.	Goa	176	0
7.	Gujarat	300	0
8.	Haryana	450	2807.94
9.	Himachal Pradesh	653	29.49
10.	Jammu & Kashmir	1275	0
11.	Jharkhand	200	0
12.	Karnataka	0	99.9
13.	Kerala	0	185
14.	Madhya Pradesh	915	294.48
15.	Maharashtra	290	468.41
16.	Manipur	0	0
17.	Meghalaya	500	355
18.	Mizoram	580	0
19.	Nagaland	0	200
20.	Orissa	468	297.29
21.	Pondicherry	250	50
22.	Punjab	0	31.96
23.	Rajasthan	850	1330.79
24.	Sikkim	500	0
25.	Tamil Nadu	0	0
26.	Tripura	930	0
27.	Uttaranchal	1000	0
28.	Uttar Pradesh	930	0
29.	West Bengal	700	250

Statement-II**Financial progress of Growth Centres (as on 30.9.2004)**

(Rupees in lakh)

Sl. No.	Name of State, Growth Centre/ District	Date of approval	Approved Project cost	Amount of Central Release	Amount Released by States & its Agencies	Total expenditure	Status of Utilization Certificate	Status of Progress Reports
1	2	3	4	5	6	7	8	9
1.	Andhra Pradesh Hindupur (Anantpur)	30.3.82	2728.00	200.00	179.81	379.81	Received	March, 03
2.	Jedchraia (Mehboobnagar)	23.7.82	3408.00	50.00	22.50	56.34	Received	March, 04
3.	Bobbili (Vizianagaram)	30.3.82	3576.12	551.00	521.34	1058.47	Received	Dec., 03
4.	Ongole (Prakasam)	30.3.82	3241.00	800.00	737.67	1414.41	Rs. 160 lakh 6.3.2004, not due	Dec., 03
5.	Arunachal Pradesh Nikkok-Ngorlung (East Siang)	08.04.97	2020.00	008.00	137.50	562.48	Rs. 200 lakh 3.2.2004, yet not due	June, 04
6.	Assam Metta (Goalpara)	31.10.97	2244.00	700.00	152.11	851.36	Rs. 200 lakh 31.3.2003, not due	June, 04
7.	Chariduar (Sonitpur)	08.04.97	2543.40	1016.00	192.05	952.72	Rs. 200 lakh 7.6.2004, not due	Sept, 03
8.	Chaygaon-Parigaon (Kamrup)	09.12.03	1615.24	500	-	-	Not due	Approved in 2006
9.	Bihar Begusarai (Begusarai)	03.05.95	2475.00	500.00	097.75	943.67	Rs. 200 lakh 31.3.2003 not due	March, 03
10.	Bhagalpur (Bhagalpur)	30.9.96	3755.00	50.00	392.77	458.40	Received	March, 03
11.	Chhapra (Chhapra)	30.9.96	3511.00	50.00	90.00	9.70	Received	March, 03
12.	Darbhanga (Darbhanga)	13.2.98	4113.00	50.00	-	-	Pending	March, 03
13.	Muzaffarpur (Muzaffarpur)	30.9.96	3311.00	50.00	90.00	9.73	Received	March, 03
14.	Chhattisgarh Borai (Durg)	27.03.91	3633.00	1000.00	1542.33	2542.33	Received	June, 04
15.	Sitara (Raipur)	11.03.92	3437.00	1000.00	1802.06	2802.06	Received	-do-
16.	Goa Electronic-City (Verna-Plasteel)	12.02.93	2957.00	1000.00	1234.31	2058.31	Rs. 176 lakh 24.12.2003, not due	March, 03
17.	Gujarat Gandhidham (Kutch)	23.07.92	3178.00	785.00	500.00	685.04	Rs. 200 lakh 31.3.2003, not due	March, 03
18.	Palanpur (Banaskantha)	23.07.92	3078.00	360.00	500.00	473.00	Rs. 100 lakh 31.3.2003, not due	March, 03
19.	Vagra (Bharuch)	23.07.92	3572.00	1000.00	3940.25	4940.25	Received	March, 03
20.	Haryana Bawal (Ferozpur)	31.03.92	3888.10	1000.00	8448.87	9448.87	Received	March, 03
21.	Saha (Ambala)	31.10.97	8119.00	850.00	511.07	1361.07	Received	June, 03

1	2	3	4	5	6	7	8	9
22.	Himachal Pradesh Kangra (Kangra)	20.02.97	2276.17	1103.00	397.12	717.06	Rs. 500 lakh 5.2.2004 not due	March, 03
23.	Jammu & Kashmir Lassipora (Pulwama)	11.12.97	5420.40	925.00	256.92	681.92	Rs. 500 lakh 31.1.2004 not due	Dec., 02
24.	Samba (Jammu)	27.01.92	2978.82	1500.00	851.98	1851.98	Rs. 500 lakh 30.1.2004 not due	Dec., 02
25.	Jharkhand Hazaribagh (Hazaribagh)	03.05.95	3634.00	400.00	241.19	57.10	Rs. 200 lakh 11.3.2004 not due	March, 01
26.	Dharwad (Dharwad) Karnataka	27.01.92	3451.18	1000.00	5185.00	6184.98	Received	March, 01
27.	Raichur (Raichur)	27.01.92	2289.87	1000.00	1916.09	2716.09	Received	March, 01
28.	Hassan (Hassan)	27.01.92	2678.36	1000.00	6319.52	7319.52	Received	March, 01
29.	Kerala Kannur-Kozhikode (Kannur- Kozhikode)	28.02.94	2936.00	1000.00	2800.87	3529.92	Received	June, 04
30.	Alappuzha-Maleppuram (Alappuzha-Maleppuram)	28.02.94	3083.00	1000.00	3096.87	3220.82	Received	June, 04
31.	Madhya Pradesh Chairpura (Guna)	27.03.91	3809.00	550.00	352.00	602.00	Rs. 125 lakh's U.C. is controversial, Rs. 300 lakh 7.6.2004 not due	Dec., 03
32.	Ghirongi (Bhind)	27.03.91	3481.00	1000.00	3282.41	4282.41	Received	Dec., 03
33.	Kheda (Dhar)	27.03.91	3550.00	1000.00	1181.63	2183.00	Received	Dec., 03
34.	Satapur (Raisen)	23.03.93	3000.00	1000.00	500	1391.80	Received	Dec., 03
35.	Maharashtra Akola (Akola)	30.03.92	3479.90	1000.00	1500	2286.58	Received	March, 04
36.	Chandrapur (Chandrapur)	30.03.92	3107.52	815.00	732.25	1482.22	Received	-do-
37.	Dhule (Dhule)	30.03.92	3172.00	780.00	800.00	1321.82	Received	-do-
38.	Nanded (Nanded)	11.12.97	4828.00	1000.00	976.03	1801.53	Received	-do-
39.	Rainagiri (Rainagiri)	30.03.92	3232.27	550.00	200.00	575.44	Received	-do-
40.	Manipur Lamai-Napet (Imphal)	02.03.98	3000.00	150.00	128.59	8.58	Rs. 100 lakh 24.11.2000 not received	Dec., 02
41.	Meghalaya Mendhipattar (East Garo Hills)	24.10.97	1800.00	550.00	355	6.32	Rs. 50.00 lakh 28.3.1997 not received Rs. 500 lakh 17.3.2004 not due	Dec. 03
42.	Mizoram Luangmul (Aizawl)	24.10.97	1525.46	880.00	180.44	640.44	Rs. 400 lakh 3.2.2004, not due	June, 03
43.	Nagaland Ganesnagar (Kohima)	12.02.98	1700.00	1500.00	529.25	2020.25	Rs. 256 lakh 9.2.2002 not received	March, 03
44.	Orissa Chhetrapur (Ganjam)	12.02.97	4231.40	50.00	90.84	58.57	Received	Dec., 03
45.	Kalinganagar-Daburi (Cuttack)	12.02.97	4127.00	1000.00	1678.22	2578.22	Received	March, 04

1	2	3	4	5	6	7	8	9
46.	Jharuguda (Jharuguda)	12.02.98	3600.00	200.00	66.07	336.07	Received	March, 04
47.	Keeinga (Kalehand)	09.02.99	3207.33	125.00	37.02	133.00	Received	March, 04
48.	Pondichery Polagam-Karikal (Karikal)	31.10.97	2500.00	650.00	735.00	1262.28	Received	March, 04
49.	Punjab Bathinda (Bathinda)	27.03.91	3742.85	1000.00	982.74	1962.74	Received	June, 03
50.	Pathankot (Gurdaspur)	06.01.92	3100.38	1000.00	500.00	1246.42	Received	June, 03
51.	Rajasthan Abu-Road (Sirohi)	31.03.92	3000.00	1000.00	2153.60	3153.60	Received	March, 2004.
52.	Bhilwara (Bhilwara)	18.12.97	3407.00	300.00	520.49	620.49	Received	-do-
53.	Khara (Bikaner)	31.03.93	2750.00	620.00	571.49	1191.49	Received	-do-
54.	Dholpur (Dholpur)	23.03.93	3000.00	1000.00	525.35	1525.35	Received	-do-
55.	Jhalawar (Jhalawar)	23.07.92	3000.00	300.00	606.54	906.54	Received	-do-
56.	Sikim Salghari-Samlik Marchak	7.11.93	3175.86	500.00	-	-	Rs. 500 lakh 13.1.2004 not due	Approved in 2003
57.	Tamil Nadu Erode (Periyar)	23.07.92	4120.00	1000.00	8182.59	9142.59	Received	Dec., 30
58.	Oragadam (Kancheepuram)	12.05.99	5331.59	800.00	216.15	1016.15	Received	Dec., 03
59.	Tirunelveli-Gangal Kondan (Tirunelveli-Kattabomman)	30.03.92	3240.00	830.00	1500.00	730.00	Received	Dec., 03
60.	Tripura Bodhjangnagar (West Tripura)	07.11.97	1500.00	1500.00	81.99	1151.99	Rs. 400 lakh 31.12.2003 not received, Rs. 30 lakh 16.3.2004 not due	March, 04
61.	Uttaranchal Siggadi (Pauri-Garhwal)	16.12.03	1685.00	1050.00	-	-	Rs 500 lakh yet not due	Approved in 2003
62.	Uttar Pradesh Bijauli (Jhansi)	23.03.93	1885.00	593.00	369.20	962.20	Received	March, 04
63.	Jamshur (Shahjahanpur)	17.02.93	1622.00	415.00	585.00	900.00	Received	March, 04
64.	Paikara (Moradabad)	17.02.93	3429.00	1000.00	2634.00	3634.00	Received	March, 04
65.	Dibipur (Auzahiya)	03.03.98	1950.00	350.00	536.85	686.85	Received	March, 04
66.	Jainpur (Kanpur Dehat)	23.03.93	1899.00	650.00	805.06	1225.06	Received	March, 04
67.	Satharia (Jaunpur)	17.02.93	4427.00	767.00	439.91	1006.91	Rs 200 lakh 31.3.2003 not due	Dec., 02
68.	Shajanwa (Gorakhpur)	16.02.93	3491.00	1000.00	1553.27	2553.27	Received	Dec., 02
69.	West Bengal Bolpur (Birbhum)	20.02.97	6356.16	200.00	175.00	400.57	Received	June, 2004
70.	Jaipalguri (Jaipalguri)	20.02.97	11184.6	200.00	175.00	553.33	Received	June, 2004
71.	Maida (Maida)	20.02.97	4297.59	400.00	374.25	780.55	Received	June, 2004

Physical progress of Growth Centres as on 30.09.2004

(Rupees in lakh)

Sl. No.	Name of State, Growth Centre/District	Date of approval	Land acquired	Plots/sheds development	Plots/sheds allotted	No. of units established	Capital invested by units	Employment generated	Remarks
1	2	3	4	5	6	7	8	9	10
1.	Andhra Pradesh (B) Hindupur (Anantpur)	30.3.92	712.52 Acres	231/12	130/10	36	1570.08	938	-
2.	Jedchris (Mehboobnagar)	23.7.92	308.46 Acres	-	-	-	-	-	-
3.	Bobbili (Vizianagaram)	30.3.92	1239.33 Acres	368/-	18/-	2	333.20	271	-
4.	Ongole (Prakasam)	30.3.92	1320.00 Acres	220/-	5/-	1	-	-	-
5.	Assam (A) Nikiok-Ngorlung (East Siang)	08.04.97	582.15 Acres	-	-	-	-	-	-
6.	Assam (A) Mella (Goalpara)	31.10.97	1672 Bighas	-	-	-	-	-	-
7.	Chariduar (Sonitpur)	08.04.97	1500 Bighas	-	-	-	-	-	-
8.	Chaygaon-Paigaon (Kamrup)	09.12.03	-	-	-	-	-	-	-
9.	Bihar (B) Begusarai (Begusarai)	03.05.96	382.141 Acres	-	-	-	-	-	-
10.	Bhagalpur (Bhagalpur)	30.9.96	424.25 Acres	-	-	-	-	-	-
11.	Chhapra (Chhapra)	30.9.96	-	-	-	-	-	-	-
12.	Darbhanga (Darbhanga)	13.2.98	-	-	-	-	-	-	-
13.	Muzaffarpur (Muzaffarpur)	30.09.96	-	-	-	-	-	-	-
14.	Chhattisgarh (A) Borai (Durg)	27.03.91	436.84 Hec.	192.43 Ha	102.709 Ha	37	12937	1399	-
15.	Sitara (Raipur)	11.03.92	1259.298 Hec	911.27 Ha	684.627 Ha	21	63768	1779	-
16.	Goa (A) Electronic-City (Verna-Plateau)	12.02.93	2917182 Sq.m	308/-	319/-	82	31163.67	7723	-
17.	Gujarat (A) Gandhidham (Kutch)	23.07.92	131Hec.	367/-	-	-	-	-	-
18.	Palampur (Banaskantha)	23.07.92	75 Hec.	138/-	-	-	-	-	-
19.	Vagra (Bharuch)	23.07.92	200 Hec.	300/-	-	-	-	-	-

1	2	3	4	5	6	7	8	9	10
20.	Haryana (A) Bawal (Bawal)	31.3.92	1212 Acres	566/-	212/-	23	100000.00	925	-
21.	Saha (Ambala)	31.10.97	301 Acres 5 kanal	916/-	114/-	-	-	-	-
22.	Himachal Pradesh (A) Kangra (Kangra)	20.02.97	198-09-02 Hec.	320/30	139/29	51	1489.00	574	-
23.	Jammu & Kashmir (A) Lasipora (Puhwama)	11.12.97	5167 Kanals 02 Marlas	12/-	6/-	-	-	-	-
24.	Samba (Jammu)	27.01.92	1742 Kanals	241/-	33/-	-	-	-	-
25.	Jharkhand (C) Hazaribagh (Hazaribagh)	03.05.95	525.94 Acres	-	-	-	-	-	-
26.	Karnataka (A) Dharwad (Dharwad)	27.01.92	2205 Acres	2205 Acres	1333 Acres	88	72400	573	-
27.	Raichur (Raichur)	27.01.92	1000 Acres	430 Acres	3	-	-	-	-
28.	Hassan (Hassan)	27.01.92	1825 Acres	1825 Acres	514 Acres	75	436300	2023	-
29.	Kerala (A) Kannur-Kozhikode (Kannur- Kozhikode)	28.02.94	572 Acres	88/-	37/-	3	2057	288	-
30.	Alappuzha-Malappuram (Alappuzha-Malappuram)	28.02.94	523 Acres	55 acres/ 7 Acres/	7 Acres	-	900	100	-
31.	Madhya Pradesh (A) Chairongi (Guna)	27.03.91	334.81 Hec.	400 Hec.	180 Hec.	-	-	-	-
32.	Ghironji (Bhind)	27.03.91	716 Hec.	441.032 Hec.	143.967 Hec.	42	121779.25	7298	-
33.	Kheda (Dhar)	27.03.91	240.770 Hec.	98/-	11/-	6	68252.64	1755	-
34.	Satepur (Raisen)	23.03.93	321.190 Hec.	-	-	-	-	-	-
35.	Maharashtra (B) Akola (Akola)	30.3.92	625.05 Hec.	261+279 Hec.	216+279 495/-	56	8882	712	-
36.	Chandrapur (Chandrapur)	30.03.92	723.49 Hec.	31/-	11/-	-	-	-	-
37.	Dhule (Dhule)	30.03.92	707 Hec.	60	3	-	-	-	-
38.	Nanded (Nanded)	11.12.97	645.81 Hec.	197/-	28	1	42710	52	-
39.	Ratnagiri (Ratnagiri)	30.03.92	-	-	-	-	-	-	-

1	2	3	4	5	6	7	8	9	10
40.	Manipur (C) Lamlai-Napet (Imphal)	02.03.98	-	-	-	-	-	-	-
41.	Meghalaya (C) Mendhipattar (East Garo Hills)	24.10.97	36 Ha	-	-	-	-	-	-
42.	Mizoram © Luangmual (Aizawl)	24.10.97	311 Acres	306	-	-	-	-	-
43.	Nagaland © Ganeshnagar (Kohima)	12.02.98	1000 Acres	-23	-	-	-	-	-
44.	Orissa © Chhatrapur (Gunjam)	12.02.97	-	-	-	-	-	-	-
45.	Kalinganagar-Duburi (Cutack)	12.02.97	1500 Acres	150 Acres	150 Acres	-	-	-	-
46.	Jharsuguda (Jharsuguda)	12.02.98	122 Acres	71.30 Acres	71.30 Acres	-	-	-	-
47.	Kesinga (Kalahandi)	09.02.99	126.72 Acres	4/-	4/-	1	-	-	-
48.	Pondichery (C) Polagam-Karakal (Karaikal)	31.10.97	592 Acres	74/-	12/-	-	-	-	-
49.	Punjab (A) Bathinda (Bathinda)	27.03.91	388.79 Acres	401/17	189/-	17	-	-	-
50.	Pathankot (Gurdaspur)	06.01.92	409.96 Acres	432/205	187/-	0	-	-	-
51.	Rajasthan (A) Abu-Road (Sirohi)	31.03.92	914.00 Acres	297/-	53/-	27	1000.00	300	-
52.	Bhilwara (Bhilwara)	18.12.97	1159 Bighas	4/-	4/-	-	-	-	-
53.	Khara (Bikaner)	31.03.92	1162 Bighas 21 Bawa	461/-	280/-	75	948	880	-
54.	Dholpur (Dholpur)	23.03.93	332.22 Acres	211	104/-	53	1500.00	240	-
55.	Jhalawar (Jhalawar)	23.07.92	438 Acres	236	118/-	78	900.00	450	-
56.	Sikim Seigheri-Sarnik Marchak	7.11.03	-	-	-	-	-	-	-
57.	Tamil Nadu (A) Erode (Periyar)	23.07.92	2446.19 Acres	72/23	72/-	22	5286.88	104P	-
58.	Oragadam (Kancheepuram)	12.05.99	1640.79 Acres	-	-	-	-	-	-
59.	Tirunelveli-Gangai Kondan (Tirunelveli-Kattabomman)	30.03.92	2032.00 Acres	2/-	2/-	-	-	-	-
60.	Tripura (A) Bodhjangnagar (West Tripura)	07.11.97	242 Acres	418	8/1	1	-	-	-

1	2	3	4	5	6	7	8	9	10
81.	Uttaranchal Siggadi (Pauri-Garhwal)	16.12.03	-	-	-	-	-	-	-
82.	Uttar Pradesh (A) Bijauli (Jhansi)	23.03.93	385.04 Acres	441/-	357/-	-	-	-	-
83.	Jamaur (Shahjahanpur)	17.02.93	302 Acres	47/4	41/-	4	4500.00	560	-
84.	Pekbara (Moradabad)	17.02.93	419.34 Acres	158/1	45/-	2	-	-	-
85.	Dibaiapur (Auraiya)	03.03.98	331.58 Acres	-	-	-	-	-	-
86.	Jainpur (Kanpur-Dehat)	23.03.93	316.43 Acres	369/-	350/-	-	-	-	-
87.	Satharia (Jaunpur)	17.02.93	508.45 Acres	465/-	337/-	86	3954.50	1402	-
88.	Sahjanwa (Gorakhpur)	16.02.93	525.27 Acres	1298/30	998/25	89	5065.55	1941	-
89.	West Bengal (B) Bolpur (Birbhum)	20.02.97	50 Acres	-	-	-	-	-	-
70.	Jalpaiguri (Jalpaiguri)	20.02.97	105 Acres	-	-	-	-	-	-
71.	Malda (Malda)	20.02.97	164 Acres	140 Acres	125 Acres	4	4116.25	52	-

Low Quality of Tea Import

1720. SHRI P.C. THOMAS: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there are adequate measures for check on quality of tea imported for domestic use;

(b) if so, the details thereof;

(c) whether low quality tea is coming to India from Sri Lanka and other countries;

(d) whether this is being mixed with Indian Tea and exported; and

(e) if so, the action taken/proposed to be taken to check such types of re-export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) Teas imported for domestic use are required to conform to the specification for tea

as laid down under the Prevention of Food Adulteration Act, 1954 (PFA Act) and the Rules framed thereunder. The imported food items including tea are required to be referred by the concerned Custom Authority to Port Health Officers for testing under the PFA Act, 1954.

(c) and (d) Imported teas are allowed to be blended with Indian teas and re-exported after positive value addition by the exporters provided they conform to the contractual obligations and also conform to the standards as applicable for import in the importing country. These exports are required to fulfil the provisions as laid down in the Tea (Distribution & Export) Control Order, 1957. An instance has recently come to notice of poor quality tea having reportedly been imported for re-export.

(e) The importing country is free to impose its own requirements and conditions in respect of the quality and standards for teas imported by them and engage its own inspecting Agency to ensure compliance. To ensure better surveillance on quality of tea exports, Tea Board have proposed certain provisions and regulations under the Tea Act, 1953.

Photo Identity Cards in Tamil Nadu

1721. SHRI S.K. KHARVENTHAN: Will the Minister of LAW AND JUSTICE be pleased to state:

- (a) the number of persons who have applied for photo identity cards so far in Tamil Nadu;
- (b) the number of persons who have been issued the cards till date;
- (c) the reasons for delay in the issue of cards and the time by which the rest of the cards will be issued;
- (d) the estimated expenditure incurred on this account; and
- (e) the amount released to Tamil Nadu by the Government during 2003-04 and 2004-05 for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) The Election Commission has informed that Electors Photo Identity Card (EPIC) is issued to persons registered in the electoral roll of the constituency in which he is ordinarily resident. No person is required to apply for EPIC.

(b) 3,50,26,156 electors, which is approximately 74.5% of the total electors of electoral roll revised w.r.t. 01.01.2004 as the qualifying date have been issued with EPIC so far.

(c) The Election Commission has informed that the reason for further slow progress is that M/s CMC Limited, the State Level Agency who is presently handling the EPIC Programme in Tamil Nadu has expressed its inability to execute the Programme simultaneously in all the districts at the rate of Rs. 9.79 per card to cover the residual voters of 1.64 crores approximately. It has been decided to implement the next phase of the EPIC

Programme by "On-line" method and to float tenders for selecting the agencies for the purpose. The process of selecting the agencies is under way. It is the endeavour of the Commission to achieve the target of issuing the EPICs to all the electors enrolled in the electoral roll being revised w.r.t. 01.01.2005 as the qualifying date by the end of year 2005.

(d) A sum of Rs. 39,23,57,000/- have been released to the State Government of Tamil Nadu as part of the Government of India's share of the expenditure on the scheme of photo identity cards.

(e) A sum of Rs. 1,26,74,000/- has been released to the State Government of Tamil Nadu during 2003-04 and 2004-05 for purpose of preparation of electors photo identity cards.

Textile Exports

1722. DR. M. JAGANNATH:
SHRIMATI KALPNA RAMESH NARHIRE:
SHRI G. KARUNAKARA REDDY:
SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI PARSURAM MAJHI:

Will the Minister of TEXTILES be pleased to state:

- (a) whether net export earnings from textiles has shrunk to 3.2% in 2004;
- (b) whether Indian Textile Companies have been increasingly importing raw materials due to dearth of quality goods at low prices in the country; and
- (c) if so, the remedial steps proposed in the matter?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) As per a valuable Directorate General of Commerce Intelligence & Statistics (DGCIS) data, the net export earnings from textiles during the last three years has increased as given below:

(Value in US\$ million)

	2001-02	2002-03	2003-04
Textile Export	10764.67	12412.71	13159.52
Textile Import	1539.36	1645.92	2015.34
Net Export Earning	9225.31	10766.80	11144.18
% increase/decrease of net export earning over the previous year		16.7%	3.5%

(b) No, Sir. As per latest available Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, the textile imports during the period April-June 2004 have decreased as given below:

	April-June 2003	April-June 2004	% increase/ decrease over the previous year
Textile Imports	471.9	440.0	-6.7%
Of which			
Imports of Raw material & Semi-Raw material	283.3	230.0	-18.8%

(c) Government is closely monitoring the imports of textile items and would strive to ensure that imports do not cause any serious detriment or injury to the domestic industry.

Norms for Probationary Officers Exam

1723. SHRI CHANDRAKANT KHAIRE: Will the Minister of FINANCE be pleased to state:

(a) whether certain changes have been made in the examination norms for probationary officer's examinations by several banks;

(b) if so, the details thereof;

(c) whether the move has been resisted by the candidates/students; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Graduation was prescribed as the minimum educational qualification for recruitment of Probationary Officers, by the Government. The Government have permitted the banks to prescribe the minimum percentage of marks in graduation and some of the banks have prescribed a higher percentage than the pass marks in graduation as the eligibility condition.

(c) and (d) A few representations have been received against prescribing a higher percentage as the eligibility condition and no bank has reported any difficulty in getting sufficient number of candidates having the prescribed marks.

Amnesty Scheme

1724. PROF. M. RAMADASS: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has a proposal to introduce a new amnesty scheme as a part of the tax reforms package;

(b) if so, the details thereof; and

(c) whether the Government will not be able to achieve these advantages through a built-in amnesty scheme under section 273A of the Income Tax Act?

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

(b) and (c) Does not arise in view of reply to part (a).

[Translation]

State Bank of India

1725. SHRI KULDEEP BISHNOI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that the State Bank of India is considering to take over some banks of Asia and Africa;

(b) if so, the details of such banks alongwith their present financial position;

(c) whether the Government has fixed any standards with regard to taking over of banks or opening of branches of banks in foreign countries; and

(d) if so, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (b) The information is being collected and will be laid on the Table of the House to the extent available.

[English]

Grants to Karnataka

1726. SHRI G.M. SIDDESWARA: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have released grants amounting to Rs. 113 lakh for upgradation of District Administration of Davangere District and Rs. 466.15 lakh for Computer Training School Children to the Karnataka State;

(b) if so, whether the State Government have fully utilized the amount;

(c) if so, whether the State Government have received requests for releasing of further grants; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Government of India has released upto November 30, 2004 grants amounting to Rs. 2815.40 lakhs for upgradation of District Administration for providing infrastructure in 7 newly created districts for including Davangere. Inclusive of equal contribution by the State, Karnataka has Rs. 5630.80 lakhs for upgradation of district administration. Gol has further released Rs. 870.75 lakhs for computer training to school children in Karnataka upto November 30, 2004.

(b) The State Government has furnished utilisation certificates of Rs. 32.54 crore only against district administration upgradation and Rs. 6.76 crore against computer training grant.

(c) and (d) Yes Sir. The State Government has requested for release of the balance grant of Rs. 44.75 crore for these two items. Further releases can be provided upon State reporting satisfactory utilisation and fulfilment of other conditions as stipulated in the guidelines.

Punishment to Criminals

1727. SHRI ADHIR CHOWDHURY:
SHRI UDAY SINGH:

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

(a) whether it is a fact that the new laws are needed to tackle new types of crimes as reported in the 'Hindu' dated the October 18, 2004;

(b) if so, the details thereof;

(c) whether in the absence of any clear cut law against any crime, the judiciary have failed to provide any punishment to the persons involved in such crimes;

(d) if so, the details thereof;

(e) whether the Government propose to take any action in this regard; and

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

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (f) In view of the changing socio-economic and environment in the country, the review of all Laws including these relating to Criminal Justice System is undertaken by the Law Commission and its recommendations are considered for enactment of suitable legislation or amendment to the existing Laws.

Wilful Defaulters

1728. SHRI BHUVANESHWAR PRASAD MEHTA:
Will the Minister of FINANCE be pleased to state:

(a) whether the number of wilful defaults have been increasing despite RBI's direction to take stringent actions against them;

(b) if so, the details thereof for the last three years;

(c) whether the Government allowed the banks to publish the names of such wilful defaulters; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The details of number of suit filed cases and non-suit filed cases of wilful default of Rs. 25 lacs and above of public sector banks for the last three years are as under:

(Rs. in crores)

Year ending	Suit filed		Non Suit filed	
	Number	Amount	Number	Amount
March 2002	997	2931	439	1114.63
2003	1421	4140.61	509	1622.47
2004	1487	4525.87	513	1643.22

(c) and (d) The details regarding suit filed accounts in which the sum to be recovered is Rs. 1 crore and above and suit filed accounts of wilful defaulters in which the sum to be recovered is Rs. 25 lac and above are published by RBI/Credit Information Bureau of India Limited.

[*Translation*]

Import of Yarn

1729. SHRI SITA RAM SINGH: Will the Minister of TEXTILES be pleased to state:

(a) the value and quantity of thread imported during the last three years indicating the cost thereof alongwith the reasons therefor;

(b) whether the Government propose to impose ban on import of thread;

(c) if so, the details thereof;

(d) if not, the reasons therefor; and

(e) the steps taken for protecting the interests of domestic textile industry?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The imports are governed by market forces such as price, quality, availability and other parameters. The details of value and quantity of thread imported during the last three years are as under:

Items	2001-02		2002-03		2003-04	
	Qty.	Value	Qty.	Value	Qty.	Value
Cotton sewing thread	61.71	1.25	30.40	1.02	49.82	2.37
100% non-cotton sewing thread	111.38	1.86	120.39	3.72	124.36	4.02
Total	173.09	3.11	150.79	4.75	174.18	6.39

Qty. in tonnes
Value in Rs. crores

Source: DGCI & S, Kolkata

(b) No, Sir.

(c) Does not arise.

(d) The import of almost all textile items have been allowed freely. The liberalised trading regime would result in increased international trade in textiles thus providing greater export opportunities; and at the same time expose the domestic industry to import penetration in the domestic market. The industry will have to improve its efficiency and productivity to meet the emerging global competition.

(e) Legal remedies in the form of anti-dumping duty, anti-subsidy duty and safeguards are available to protect domestic industry against unfair trade practices.

[*English*]

Amendment to Indo-Thailand Act

1730. SHRI PRABODH PANDA:
SHRI BALASAHEB VIKHE PATIL:

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

(a) whether India and Thailand signed a protocol to amend the framework agreement for establishing a Free Trade Area;

(b) if so, the details thereof;

(c) whether the Union Government is hopeful bilateral trade from the present level will double;

(d) whether the two countries will phase out tariffs on some items;

(e) if so, the details of these items and tariffs will be phased out; and

(f) effect of FTA in agro and rural industries and measures taken to protect the same?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) and (b) Yes, Sir. A Protocol to amend

the Framework Agreement for establishing a Free Trade Area was signed between India and Thailand on 30th August, 2004 in New Delhi. As per amended Protocol, the Early Harvest Scheme (EHS) now consists of a list of 82 items as against 84 provided in the Framework Agreement, on which tariffs will be eliminated by 1st September, 2006.

As per the amended provisions of Article 7 (2) (ii)(a), the EHS would now commence from 1.9.2004 and the products covered under this Article shall be subjected to the following tariff reduction and elimination:

Period	Tariff reduction on applied MFN tariff rates as of 1st January 2004
1.9.2004—31.8.2005	50%
1.9.2005—31.8.2006	75%
1.9.2006	100%

The amending Protocol also makes the interim Rules of Origin and Operational Certificate Procedures an integral part of the Framework Agreement.

(c) to (f) The FTA with Thailand is being negotiated with a view to strengthening and enhancing liberalization of bilateral trade by progressive eliminate of tariff and non-tariff barriers in substantially all trade in goods between the two countries. Under the EHS, common items have been agreed for elimination of tariff on a fast track basis. The list for EHS has been finalised after consultations with the administrative Ministries/Departments and the domestic stakeholders. The tariff preferences on imports to India would be available only for those products which enjoy the 'originating status' in Thailand as prescribed under the Rules of Origin which are integral part of any Free Trade Agreement. Similarly, the products which enjoy the 'originating status' in India would only get tariff preferences for imports in Thailand. To protect the vulnerable sections of the domestic industry, the Framework Agreement provides for each country to maintain a negative/sensitive list of items for which no tariff concessions shall be granted under the FTA. In addition, the Agreement provides for trade defence measures which an importing country can take recourse to. In case of a surge in imports and injury to the domestic industry, a country is allowed to take measures such as anti-dumping and safeguards. The Agreement also provides for cooperation among customs authorities for ensuring that the Rules are not violated.

Protection to Witnesses

1731. SHRIMATI D. PURANDESWARI: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government proposed to enact a legislation for a witness protection programme as recommended by the Law Commission; and

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

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) and (b) The Law Commission has informed that it has recently taken up the subject on account of the observations of the Supreme Court and also because of immediate importance of the subject in our country. Law Commission has not its recommendations so far.

Electronic Voting Machine

1732. SHRI UDAY SINGH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the attention of the Government has been drawn towards the news-item captioned "Rigging possible through EVMs" as reported in the 'Hindu' dated October 3, 2004;

(b) if so, whether the experts have warned against the chances of rigging even when the EVMs are used;

(c) if so, whether the Government propose to conduct an enquiry in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Yes, Sir.

(b) to (d) No, Sir. The expert committee appointed by the Government, consisting of Prof. S. Sampath, Chairman R.A.C., Defence Research and Development Organisation (Chairman), Prof. P.V. Indirasan of I.I.T. Delhi and Dr. Rao C. Kasarabada, ER & DC, Trivandrum as members has submitted in its report to Government in April 1990, that the electronic voting machines are tamperproof. The Election Commission of India has stated that whenever, election staff have been found to be not complying with the instructions regarding the use of electronic voting machines issued by the Commission,

stem action is taken by the Commission against all such erring officials after proper enquiry.

[*Translation*]

World Bank and ADB Aid for Earthquake Rehabilitation Work

1733. SHRI V.K. THUMMAR:
SHRIMATI JAYABEN B. THAKKAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Gujarat Government has made repeated requests for favourable terms for the loans received from the World Bank and Asian Development Bank for earthquake rehabilitation work;

(b) if so, the decision of the Government of India on reducing the interest burden of the earthquake loan which was calamity of grave magnitude;

(c) whether the overall policy framework for loans for major disaster reconstruction is proposed to be re-examined; and

(d) if so, by when?

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

(b) The State has been provided special relief by reducing the annual rate of interest on the loans for earthquake rehabilitation work from 10.5% to 9.5% with effect from 27.5.2003 in respect of the undischarged amounts. The relief provided to Gujarat extends to all the States for the existing and future disaster rehabilitation programmes with assistance from the World Bank or the Asian Development Bank.

(c) No, Sir.

(d) Does not arise.

PNB Scheme for Farmer Training Centre

1734. SHRI BRAJESH PATHAK:
SHRIMATI KIRAN MAHESHWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether Punjab National Bank has formulated any scheme for opening Farmer Training Centre to train the farmers, rural women and youth for the employment of their choice and improve their life style;

(b) if so, the details thereof;

(c) whether other nationalized banks have also formulated similar schemes;

(d) if so, the details thereof; and

(e) the number of Farmers Training Centres proposed to be set up, bank-wise, State-wise and location-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Punjab National Bank through its Farmers' Welfare Trust has formulated a scheme for training of farmers, rural women and youth for improvement in their skills. Under the scheme, the bank proposes to develop training centres to provide hands on training on improved methods of cultivation, diversification of crops, mushroom production cultivation of medicinal plants etc. The Bank also provides training for rural women for upgradation of their skills in embroidery, sewing and pickle making.

(c) to (e) The required information is being collected and will be laid down on the Table of the House.

[*English*]

Funds for Handloom Sectors

1735. SHRI D. VITTAL RAO:
SHRI JASHUBHAI DHANABHAI BARAD:
SHRI SUGRIB SINGH:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has decided to provide working capital fund of Rs. 50 crores for Andhra Pradesh handloom Sector for conversion of products from traditional varieties of Sarees, Dhotees etc. to made-ups;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) the scheme formulated by the Government for the benefits of handloom weavers and handicrafts artisans;

(e) whether any developing centres are being set up for the purpose;

(f) if so, the details thereof, State and location-wise;

(g) whether there is vast scope to export handloom and powerloom sarees from the country including Orissa; and

(h) if so, the details thereof, State-wise?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) No, Sir. No decision has been taken to provide working capital fund of Rs. 50 crore for Andhra Pradesh Handloom Sector. However, under the restructuring component of the Deen Dayal Hathkargha Protsahan Yojana (DDHPY) a project with an outlay of Rs. 40 crore has been sanctioned by the Government of India for restructuring of Andhra Pradesh State Handloom Weavers Cooperative Society Ltd. (APCO). This outlay consists of Rs. 20 crore each as grant from the Central Government and State Government. The Government of India as well as the State Government have released Rs. 40 crore to APCO.

(d) The Government of India has been implementing the following Schemes for the promotion and development of:

(I) **Handloom Sector:** (i) Deen Dayal Hathkargha Protsahan Yojana (DDHPY); (ii) Marketing Promotion Programme Scheme; (iii) Mill Gate Price Scheme; (iv) Workshed-cum-Housing Scheme; (v) Weavers Welfare Scheme (which includes Thrift Fund Scheme, New Insurance Scheme and Health Package Scheme); (vi) Handloom Export Scheme; (vii) Design Development & Training Programme; (viii) Integrated Handloom Training Project; (ix) Bunkar Bima Yojana; (x) Scheme of one time Rebate @ 10% given by the handloom agencies on sale of handloom cloth; and (xi) Implementation of Handlooms (Reservation of Articles for Production) Act, 1985.

(II) **Handicraft Sector:** (i) Baba Saheb Ambedkar Hastshilp Vikas Yojana (AHVY); (ii) Design & Technology Upgradation; (iii) Marketing & Support Services; (iv) Export Promotion; (v) Training & Extension; (vi) Bima Yojana; and (vii) Special Handicrafts Training Programme (SHTP).

(e) and (f) Presently, in the handloom sector there are 25 Weavers' Service Centres (WSC) throughout India including one each at Vijaywada and Hyderabad in the State of Andhra Pradesh, which are functioning with an objective to improve weaving and processing techniques, to develop new designs, product innovations and to provide technical assistance to the weavers/exporters etc. in the field of designing, weaving and dyeing/printing etc. In handicraft sector there are six Regional Offices and Marketing & Service Extension Centres set up across the country. There is at present no proposal to set up any new centre.

(g) No Sir. However, there is vast scope for export of diversified range of handloom products such as made-ups, home textiles, furnishings, fashion accessories fabrics etc.

(h) Does not arise

[Translation]

Special Recovery Tribunals

1736. SHRI KASHIRAM RANA:
SHRI HARIKEWAL PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have set-up Special Recovery Tribunals and Banking Supervisory Board to monitor irregularities in the banks and for improving position of loan recovery;

(b) if so, the time when these bodies were set-up;

(c) whether these bodies have started functioning;

(d) if so, the total number of cases of irregularities disposed off during each of the last three years and the action taken thereon; and

(e) the outcome of action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) For expeditious adjudication and recovery of debts due to Banks and Financial Institutions, the Recovery of Debts due to Banks and Financial Institutions Act, 1993 was enacted. Similarly, on the basis of the recommendations of the Committee on Financial System (Narasimham Committee), Board for Financial Supervision (BFS) was constituted under the chairmanship of Governor, Reserve Bank of India on 16th November, 1994 with the mandate to exercise the powers of supervision and inspection in relation to Banking Companies, Financial Institutions and Non-Banking Finance Companies. BFS also exercises supervision over select Development Financial Institutions and Urban Coop. Banks.

(c) Yes, Sir.

(d) and (e) BFS gives directions on the regulatory and supervisory issued of various entities, viz. commercial Banks, Urban Cooperative Banks, Non-Banking Financial

Companies. The supervisory concerns emanating from various returns, supervisory on-site visits are also placed before BFS. It gives detailed directions on future course of action and these directions are implemented by Reserve Bank of India. Since BFS has been acting as a catalyst for enhancement of banking supervisions in the areas of risk based supervision, prompt corrective action, consolidated supervision, monitoring of financial conglomerates, internal control and house keeping in commercial Banks, therefore, parts (b) and (e) of the question are not applicable in the case of BFS.

[English]

Assistance to Handloom Development Corporation

1737. SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI RAMJI LAL SUMAN:
SHRI RAJIV RANJAN SINGH "LALAN":
SHRI ANANDRAO VITHOBA ADSUL:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Handloom Development Corporation of several States have sought assistance from the Central Government to implement the scheme relating to the development of Handloom;

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

(c) the action taken by the Government on those proposals;

(d) the schemes in existence to provide financial assistance to the skilled and unskilled workers and artisans for the development of handlooms;

(e) whether Government has formulated any fund at national level for making loan available for the development of Handloom Industry;

(f) if the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) Yes, Sir. The Government of India sanctions assistance to various implementing agencies including the Handloom Development Corporations on the basis of viable proposals received from them in conformity with the guidelines of the respective scheme. The State-wise detail of assistance released to the Development Corporations under various schemes during the last three years is given in the enclosed Statement.

(d) The Schemes under which financial assistance is provided to the skilled and unskilled workers and artisans for the development of handlooms are as under:

(i) Deen Dayal Hathkargha Protsahan Yojana;

(ii) Marketing Promotion Programme;

(iii) Handloom Export Scheme;

(iv) 10% Rebate Scheme; and

(v) Integrated Handloom Training Programme.

(e) No, Sir.

(f) Does not arise.

(g) Formulation or creation of a separate fund at national level is not required as a loaning mechanism is already in place and the banks can get refinance from the National Bank for Agriculture and Rural Development (NABARD) for the handloom sector.

Statement

State-wise detail of assistance released to the Development Corporations under various schemes during the last three years

(Rupees in lakh)

Sl.No.	State	2001-02	2002-03	2003-04	Total
1	2	3	4	5	6
1.	Andhra Pradesh		30.89		30.89
2.	Assam			6.05	6.05
3.	Gujarat			5.72	5.72
4.	Himachal Pradesh		48.36	17.64	66.00

1	2	3	4	5	6
5.	Jammu & Kashmir		31.89		31.89
6.	Karnataka	259.72	97.36	301.95	659.03
7.	Kerala	20.25	77.36	146.38	243.99
8.	Madhya Pradesh	7.50			7.50
9.	Mizoram			7.22	7.22
10.	Tripura	2.00	4.08	10.69	16.77
11.	Uttar Pradesh	164.27	36.34	159.58	360.19
12.	West Bengal		34.07	51.16	85.23
	Total	453.74	380.35	706.39	1520.48

Cut in the Vacations of the Courts

1738. SHRI RAYAPATI SAMBASIVA RAO:
SHRI K.S. RAO:

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

(a) whether the Government has expressed concern over the complaints against judicial system and has urged Chief Justice of India to do "soul searching" to bring in accountability and transparency in its functioning;

(b) if so, whether the Government has also suggested to cut down the long vacations and increasing the number of working days which will improve the productivity of the judicial system;

(c) if so, the extent to which the judiciary has agreed to the suggestion made by the Government and the extent to which judiciary has been accountable from corruption; and

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

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) and (b) The Hon'ble Prime Minister, in his address to the conference of Chief Justices and Chief Ministers held on September 18, 2004 in New Delhi *inter-alia* observed as follows;

"The framers of our Constitution wanted to protect and preserve the independence of our judiciary. This

places a greater onus and responsibility on the members and practitioners of our judiciary to maintain the highest standards of probity and integrity. Accountability and transparency norms cannot, and should not, be imposed on the judiciary from outside. It is, I believe, up to the judiciary to do some soul-searching and ensure how this can best be done."

Hon'ble Prime Minister in the said address had also suggested that the productivity of the judicial system may be improved by increasing the number of working days and cutting down vacations.

(c) and (d) Various steps taken to improve the productivity and efficiency of the judiciary include periodically monitoring the pendency position in courts, grouping of cases involving common question of law, constitution of specialized benches, timely filling up the vacancies of judges, increasing the judge strength, organizing Look Adalats at regular intervals, encouraging alternative modes of disputes resolution like negotiation, mediation and arbitration and setting up of special tribunals like Central Administrative Tribunals, State Administrative Tribunals, Income Tax Appellate Tribunals, Family Courts, Labour Courts, Fast Track Courts etc.

[Translation]

Scheme to Provide Loan to Weavers

1739. SHRI MANSUKHBHAI D. VASAVA:
SHRI HARIKEWAL PRASAD:
SHRI SURESH CHANDEL:

Will the Minister of TEXTILES be pleased to state:

(a) the steps taken by the Government to provide loans to the Indian weavers keeping in view their miserable condition;

(b) the amount of loans provided by the Government, State-wise during the last three years;

(c) whether the weavers have to face many difficulties while getting loans from the Indian Banks; and

(d) the remedial steps taken by the Government in this regard and the success achieved by the Government as a result thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Credit facilities are being provided to the weavers by different banking institutions, both commercial as well as cooperative banks, under various Schemes in accordance with the norms and guidelines stipulated by the Apex Banks, namely, RBI and NABARD. NABARD has been providing Short Term Refinance for production and marketing activities of Primary Weavers Societies and Individual members of District Central Cooperative Banks by way of sanction of short term of credit limits to state cooperative banks. Apart from the credit facilities through banking channels, the Government is providing partial financial assistance in the form of grant to the eligible handloom agencies under Deen Dayal Hathkargha Protsahan Yojana (DDHPY) for basic inputs like looms accessories, training etc. and for design input, publicity, marketing incentive etc. Under DDHPY, the Government is also providing financial assistance in the form of margin Money to the implementing agencies of Rs. 4000/- per weaver to avail credit facilities from financial institutions. Out of this amount, the share of Central Government is Rs. 2000/-, that of the State Government

is Rs. 1000/- and the balance Rs. 1000/- will be given by the concerned weaver. The margin money so provided shall be used only as seed money to enhance their cash credit limits.

(b) Particulars of Short-Term Credit Limits sanctioned by NABARD to the State Cooperative Banks for financing Weavers' Societies during the Financial Years 2001-02, 2003-03 and 2003-04 are enclosed as Statement.

(c) Based on various studies, NABARD has reported that the factors affecting the institutional flow of credit to the weavers' sector, *inter alia*, are poor financial health and inefficient management of several weavers' cooperative societies, outdated marketing structure and inability of the weavers' societies to compete with the organized sector. These factors render the credit proposals from several weavers' societies unviable.

(d) The following steps are being taken/contemplated to improve the flow of credit to the weaving sector:

- (i) Creation of better awareness of credit facilities amongst primary weavers' cooperative societies and apex societies.
- (ii) Weavers outside the cooperative fold are being identified for bank finance by organizing them into Self-help Groups.
- (iii) Reorganization of apex handloom societies and corporation in the States into viable business bodies.
- (iv) Periodical review of the flow of credit to the weavers' sector under different Schemes by State Level Banking Committee/District Committee.

Statement

(Rs. in crore)

Sl. No.	Name of the State	Credit limits Sanctioned		
		2001-02	2002-03	2003-04
1	2	3	4	5
1.	Andhra Pradesh	34.68	16.36	32.54
2.	Gujarat	1.00	1.00	1.00
3.	Karnataka	4.54	5.25	2.21

1	2	3	4	5
4.	Kerala	47.81	40.31	28.46
5.	Madhya Pradesh	4.42	0.00	0.00
6.	Orissa	25.81	16.43	19.79
7.	Pondicherry	5.00	5.65	5.50
8.	Tamil Nadu	497.18	404.26	376.39
9.	West Bengal	60.7	61.68	54.72

[English]

World Bank Aid for Drinking Water Scheme

1740. SHRI ASADUDDIN OWAISI: Will the Minister of FINANCE be pleased to State:

(a) the names of the States where drinking water and sanitation schemes are going on at present with the help of World Bank loan;

(b) whether some other State Governments have approached Union Government to forward their schemes of drinking water and sanitation to the World Bank for loan/assistance;

(c) if so, the details of these States; and

(d) the present status of their proposals?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) World Bank assisted drinking water and sanitation schemes are being implemented in Kerala, Karnataka and Maharashtra.

(b) and (c) State Governments of Uttaranchal, Tamil Nadu, Punjab, Haryana and Delhi have sought World Bank assistance for drinking water and sanitation schemes.

(d) Proposals of Governments of Uttaranchal, Tamil Nadu, and Punjab, have been posed to the World Bank for assistance and clarification has been sought from Government of Haryana. Proposal from Government of Delhi has been recently received.

Sickness of Jute Industries

1741. SHRI TUKARAM GANGADHAR GADAKH:
SHRI SANAT KUMAR MANDAL:
SHRI BIR SINGH MAHATO:
DR. M. JAGANNATH:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is aware of sick Jute Industry due to Government policy allowing use of synthetic jute;

(b) whether thousands of employees have lost their jobs due to closure of hundreds of jute mills;

(c) the number of total jute mills in the country, State-wise;

(d) the number of closed and sick jute mills, State-wise;

(e) whether any special package is under consideration to revive closed and sick jute mills;

(f) if so, the details thereof;

(g) if not, the manner in which the Government will support the families of jobless workers of jute mills;

(h) whether the Government has sought assistance under United Nations Development Programme for development of Jute Industry; and

(i) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The Government has not allowed any

use of synthetic jute materials for packaging, causing sickness in the jute industry.

(b) Around 44,000 workers are affected on account of the closure of 14 jute mills for varied periods.

(c) There are 78 jute mills in the country, out of which 61 are in West Bengal, 3 each in Bihar and Uttar Pradesh, 7 in Andhra Pradesh and one each in the States of Assam, Tripura Chhattisgarh & Orissa.

(d) The total number of sick jute mills are 37 and 14 jute mills are lying closed over periods varying from 2 months to 2 years. Out of 37 sick jute mills, 31 are in West Bengal, 2 in U.P. and 1 each in States of Orissa, Tripura, Andhra Pradesh and Bihar. Out of 14 closed jute mills, 10 are in West Bengal, 2 in Uttar Pradesh and 1 each in Bihar and Andhra Pradesh.

(e) to (g) As per the existing statute, cases of sick units are referred to BIFR, a quasi judicial body to examine the cases of rehabilitate of every sick unit. Thereafter, the revival schemes of the units are prepared, examined by the Operating Agency appointed by BIFR which is normally a financial institute. On receipt of the scheme, BIFR decides the cases of rehabilitation of the industrial units.

(h) and (i) No, Sir.

[*Translation*]

Purchasing Power of Indian Rupee

1742. SHRI TUKARAM GANPAT RAO RENGE PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the purchasing power of Indian rupee has continuously reduced during the last few years;

(b) if so, the average value of rupee in year 1991-92 and 1996-97 *vis-a-vis* 1980-81;

(c) whether there is wide gap in purchasing power of Indian rupee in different States of the country; and

(d) if so, the minimum and maximum purchasing power of rupee alongwith the names of the cities during the financial year 2003-04 and 2004-05?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir The average value of the Indian rupee, taking 1980-81 as base period, was 36.99 paise in 1991-92 and 23.68 paise in 1996-97.

(c) Yes, Sir. Table below shows the gap in the purchasing power of the Indian rupee in different States of the country. Assam has the highest value of rupee at 21.78 paise as against the lowest value of rupee at 16.18 paise in Delhi.

Table 1—Value of Rupee as on October 2004 (Base: 1982=100)

State/Uts	Value of Rupee in paise	State/Uts	Value of Rupee in paise	State/Uts	Value of Rupee in paise
All-India	19.01	Jharkhand	21.51	Tamil Nadu	19.19
Andhra Pradesh	19.34	Karnataka	19.12	Uttar Pradesh	19.43
Assam	21.78	Kerala	18.88	West Bengal	17.89
Bihar	20.16	Madhya Pradesh	19.31	Chandigarh	17.36
Chhattisgarh	21.23	Maharashtra	16.99	Delhi	16.18
Gujarat	19.58	Orissa	21.47	Pondicherry	17.51
Haryana	19.02	Punjab	21.11		
Jammu & Kashmir	16.42	Rajasthan	19.74		

(d) In 2003-04, the minimum and maximum purchasing power of the rupee was in Mumbai and Chennai respectively. In 2004-05, the minimum and maximum purchasing power of the rupees in Delhi and Chennai respectively (Table 2).

Table 2—Value of Rupee in paise

Cities	2003-04 (Oct.)	2004-05 (Oct.)	Cities	2003-04 (Oct.)	2004-05 (Oct.)
Delhi	17.21	16.18	Kolkata	18.21	16.92
Mumbai	17.09	16.34	Chennai	18.76	17.89

[English]

Indo-South Korea Trade

1743. SHRI KIRTI VARDHAN SINGH:
SHRI ASADUDDIN OWAISI:
SHRI VIJOY KRISHNA:

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

(a) whether the Government has taken decision to increase the trade with South Korea during the recent visit of South Korean President;

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

(c) the details of trades between both countries have as on date;

(d) the likely trade increase after such discussions;

(e) whether sanitary and phyto sanitary and non-tariff business imposed by Korean republic would create impediments in increasing Indian Imports; and

(f) if so, the details thereof and action taken thereupon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) Yes, Sir. Both sides have agreed to set a target of US\$ 10 billion for bilateral trade by 2008.

(c) The details of India-South Korea trade are as under:

(Value in US\$ million)

	2003-04 (April-July)	2004-05 (April-July)
Indian exports to South Korea	175.93	316.34
Indian imports from South Korea	641.84	930.36
Total Trade	817.77	1246.70

(P): Provisional
(Source DGCIS)

(d) Both sides also emphasized the need to jointly work towards achieving the set target.

(e) and (f) It is expected that the sanitary and phyto sanitary and non-tariff measures imposed by South Korea would not stand in the way of achieving the target set during the visit of President of Republic of Korea to India.

Newsprint Paper

1744. SHRIMATI SUMITRA MAHAJAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the current production of newsprint paper in India annually;

(b) the requirement of newsprint paper annually;

(c) is any PUS in this field is technically and commercially competitive enough to sustain in the Global Competition; and

(d) if not, state the reasons for the same?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) The current production of newsprint paper in India is 6.88 lakh tonnes for the period 2003-2004.

(b) The annual requirement of newsprint paper during the said period is 14.26 lakh tonnes approximately.

(c) and (d) There are two newsprint manufacturing Central PSUs. The quality of newsprint manufactured by these Central PSU's is technically sustainable in the global

market. However, these units are finding it difficult in sustaining commercially on account of scale of operation being on the lower side, high power costs and other transaction costs arising out of poor infrastructure, non-availability of good quality fibrous raw material and low customs duty of 5% on the imported newsprint.

NE Industrial Policy

1745. DR. ARUN KUMAR SARMA:
SHRI M.K. SUBBA:
SHRI RAJEN GOHAIN:
SHRI HARIBHAU RATHOD:

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

(a) the impact of implementation of NE Industrial Policy on the industrialization of NER showing year-wise target and response obtained on private investment;

(b) action contemplated towards ensuring private investment in the NER after declaration of similar incentives to some other parts of India;

(c) whether Ministry received any representation proposing amendment of the NE Industrial Policy;

(d) if so, the details thereof;

(e) action contemplated towards redressal of the grievances of NE industries;

(f) whether Government is considering to grant special Industry Zone status to North-East;

(g) if so, the details on the specific industry identified and rebate granted;

(h) whether Government of Assam has demanded exclusive policy for North-Eastern region to invite FDI and FII; and

(i) if so, the action taken thereupon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (i) Consequent to the announcement of the new North East Industrial Policy (NEIP) on 24th December, 1997, a total of 681 investment proposals have been implemented/being implemented, entailing a capital investment of Rs. 1067.28 crore in the North Eastern

Region and an employment generation of about 20,709 people. References have been received from various quarters, including the State of Assam, for offering better and more attractive economic terms for investment in the North Eastern Region by way of suitable modifications in the NEIP. After declaration of similar incentives in States like Jammu & Kashmir, Himachal Pradesh and Uttaranchal, The Government, through North Eastern Development Finance Corporation Ltd. (NEDFI), has appointed Tata Economic Consultancy Services (TECS) for impact evaluation study of NEIP. The report of TECS has been discussed with all the stake holders concerned.

Implementation of Legislation

1746. SHRI ALOK KUMAR MEHTA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether a number of legislations passed by Parliament have not been implemented so far;

(b) if so, the details thereof alongwith the reasons in each case; and

(c) the time period fixed for their implementation?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (c) Various legislations passed by Parliament fall within the administrative purview of different Ministries/Departments. The Ministry of Law and Justice is not the Nodal Ministry to decide about implementation of all the legislations enacted by Parliament. A Ministry/Department concerned with a particular conditional legislation takes a decision about its implementation keeping in view the relevant facts and circumstances. It is not possible to indicate a specific time period for their implementation.

Import of Second Hand Garments

1747. SHRI JUAL ORAM:
SHRI ARJUN SETHI:
SHRI BALESHWAR YADAV:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is proposing to put a ban on the import of second hand readymade garments from abroad considering the possibility of incoming of various kinds of diseases alongwith these clothes;

(b) if so, the time by which the Government will take its decision in this regard; and

(c) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) Government has placed "worn clothing and other worn articles" covered under HS Code 6309 under restricted list of imports *vide* Notification No. 7/2004-09 dated 27-10-2004.

Import Policy regarding New/Used Cars and Printing Machines

1748. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of import policy, procedures and customs duty for import of new/used cars and printing machines;

(b) whether the Government have evaluated the impact of increase in import of new/used cars and printing machines on the domestic sector of these items;

(c) if so, the details thereof; and

(d) the steps taken/being taken by the Government to reduce the dependence on imports of these items?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) The present Foreign Trade Policy allows licence free import of new/used cars and printing machinery. The import of car is subject to conditions regarding consumer protection, road safety and specified emission norms. New/used cars are allowed for import only through specified ports. The aggregate rates of duty are 160.07% for cars and 40.38% for printing machinery.

(b) and (c) Cars are one of the 300 sensitive items import of which are closely monitored by the Government.

(d) Even after removal of Quantitative Restrictions, the imports of cars are subject to applicable tariffs, technical standards, environment and safety norms. Through appropriate use of the tariff and non-tariff mechanisms, the Government seeks to ensure that the domestic industry does not suffer in competition.

[Translation]

Declining Industrial Development

1749. SHRI KAILASH MEGHWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether industrial development rate has declined during the last two years in comparison to the last year;

(b) if so, the reasons therefor;

(c) the steps taken to increase the industrial development rate;

(d) whether IMF has reported decline in industrial development rate of India; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) The overall industrial growth rate measured in terms of Index of Industrial Production (IIP with base year 1993-94=100) as per the data released by Central Statistical Organisation (CSO) has improved to 7 percent in 2003-04 from 5.7 percent in 2002-03 and 2.7 percent in 2001-02. This performance has improved further with the overall industrial growth rate registering 7.9 percent during the first six months (April-September) of 2004-05 compared to 6.2 percent recorded in the same period of the previous year.

(b) and (c) Does not arise.

(d) No, Sir. As per the latest Public Information Notice (PIN) No. 2003/104 dated August 21, 2003, which summarizes economic development by sector, issued by International Monetary Fund (IMF), no observation/comment reporting decline in industrial development rate of India has been made.

(e) Does not arise.

[English]

Withdrawal of Duty Cuts

1750. SHRI VIJOY KRISHNA:
SHRI KIRTI VARDHAN SINGH:

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government has withdrawn customs and excise duty cuts on various products, since the middle of August 2004;

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

(c) the revenue lost by the Government thereby; and

(d) the other steps taken by the Government to check rising inflation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Since the middle of August 2004, Government had reduced the customs duties and excise duties on various petroleum products, plastic raw materials and steel. However, Government has not withdrawn any customs or excise duty cuts on these products since the middle of August 2004.

(b) Does not arise in view of (a) above.

(c) Since the duty cut has not been withdrawn, there is no fresh revenue effect.

(d) To check rising inflation, Government had reduced the customs duties and excise duties on various petroleum products, plastic raw materials and steel. In addition, certain other measures were also taken. These include:

- (1) To check the liquidity overhang in the system, the Reserve Bank of India (RBI), hiked the cash reserve ratio (CRR), to be maintained by banks, by 50 basis points to 5% of their demand and time liabilities.
- (2) The Government cut tariff values on many vegetable oils by around \$50 a metric ton.
- (3) The RBI hiked the reverse repo rate (that is, the interest rate paid on bank funds placed with the RBI against government paper) by 25 basis points to 4.75%.

Non-Banking Finance Companies

1751. SHRI G. KARUNAKARA REDDY: Will the Minister of FINANCE be pleased to state:

(a) the number of Non Banking Finance Companies (NBFCs) operating in the country;

(b) the names of the NBFCs under operation in the State of Karnataka;

(c) the areas of operation of these NBFCs in that State;

(d) the activities undertaken by these NBFCs in this State;

(e) the loan assistance provided by these Non Banking Companies to individuals/Government organizations and NGO's in that State under various schemes during the last three years;

(f) the amount of loan disbursed by these companies in other State; and

(g) the separate break-up thereof, State-wise and year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Reserve Bank of India (RBI) have reported that they have granted certificate of registration to 13303 Non-Banking Finance Companies (NBFCs) as on date to carry on the business of non-banking financial institutions. Of these, only 525 companies are authorized to accept/hold public deposits.

(b) There are 22 "A" category (deposit taking) companies and 152 "B" (non deposit taking) companies which are holding Certificate of Registration from the State of Karnataka.

(c) While all the companies are operating in the State of Karnataka, some of them have branches outside the State.

(d) The activities undertaken by these companies are leasing, hire purchase, loan and investment. Further, the companies registered as category "A" NBFCs undertake deposit taking activities also.

(e) to (g) The existing database of RBI does not encompass break up of the loans disbursed in the State/ other States.

[Translation]

Industrial Development

1752. SHRI SHIVRAJ SINGH CHOUHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the investments made in the industrial sector in the different parts of the country are not equal;

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

(c) whether Madhya Pradesh and Chhattisgarh are the most backward States in view of industrial development and investment; and

(d) if so, the steps proposed to be taken by the Government to enhance the industrial development and investment in these States?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (d) A statement showing proposed investment by entrepreneurs in the non-SSI sector in various States based on the Industrial Entrepreneurs memoranda (IEMs) filed and Letters of Intent (LoIs) and Direct Industrial Licences (DILs) issued since August 1991 is enclosed. Madhya Pradesh and Chhattisgarh account for 3.26 percent and 5.07 percent respectively, of the proposed investment.

Under the liberalized industrial policies, investment in various industries depends upon the Commercial judgment of the entrepreneurs which in turn, is based on the initiatives taken by the State Governments/UTs in the creation of conducive economic environment by way of providing basic infrastructural facilities and other incentives. The initiative for industrial development of a State lies primarily with the concerned State government. However, the Government of India has been supplementing their efforts through various incentives and schemes. Under the Growth Centre Scheme, announced in June, 1988 with a view to promote industrialization of backward areas, a total of 71 Growth Centres have been sanctioned to be set up throughout the country. Of these, four are in Madhya Pradesh and two are in Chhattisgarh.

Statement

Industrial Investment Proposals (State-wise) since August 1991 to October 2004

Name of State/UTs	Number of IEMs+LoIs+DILs	Proposed Investment (Rs. Crore)	%age
1	2	3	4
Maharashtra	11396	257822	17.34
Gujarat	7293	236135	15.88
Andhra Pradesh	4140	148692	10.00
Tamil Nadu	5300	125818	8.46
Uttar Pradesh	5144	92028	6.19
Karnataka	2416	79627	5.35
Chhattisgarh	1150	75337	5.07
Orissa	701	78961	5.31
Punjab	2526	58747	3.95
West Bengal	3208	57757	3.88
Madhya Pradesh	2251	48520	3.26
Haryana	3429	43439	2.92
Rajasthan	2735	43040	2.89
Dadra & Nagar Haveli	1811	26217	1.76
Nagaland	14	16244	1.09

1	2	3	4
Jharkhand	478	16712	1.12
Himachal Pradesh	586	12139	0.82
Kerala	570	11172	0.75
Uttaranchal	584	9508	0.64
Pondicherry	595	8391	0.56
Assam	331	8240	0.55
Goa	554	7477	0.50
Delhi	505	6537	0.44
Daman & Diu	829	4931	0.33
Bihar	182	4517	0.30
Jammu & Kashmir	258	3714	0.25
Tripura	27	2037	0.14
Meghalaya	176	1710	0.11
Chandigarh	39	459	0.03
Andaman & Nicobar	9	332	0.02
Arunachal Pradesh	22	249	0.02
Sikkim	15	71	0.00
Lakshadweep	1	4	0.00
Manipur	2	3	0.00
Mizoram	0	0	0.00
Location in more than One State	24	406	0.03
Total	59301	1486993	100.00

Note: IEM: Industrial Entrepreneur Memorandum; Lol Letter of Letter of Intent; DIL: Direct Industrial Licence.

[English]

General Agreement on Trade and Services

1753. SHRI PAWAN KUMAR BANSAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the Government's perception about the implications of General Agreement on Trade and Services (GATS) for India;

(b) whether the Government has pressed India's case for 'movement of natural persons' at W.T.O.;

(c) if so, the outcome thereof; and

(d) whether the developed countries pressing for various other issue at WTO are agreeable to opening up of labour markets themselves?

THE MINISTER OF STATE IN THE MINISTRY OF
COMMERCE AND INDUSTRY (SHRI E.V.K.S.)

ELANGO VAN): (a) Since the conclusion of the Uruguay Round of Agreements on Services (General Agreement on Trade in Services), India's services trade has grown considerably. From US \$ 6.8 billion exports in 1995, India's service exports have increased to US \$ 24.9 billion in 2003. India's share in world trade in Services is higher than its share in world trade in goods.

(b) to (d) One of India's objectives in the present negotiations is to ensure that trade in services improves through movement of natural persons. We have submitted comprehensive negotiating proposals in this regard. India's paper identifies key barriers to the movement of natural persons and suggests possible approaches members can adopt to achieve meaningful liberalization in this area.

As per the Framework Agreement adopted by the General Council in July, 2004, all member countries are to submit revised offers on services by May, 2005. The objective is to have a balanced outcome as part of Single Undertaking.

DFID Assistance to States

1754. SHRI JASHUBHAI DHANABHAI BARAD: Will the Minister of FINANCE be pleased to State:

(a) the States which are getting Department of International Development (DFID) fund/loan assistance;

(b) the amount of loan/assistance received by each of those, particularly Gujarat, during each of the last three years;

(c) the purpose for which DFID loans/assistance obtained by those States; and

(d) the extent in which the fund has been utilized by those States, especially by State Government of Gujarat?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) DFID's bilateral development cooperation in India is in the form of 100% grant assistance. States of Andhra Pradesh, Madhya Pradesh, Orissa and West Bengal are DFID's priority States in India for state sector projects. There are also a few ongoing state sector projects in Himachal Pradesh and Karnataka. List of ongoing state sector projects under DFID's development assistance is enclosed as Statement. The amounts committed and disbursed under DFID's development assistance for state sector projects in each of the last three years are given below:

(In ₹ million)

Name of the State	Commitment during			Disbursed and utilized during		
	2001-02	2002-03	2003-04	2001-02	2002-03	2003-04
Andhra Pradesh	65.00	0.00	0.00	65.77	13.544	13.19
Madhya Pradesh	0.00	0.00	28.33	0.00	0.00	0.00
Orissa	34.7	30.00	0.00	1.403	46.319	0.00
West Bengal	21.2	2.5	112.47	0.00	0.00	10.076
Himachal Pradesh	5.00	0.00	0.00	0.00	0.00	0.064
Karnataka	0.00	0.00	0.00	0.00	0.849	1.058

No state sector project in Gujarat received DFID assistance in the last three years.

Statement*List of ongoing State Sector Projects under DFID's development assistance*

Sl. No.	Name of Project	State
1.	Andhra Pradesh Urban Services for the Poor Project	Andhra Pradesh
2.	Decentralisation of Health Management and Strengthening Community Health action in M.P.	Madhya Pradesh
3.	UK/India: M.P. Rural Livelihoods Project	Madhya Pradesh
4.	Orissa Post Cyclone Reconstruction of Primary Schools	Orissa
5.	Orissa Public Reforms Phase-II	Orissa
6.	Calcutta Environmental Project	West Bengal
7.	UK/India: Kolkata Urban Services for the Poor Programme	West Bengal
8.	UK/India: Restructuring of Public Sector Enterprises in West Bengal Phase-I	West Bengal
9.	Himachal Pradesh Forest Sector Reform Project	Himachal Pradesh
10.	Karnataka Watersheds Development Project	Karnataka

*[Translation]***Food for Work Programme**

1755. SHRI MAHENDRA PRASAD NISHAD:
SHRI BASU DEB ACHARIA:
PROF. M. RAMADASS:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the selection of 150 districts for the implementation of the National Scheme 'food for work' of the Government has been completed;

(b) if so, the district-wise and State-wise details alongwith the criteria for such identification of districts;

(c) the time by when this scheme is likely to be implemented;

(d) whether the backward districts selected under Rashtriya Sam Vikas Yojana have been included in this scheme;

(e) whether rural housing development through special schemes are implemented by D.R.D.A./N.G.O.'s falling under district council;

(f) if so, the State-wise details thereof for the last three years and till date;

(g) whether Non-Governmental Organisations have been banned by the Government to work on special new projects;

(h) if so, the details thereof; and

(i) the time by which Non-Governmental Organisations are proposed to be allotted the rural housing development work by the Government?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) Yes, Sir.

(b) to (d) The National Food for Work Programme (NFFWP) has been launched from the month of November 2004 in 150 most backward Districts of the Country to generate additional supplementary wage employment with food security. All the 27 States except Goa have been covered under the programme. The criteria of identification of 150 most backward Districts are.

For the States (other than special category States and States in the North Eastern region except Assam)

most backward Districts have been chosen on the basis of an exercise undertaken by the Planning Commission using three parameters, namely (i) agricultural productivity per worker, (ii) agricultural wage rate, and (iii) SC/ST population. For the special category States and the States in N.E. region (except Assam), districts were identified from out of the list selected under the Rashtriya Sam Vikas Yojana (RSVY). The State Governments have also been consulted while finalizing the Districts. The number of Districts allocated to each State on the basis of above criteria is given at Statement-I. Out of 150 identified Districts, 83 happen to be RSVY Districts.

(e) and (f) The Ministry of Rural Development implements Indira Awaas Yojana (IAY) to provide assistance to rural BPL shelterless families for construction of houses. the programme is implemented through the DRDA/Zilla Parishad. The other small Schemes such as Innovative Stream for Rural Housing & Habitat Development. Rural Building Centres (RBCs) and Samgra Awas Yojana (SAY) have been discontinued w.e.f. 1.4.2004. However, ongoing projects under these Schemes will be completed. About 170 projects under the Innovative Stream for Rural Housing and Habitat Development and 85 projects under Rural Building Centres (RBCs) were sanctioned to DRDAs/NGOs from 1999-2000 and 2003-2004. The State-wise number of projects sanctioned is given at Statement-II.

(g) to (i) Since, the Innovative Stream for Rural Housing and Habitat Development, Rural Building Centres (RBCs) and Samgra Awas Yojana (SAY) have been discontinued, further sanctioning of projects to Non-Government Organizations does not arise.

Statement-I

Sl. No.	States	No. of Districts Identified
1	2	3
1.	Andhra Pradesh	8
2.	Arunachal Pradesh	1
3.	Assam	5
4.	Bihar	15
5.	Chhattisgarh	10
6.	Gujarat	6
7.	Haryana	1

1	2	3
8.	Himachal Pradesh	1
9.	Jammu & Kashmir	2
10.	Jharkhand	14
11.	Karnataka	3
12.	Kerala	1
13.	Madhya Pradesh	15
14.	Maharashtra	11
15.	Manipur	1
16.	Meghalaya	1
17.	Mizoram	1
18.	Nagaland	1
19.	Orissa	18
20.	Punjab	1
21.	Rajasthan	5
22.	Sikkim	1
23.	Tamil Nadu	4
24.	Tripura	1
25.	Uttaranchal	2
26.	Uttar Pradesh	15
27.	West Bengal	6
Total		150

Statement-II

Sl. No.	Name of the State	Number of projects sanctioned under	
		Innovative Stream	Rural Building Centres
1	2	3	4
1.	Andhra Pradesh	18	9
2.	Arunachal Pradesh	14	1
3.	Assam	7	3
4.	Bihar	3	5
5.	Gujarat	2	14

1	2	3	4
6. Haryana		2	3
7. Himachal Pradesh		6	4
8. Jammu and Kashmir		1	2
9. Jharkhand		0	1
10. Karnataka		5	6
11. Kerala		4	0
12. Madhya Pradesh		5	7
13. Maharashtra		8	1
14. Manipur		8	2
15. Meghalaya		6	0
16. Mizoram		2	0
17. Nagaland		7	2
18. Orissa		1	9
19. Punjab		1	0
20. Rajasthan		7	1
21. Tamil Nadu		22	3
22. Tripura		1	0
23. Uttar Pradesh		34	7
24. Uttaranchal		1	3
25. West Bengal		3	2
26. Reputed Org.		2	0
Total		170	85

[English]

Debt Liability of the Government

1756. SHRI ANANDRAO VITHOBA ADSUL: Will the Minister of FINANCE be pleased to state:

(a) whether there is growing concern about the level of indebtedness of Government and its sustainability;

(b) if so, the outstanding liability of the Union Government in percentage of GDP during 1990-91, 1998-99, 2002-03 and 2003-04;

(c) whether there is limited room to invest the borrowings in productive manner; and

(d) if so, the steps taken by the Government reduce the debt burden and to deploy the borrowing in productive manner?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir, The ratio of outstanding liabilities of the Union Government to GDP was 55.3 percent, 51.2 percent, 63.1 percent and 62.2 percent in 1990-91, 1998-99, 2002-03 and 2003-04 (RE), respectively.

(c) and (d) Because of the prevalence of high revenue deficit, the Government is unable to fully deploy the borrowings in a productive manner, despite the growing investment requirements in the infrastructure sector. The Government is committed to eliminating revenue deficit by March, 2009 as mandated by the Fiscal Responsibility and Budget Management Act, 2003. The elimination of revenue deficit will result in lowering the debt burden and enabling the Government to fully deploy borrowings in a productive manner.

[Translation]

Overdraft Facilities

1757. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has decided to forego the interest on overdraft facility or cash credit facility offered to a customer by financial institutions including banking sector; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No, Sir. However, Reserve Bank of India in consultation with Government of India had issued guidelines on One Time Settlement, which provide for simplified, non-discretionary and non-discriminatory mechanism for compromise settlement of chronic non-performing assets. All public sector banks are directed to implement uniformly these guidelines so as to achieve maximum recovery. Some concession on Interest component was given in the case of doubtful or loss cases.

District Cooperative Banks

1758. SHRI HANSRAJ G. AHIR: Will the Minister of FINANCE be pleased to state:

(a) whether a demand has been made for providing Central grant to District Cooperative Banks in Maharashtra State to overcome their bad financial condition;

(b) if so, the details thereof alongwith the reasons for bad financial condition of these banks;

(c) the amount of loss incurred by these banks due to waiving of loans;

(d) the number of District Cooperative Banks which are in bad financial condition due to losses; and

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

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

Strike by Bank Employees in Rajasthan

1759. SHRIMATI KIRAN MAHESHWARI: Will the Minister of FINANCE be pleased to state:

(a) whether the employees of Dena Bank staged demonstration and resorted to strike in Rajasthan;

(b) if so, the reasons therefor;

(c) the demands of the employees; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Dena Bank has reported that the employees in Rajasthan did not resort to strike, but a section of the employees staged a demonstration at Jaipur on 23.11.2004 during lunch hour to highlight their demands relating to appointment on compassionate ground, regularization of temporary employees, outsourcing of jobs, etc.

(d) The apex body of the bank employees has not yet approached the management so far for discussion of their demands. These issues, as and when, taken up by the Union, will be discussed by the bank management for possible solutions.

[English]

Alternative Dispute Resolution

1760. PROF. M. RAMADASS: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the features of Alternative Dispute Resolution Mechanism proposed/implemented by the Government of India;

(b) the number of States in which this mechanism has been set up; and

(c) the measures proposed to expedite the setting up of this mechanism in all States or at least in States where the presence of corporate sector is substantial?

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) Alternative Dispute Resolution (ADR) Mechanism comprises arbitration, conciliation/mediation, Lok Adalats etc. With a view to promote Alternative Dispute Resolution Mechanism in the country, the Code of Civil Procedure, 1908 has been amended by the Code of Civil Procedure (Amendment) Act, 1999 to provide for settlement of disputes outside the courts through arbitration conciliation, judicial settlement including settlement through Lok Adalats or mediation.

A new Chapter VI (a) on 'Pre-litigation Conciliation and Settlement' has been inserted in the Legal Services Authorities Act, 1987 by the Legal Services Authorities (Amendment) Act, 2002. The chapter provides for establishment of permanent Lok Adalats as a pre-litigative mechanism for conciliation and settlement of cases in certain specified public utility services. These permanent Lok Adalats are an alternative forum to litigants for resolution of disputes with certain public utility services.

(b) The Lok Adalat Mechanism has been set-up in all the States. Permanent Lok Adalats for public utility services have been set-up in 4 States/U.Ts., namely, Rajasthan, Haryana, U.T. of Chandigarh and Jharkhand.

(c) With a view to setting up Permanent Lok Adalats for public utility services, the State Legal Services Authorities have approached the respective State Governments for provision of necessary funds and infrastructure. The Alternative Dispute Resolution mechanisms provided by the 1999 Amendment of the Civil Procedure Code cover all types of litigation including

cases relating to the corporate sector and as such litigants can take advantage of the provisions of the new Section 89 of the Code for settlement of their disputes by Alternative Dispute Resolution methods.

[*Translation*]

Economic Cooperation with Portugal

1761. SHRI Y.G. MAHAJAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government propose to enhance economic cooperation with Portugal;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (c) Enhancement of economic cooperation with countries of Europe including Portugal is a continuous process and the steps taken by Government in this regard *inter alia* include encouraging and facilitating direct business level contacts, participation in trade promotion activities, exchange of delegations, etc.

Violation of Guidelines by Private Banks

1762. SHRI BALESHWAR YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that some private banks are ignoring the guidelines of the Reserve Bank of India in granting loan to primary sector; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No, Sir. The Reserve Bank of India has advised banks including the banks in the private sector to prepare well defined Loan Policy approved by their respective Board of Directors. The Loan Policy including the one relating to priority sector should lay down exposure limits to individual/group of borrowers, documentation standards, Sectoral exposure limits, delegation of powers including for write off and review procedures maturity and pricing

policies, factors to be taken into consideration for deciding interest rates above the floor rate and achieving target stipulated under social lending.

Loan on Reducing Rate of Interest

1763. SHRI IQBAL AHMED SARADGI: Will the Minister of FINANCE be pleased to state:

(a) whether Karnataka Government has urged the nationalized banks and other banks to extent support to the Government through reduce the rate of interest for speedy completion of various on-going irrigation projects;

(b) if so, whether all the banks both private and public sector banks has been urged to work out plan for adopting such projects for funding under competitive rate of interest for fast track implementation and minimize the cost overruns; and

(c) if so, whether Union Government has instructed the bank to accept the proposal made by the Karnataka Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) According to the information received from NABARD no proposal has so far been made by the Government of Karnataka to the nationalised banks for funding the on going irrigation projects.

External Aid for Orissa

1764. SHRI PARSURAM MAJHI: Will the Minister of FINANCE be pleased to state:

(a) the externally funded projects under implementation in Orissa;

(b) the target date set for the completion of those projects;

(c) the progress of these projects; and

(d) the external aid obtained for those projects so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The information is given in the enclosed Statement.

Statement**External Aid for Orissa**

Development Partner	Name of the Project	Terminal Date	Progress in disbursement (amount received) upto November 2004 (in Rupees crores)
1	2	3	4
Germany			
1.	Multipurpose Cyclone Shelters Programme II	30.12.2006	6.342
Japan			
2.	Rengali Irrigation Project	31.12.2004	248.728
3.	Rengali Irrigation Project (II)	31.12.2007	0.0
4.	NH-5 Improvement Project	21.01.2005	139.326
Denmark			
5.	Indo-Danish Comprehensive Watershed Development Project, Koraput, Orissa	31.3.2005	13.686
6.	Revised National T.B. Control Programme, Phase-II	31.12.2005	3.060
European Commission			
7.	Minor Irrigation in Orissa	31.12.2004	17.960
United Kingdom			
8.	Western Orissa Rural Livelihoods Projects	31.7.2009	2.932*
9.	Orissa District Primary Education Programme	31.11.2008	58.777
10.	Orissa Post Cyclone Reconstruction of Primary School Project	31.12.2004	75.145
11.	Orissa Interim Support to Department of Health & Family Welfare	31.3.2005	1.750
12.	Orissa Public Enterprises Reform Phase-II	31.12.2008	0.0
UNDP			
13.	Natural Resource Management and Sustainable Livelihood for Women	31.12.2004	8.974

1	2	3	4
IFAD			
14.	Orissa Tribal Empowerment & Livelihood Program	30.9.2013	4.549
I.D.A.			
15.	Orissa Health System Development	31.3.2005	31.920

*Amount received up to October 2004.

[English]

Welfare of Tea Garden Workers

1765. SHRIMATI MINATI SEN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether over the years, tea garden owners in North Bengal have deprived the workers of their legitimate rights of Provident Funds, gratuity, deposits on Insurance scheme;

(b) whether tea industry in North Bengal have not deposited about Rs. 100 crore deducted on the above accounts to the Government Departments;

(c) whether on the plea of the tea prices not being profit earning, the tea garden owners mostly are depriving their workmen even of their rights to get ration, fuel, medical treatments etc;

(d) whether most of the tea garden owners have fallen back upon the tri-partite agreement arrived at as back as 1999;

(e) if so, the details thereof;

(f) whether the State Government in spite of their financial stringency, have been helping the workers with supply of rice and wheat at cheaper rates through their Zila Parishad and also with financial assistance of Rs. 500/- per month to each worker of the closed tea gardens; and

(g) if so, particular when the State Government has also decided to exempt the tea gardens from payment of cess, and whether Government plans to take steps in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S.

ELANGOVA): (a) the (b) As per the information furnished by the Government of West Bengal, 118 tea gardens have reportedly defaulted in payment of Provident Fund dues to the tune of Rs. 43.26 crores approximately. There were also complaints of non-payment of gratuity to the workers in the tea gardens of North Bengal. Total number of complaints received regarding non-payment of gratuity is about 80.

(c) The conditions of work including provision of medical facilities is governed by Plantation Labour Act, 1951. State Governments are appropriate authorities for administering the provisions under this Act. According to the Government of West Bengal, in some cases adequate ration, fuel and medical treatment facilities have not been provided.

(d) and (e) As per the information furnished by the Government of West Bengal, it is not true that most of the tea garden owners have fallen back upon the tripartite agreement arrived at in 1999.

(f) The measures taken by the State Government of West Bengal for providing relief to the affected poor families of tea gardens, particularly those of the closed tea gardens, include provision of foodgrains at cheaper rates under Antodaya Anna Yojana and grant of Rs. 500 per month to the workers of some locked out tea gardens.

(g) Government of India has no proposal to exempt tea from payment of cess payable under the provisions of the Tea Act, 1953.

Poverty Alleviation Programme

1766. SHRI RAM KRIPAL YADAV: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the extent of achievements made under the poverty alleviation programmes;

(b) further efforts being made to make it more effective;

(c) whether World Bank provides assistance to reduce poverty; and

(d) if so, the details thereof alongwith its utilization?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) The Ministry of Rural development implement two major poverty alleviation Schemes, namely, the Sampoorna Gramin Rojgar Yojana (SGRY) and the Swarnjayanti Gram Swarozgar Yojana (SGSY) in all the rural areas of the country for the persons living below the poverty line. An amount of Rs. 5886.74 crore was utilised by all States and UTs and 7482.93 lakh mandays employment was generated under the Sampoorna Gramin Rozgar Yojana (SGRY) during 2003-04. Similarly, under Swarnjayanti Gram Swarozgar Yojana (SGSY) a total amount of Rs. 1044.25 crore was utilized by all States and UTs. providing financial

assistance to 8.96 lakh Swarjogaris for taking up Self Employment during 2003-04.

(b) The Ministry of Rural Development regularly reviews the performance of the rural development programmes and monitoring is made strict. The Ministry has also reconstituted Vigilance and Monitoring Committees at the State/District Levels under the Chairmanship of Members of Parliament who have a crucial role in the implementation of Rural Development Schemes, so as to make the programmes more effective.

(c) and (d) World Bank provides assistance to reduce poverty and in particular for District Poverty Initiatives projects in the States of Madhya Pradesh, Andhra Pradesh, Rajasthan and Chhattisgarh. Further Andhra Pradesh Rural Poverty Reduction project in 17 districts of Andhra Pradesh is also being implemented with the assistance of World Bank. The details of the poverty alleviation projects being implemented with the World Bank assistance in the States of Andhra Pradesh, Madhya Pradesh, Rajasthan and Chhattisgarh are as under:

(Amount in US\$ million)

Sl. No.	Project Name	Donor	Signing Date	Terminal Date disbursement	Project Cost	Amount of Loan Grant	Cum. Utilisation of loan/grant amount upto 31.10.04
1	2	3	4	5	6	7	8
1.	Andhra Pradesh-District Poverty Initiatives Project	IDA	12.5.2000	31.12.2005	134.80	111	69.463
2.	Andhra Pradesh Rural Poverty Reduction Project	IDA	3.4.2003	30.9.2008	275.00	150	31.671
3.	Madhya Pradesh District Poverty Initiatives Project	IDA	5.12.2000	30.6.2006	134.70	110.1	36.550

1	2	3	4	5	6	7	8
4	Rajasthan District Poverty Initiatives Project	IDA	19.5.2000	31.12.2005	124.80	100.5	35.267
5.	Chhattisgarh District Rural Poverty Project	IDA	18.8.2000	31.3.2009	129.35	112.56	5.000

Creation of Business Hubs

1767. SHRI BRAJA KISHORE TRIPATHY: Will the Minister of FINANCE be pleased to state:

(a) whether small farmers agri-business consortium proposes to revamp to convert it into a dynamic venture capital fund for rural business;

(b) if so, the details thereof;

(c) whether the Government also proposes on a model for micro finance institutions to tackle the gamut of issue relating to their registration, regulation and refinancing;

(d) if so, the details thereof; and

(e) the steps taken to create business hubs in rural parts of the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Small Farmers Agri-Business Consortium (SFAC) has formulated a scheme to provide Venture Capital Assistance to Agri-Business projects and to set up a project development facility to assist producer groups/organisations in formulation of economically viable agri-business products. The scheme envisages a single window operation for disbursement and disinvestment of venture capital to be operated through the participating banks.

(c) and (d) A Task Force on Supportive Policy and Regulatory Framework for micro-finance constituted by National Bank for Agriculture and Rural Development (NABARD) in 1999 recommended that Micro Finance

Institutions (MFIs) purveying credit only, MFIs purveying credit and mobilising savings from the clients/loanees (below certain limits) may be kept out of the regulatory framework and focus instead on self-regulation. Subsequently, the Advisory Committee on flow of credit to agriculture and related matters constituted by the Reserve Bank of India (RBI) in 2002 under the Chairmanship of Prof. V.S. Vyas expressed views similar to that of Task Force. The Reserve Bank of India has, therefore, decided not to permit Micro Finance Institutions (MFIs) to accept public deposits unless they complied with extant regulatory framework of Reserve Bank.

(e) The Ministry of Panchayati Raj is planning to set up Rural Business Hubs through Panchayati Raj Institutions in the rural areas of the country. The National Bank for Agriculture and Rural Development (NABARD) has been participating in the conceptualisation meetings and NABARD propose to help Panchayati Raj Institutions in capacity building of their staff and SHGs for running the Hubs through training in maintenance of books of accounts, business skills etc.

Industrialisation of Poor and Backward States

1768. SHRI GANESH PRASAD SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the steps so far taken for industrialisation of Bihar State and North-East Region;

(b) Whether the Government has appointed any consultancy agency to take up evaluation for industrialisation in Bihar and North-East Region;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (d) With a view to promote industrialisation of the backward areas in the country, the Central Government in June, 1988 announced Growth Centre Scheme. Under this Scheme all the 71 Growth Centres proposed to be set up throughout the country have been sanctioned. These would be endowed with basic infrastructure facilities like power, water telecommunication, banking etc. to enable the States to attract industries. Five Growth Centres have been sanctioned for the State of Bihar. Ten Growth Centres have been sanctioned for the North Eastern States.

North-East Industrial Policy (NEIP) was announced on 24.12.1997 for promoting industrialization in the North-Eastern region. Under this Policy, various concessions have been allowed to industrial units in the North Eastern Region, which include development of industrial infrastructure, excise and income-tax exemption and Subsidy Schemes like Central Capital Investment Subsidy, Central Interest Subsidy, and Central Comprehensive Insurance Scheme. New Industrial Policy and other concessions for the State of Sikkim was announced on 23.12.2002 by the Government on the lines of NEIP. M/s. Tata Economic Consultancy Services has undertaken an impact Evaluation Study of the North East Industrial Policy (NEIP).

Hike in Cess on Petro Products

1769. SHRIMATI MANORAMA MADHAVRAJ: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to hike the cess on petroleum products for mopping up more funds for the infrastructure sector and power sector;

(b) if so, the details thereof; and

(c) whether the NHA and Ministry of Railways are also seeking additional support from the Ministry for their national highway development programme and high speed bullet trains respectively?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) There is proposal under consideration to hike cess on petroleum products at this stage;

(b) Does not arise in view of (a) above.

(c) As per available records, Ministry of Finance is not aware of any such proposal from the Ministry of Railways or NHAL.

Hawala Transactions

1770. SHRI P.C. THOMAS:
SHRI M.P. VEERENDRA KUMAR:
SHRI P.K. VASUDEVAN NAIR:
SHRI C.K. CHANDRAPPAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Directorate of Revenue Intelligence is investigating into the allegations of large scale Hawala money pouring into Kerala during the recent months;

(b) if so, whether the Union Government has taken due cognizance of these allegations;

(c) whether Kerala Government has also requested the Union Government for any enquiry into the allegations;

(d) whether evidence of such money coming into various co-operative and other banks in Kerala have been received; and

(e) if so, the action being taken by the Union Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No, The Directorate of Revenue Intelligence is not investigating into the allegations of large scale Hawala money pouring into Kerala during recent months. However, Directorate of Enforcement has issued a Show Cause Notice under Foreign Exchange Management Act, 1999 on 31.3.2004 to thirty eight persons on completion of investigation into a case of large scale Hawala transactions.

(c) to (e) The information is being collected and will be laid on the Table of the House.

Graphite Industry in Southern Tamil Nadu

1771. SHRI S.K. KHARVENTHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware that graphite is available in huge quantities in Southern Tamil Nadu;

(b) if so, whether any industry is proposed to be set up based on graphite in Southern Tamil Nadu;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) The estimated reserve of all grades of graphites in the State of Tamil Nadu is about 2.5 lakh tonnes;

(b) to (d) The State Government undertaking Tamil Nadu Minerals Ltd. has set up the facilities for beneficiation plant and the annual production of graphite in the State of Tamil Nadu was approximately 43,300 tonnes in the year 2002-03. Central Government is not aware of any new proposal in this regard.

Tobacco Procurement

1772. SHRI BADIGA RAMAKRISHNA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Tobacco Board proposed to procure Tobacco direct from the farmers of Andhra Pradesh for export purposes;

(b) if so, the Tobacco procured during each of the last three years and exported;

(c) the tobacco likely to be procured during the current year;

(d) the benefits therefrom extended to the farmers/tobacco growers;

(e) whether the Government has received a proposal from State Government of tobacco producing State seeking approval for the sale of entire tobacco produced in their respective State without imposing penalty on the farmers; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) No, Sir.

(b) to (d) Do not arise.

(e) No, Sir.

(f) Does not arise.

Decline in Profit of Commercial Banks

1773. SHRI BHUVANESHWAR PRASAD MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that after a gap of 04 quarters, 36 listed commercial banks recorded a 6.59 per cent decline in net profits in the second quarter of 2004-05; and

(b) if so, the details and reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. There has been a decline in net profit in last 6 quarters in respect of 36 listed commercial banks. The details are given below:

FY	Period	PAT during the quarter	Net increase/decrease from previous quarter	% increase/decrease from previous quarter
03-04	June-03	3953.90	412.17	11.64
	Sep-03	4495.91	542.01	13.71
	Dec-03	4269.34	-226.57	-5.04
04-05	Mar-04	4855.84	586.50	13.74
	Jun-04	4675.07	-180.77	-3.72
	Sep-04	4075.59	-599.48	-12.82

The decline in profits is due to various reasons like decline in net-interest income or non-interest income, increase in operating expenses or higher provisioning and write offs, fall in income from securities trading and tax provisioning.

[Translation]

Opening of Branches of Banks Abroad

1774. SHRI BRAJESH PATHAK: Will the Minister of FINANCE be pleased to state:

(a) whether nationalised banks have opened/propose to open their branches abroad with a view to expand their business;

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

(c) whether the Government have received any proposals from the foreign banks to open their branches in the country; and

(d) if so, the details of such banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Eight nationalised banks have opened 71 branches at overseas centres with a view to expand their business. Three nationalised banks from above eight propose to open five more branches at overseas centres.

(c) and (d) Reserve Bank of India (RBI) has received a proposal from UBS AG (Incorporated in Switzerland) for upgradation of their Mumbai Representative Office into a branch. Commercial Bank of Ceylon has also submitted a proposal for opening a branch at Chennai. RBI has also received proposals for opening additional branches by following foreign banks already operating in the country:

- (i) ABN Amro Bank
- (ii) Citi Bank
- (iii) Hong Kong and Shanghai Banking Corporation
- (iv) Standard Chartered Bank
- (v) Deutsche Bank
- (vi) Chohung Bank
- (vii) DBS Bank.

[English]

Committee of Experts for Handloom Industry

1775. SHRI D. VITTAL RAO: Will the Minister of TEXTILES be pleased to state;

(a) whether the Government is considering to set up a committee of experts to frame a policy/guidelines on unorganised sectors especially for handlooms and handicrafts industry in the country;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) the number of handloom and handicraft units which have become sick and have been closed during the last three years, State-wise;

(e) the number of workers affected; and

(f) the steps taken by the Government to rehabilitate the aforesaid workers.

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The Government of India has set up National Commission of Enterprises in the Unorganized/ Informal sector.

(b) The Commission has been set up with a full time Chairman, two full time members, two part time members and a member secretary. There will also be an 11 member advisory Board. The Commission will *inter-alia*, review the status of unorganized sector, identify constraints faced by these enterprises, suggest the legal and policy environment for growth, employment, exports and promotion, etc. The term of the Commission is for a period of one year.

(c) Does not arise.

(d) The handlooms and handicrafts are decentralized and dispersed sector and many of the weavers or artisans are based in household manufacturing. No sickness and closure of units have been reported.

(e) and (f) Does not arise.

India-GCC Agreement

1776. SHRI RAYAPATI SAMBASIVA RAO:
SHRI HARISH CHANDRA CHAVAN:
SHRI Y.G. MAHAJAN:
SHRI MOHAN RAWALE:

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

(a) whether India and the Gulf Cooperation Council (GCC) have signed a framework agreement on economic cooperation to give fillip to existing commercial and economic ties between the two countries;

(b) if so, whether the Commerce Ministry and the Foreign Ministry of Kuwait, Chairman on behalf of GCC, signed the agreement in this regard;

(c) if so, the details of the agreement;

(d) extent to which India and Gulf Cooperation Council have started implementing this agreement;

(e) whether some gulf countries have imposed restrictions on the import of food items from India; and

(f) if so, reasons for restrictions and steps taken to obviate such restrictions?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN); (a) to (c) Yes, Sir. India and the Gulf Cooperation Council (GCC) have signed a Framework Agreement on Economic Cooperation (FAC). The Agreement was jointly signed by the Minister of Commerce and Industry, the Foreign Minister of Kuwait, in his capacity of President of GCC and Secretary-General of GCC on the 25th August, 2004 in New Delhi. The Agreement aims at expansion and liberalisation of trade and enhancement of the level of economic cooperation between India and the GCC.

(d) As a follow-up of the signing of the Agreement, a feasibility study on a Free Trade Agreement (FTA) between the two sides has been entrusted to the National Centre for Trade Information (NCTI), New Delhi. Discussions were held with a GCC delegation in New Delhi on 19th November, 2004, in which both sides *inter alia* agreed to continue the process of dialogue in the context of the provision of the Agreement.

(e) and (f) Yes, Sir. Saudi Arabia has imposed restrictions on the import of some food items from India on health, phyto-sanitary and religious grounds. Government have taken up the issue with the Saudi Arabian Government at all bilateral fora dealing with economic and commercial issues.

Voting Powers In IMF and World Bank

1777. SHRI ASADUDDIN OWAISI: Will the Minister of FINANCE be pleased to state:

(a) whether the developing countries have a say in voting powers at IMF and World Bank;

(b) if so, whether India at present is one of those countries who have voting power in the above two agencies;

(c) whether India stands to suffer a loss in its voting power at these two bodies under their revamping governance and decision-making proposals; and

(d) if so, the steps taken or being taken by Government to retain its voting power at these two bodies?

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

(b) Yes, Sir. India has been assigned 41,832 votes in the IMF out of a total 21,76,037 votes representing 1.93% of the total. And India's share of votes at the World Bank is 45045 out of a total of 161,618,661 votes representing 2.78% of the total.

(c) No, Sir.

(d) Question does not arise.

Credit Flow to Rural Sectors

1778. SHRI TUKARAM GANPAT RAO RENGE PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether credit flow to rural sector is very slow in comparison to the urban industries;

(b) if so, the amount advanced by banks to rural and urban industries during the last three years, bank-wise, industry-wise and year-wise;

(c) whether the Government has asked the banks to enhance their lending to the rural industries while advising them to set up 'Rural Industry Fund' on the lines of 'Capital Venture Fund'; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Information is being collected and will be laid on the Table of the House.

LIC Service Tax

1779. SHRI KIRTI VARDHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the LIC proposes to absorb service tax during current year;

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

(c) whether in a bid to hike its capital through an IPO or otherwise to sustain its growth momentum the LIC has approached the Union Government;

(d) if so, the reaction of the Government on LIC request;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Life Insurance Corporation of India (LIC) has informed that they intend to absorb Service Tax on agency commission and all input services. Regarding policies, LIC would bear the cost of service tax under all conventional individual products. However, for Pure risk products which include Group Term Assurance Plans and Unit Linked Plans, where the risk premium content is readily identifiable, the cost of service tax on the risk premium shall be borne by the policyholder.

(c) No, Sir.

(d) Does not arise.

Powerloom Parks

1780. SHIRMATI SUMITRA MAHAJAN: Will the Minister of TEXTILES be pleased to state:

(a) the number of powerloom parks set up by the Government, State and location-wise;

(b) whether the Government aims to set-up more powerloom parks in future;

(c) the facilities provided to powerloom sector workers by these powerloom parks;

(d) the number of units benefited by TUFSS (Technology Upgradation Fund Scheme); and

(e) details of performance of TCIDS (Textile Centre Infrastructure Development Scheme)?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) No, Sir. No powerloom park has yet been set up by the Government of India in any of the States.

(b) and (c) Yes, Sir. Government of India is encouraging establishment of high-tech powerloom parks involving modernized powerlooms through assistance under the Schemes like—(i) The Technology Upgradation

Fund Scheme (TUFSS); (ii) The Group Workshed Scheme (GWS); and (iii) The Textile Centre Infrastructure Development Scheme (TCIDS). The TUFSS, which has component of interest or capital subsidy aims at accelerated modernization of the textile sector to make it internationally competitive. The GWS aims at improving the working environment of powerloom workers to enable them attain higher productivity and encouraging the powerloom entrepreneurs for installation of larger and improved looms of benchmarked technology. The TCIDS provides central assistance for improving critical infrastructure in existing or emerging textile centres including powerloom clusters. The following benefits are available under these Schemes:

Technology Upgradation Fund Scheme (TUFSS)

- Reimbursement of five percent interest charged by the financial institutions/banks for technology upgradation projects in conformity with the Scheme.
- For small scale powerloom units an alternative option of credit linked 20% capital subsidy for powerloom and weaving preparatory machinery, upto a cost of Rs. 60 lakh, with the facility to obtain credit from an enlarged credit network that includes all cooperative banks and other genuine non-banking financial companies (NBFCs) recognized by the Reserve Bank of India.

Group Workshed Scheme (GWS)

- Subsidy for construction of workshed limited to 25% of the unit cost of construction subject to a maximum of Rs. 80/- per. sq. ft.

Textile Centre Infrastructure Development Scheme (TCIDS)

- For developing critical infrastructure like road, common facility drainage, power supply etc. subsidy upto Rs. 20.00 crores per cluster.

In addition to the above Schemes, Government of India has introduced a **Group Insurance Scheme** in July, 2003 for Powerloom workers in association with the Life Insurance Corporation of India, under which powerloom workers aged between 18 to 59 years and below the poverty line (BPL) or marginally higher than the BPL are eligible for an insurance coverage of Rs. 50,000 on

accidental death/permanent disability; Rs. 25,000 on permanent partial disability; or Rs. 20,000 on natural death/partial disability under the scheme 'Janashri Bima Yojana'. The annual premium of Rs. 200 would be shared by the Central Government, beneficiary and LIC in the ratio of Rs. 60, 40 and 100 respectively. Under the add on scheme, additional insurance coverage of Rs. 30,000 on natural as well as accidental death is made available at annual premium of Rs. 180, which would be shared equally by Central Government and beneficiary. On paying weaver can avail cumulative benefits. As on date nearly 50,478 powerloom workers have been covered under the scheme and Government of India has released Rs. 38.42 lacs towards its share in the scheme.

(d) Progress under the TUFs

- As on October 31, 2004, a total of 3599 applications have been received under the Scheme with a project cost of Rs. 25115 crore. 3361 applications with a project cost of Rs. 20367 crore have been sanctioned for a loan amount of Rs. 9271 crore. Rs. 6281 crore have been disbursed in respect of 2816 applications having project costs of Rs. 15565 crore.
- Under the five percent interest subsidy component of Technology Upgradation Fund Scheme (TUFs), an amount of Rs. 164.73 crores have been sanctioned to 368 Powerloom units with the project cost of Rs. 262.87 crore, out of which Rs. 85.57 crore has been disbursed to 290 Powerloom units upto 30th October 2004.
- Under the 20% capital subsidy component of TUFs for powerloom units, 150 cases have been received with a total investment of Rs. 35.86 crore in machinery as on 30th November 2004. The subsidy amount of Rs. 3.19 crore have been released in respect of 86 cases and other cases are at various stages of processing.

(e) Till date, 16 TICDS project proposals have been approved by Government in the States of Andhra Pradesh, Gujarat, Haryana, Kerala Madhya Pradesh, Maharashtra, Rajasthan, Jammu & Kashmir and Tamil Nadu. The approved projects are under various stages of implementation. Central Grant-in-aid amounting to Rs. 11.95 crore has been released for various approved TICDS projects on reimbursement basis.

Closure of NTC Mills

1781. SHRI MOHAN RAWALE: Will the Minister of TEXTILES be pleased to state:

(a) the policy formulated by the Government for the rehabilitation of the workers rendered jobless on account of closure of textile mills;

(b) whether the Government has taken any steps to seek assistance from NIFT to make arrangement for providing training of these jobless workers;

(c) if so, the details thereof; and

(d) the action taken/proposed to be taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Ministry of Heavy Industry, Deptt. of Public Enterprises has formulated a scheme for counselling, re-training a redeployment of employees of CPSUs who are relieved/rendered jobless, before superannuation, on account of various reasons including Voluntary Retirement Scheme.

(b) to (d) No, Sir.

Social Forestry Projects

1782. SHRI JUAL ORAM: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government is funding the Social Forestry Projects in some States;

(b) if so, the States where these projects are being funded;

(c) the details of the allocation of fund made to these projects, project-wise and State-wise; and

(d) the presents status of these projects?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) to (d) The Ministry does not have any specific scheme for funding of Social Forestry Projects. However, this Ministry is sanctioning Special projects under Swarnajayanti Gram Swarozgar Yojana (SGSY) for creation of sustainable self employment

opportunities for the households in the rural areas below the poverty line, which include projects in the forestry sector also. State-wise and year-wise details of the special projects sanctioned under forestry sector is enclosed as

Statement. All the seven projects are under implementation and two projects have received second instalment.

Statement

Special Projects under Swarnjayanti Gram Swarozgar Yojana (SGSY) in Forestry Sector

(Rs. in Lakhs)

Sl No.	Name of the Project	State	Sector	Sector Code	Implementing Agency	Period in which Project Sanctioned	Project Period	Total Project Cost	Central Share	Central Funds Released			Total Central Release
										First Instalment Released	Second Instalment Released	Third Instalment Released	
1.	Project for Integrated Resources Development in Dhamtari District, Chhattisgarh.	Chhattisgarh	Forestry	6	DRDA, Dhamtari.	2003-04 (1.09.03)	2 yrs	1350.0000	896.250	358.500	358.500	-	717.000
2.	Empowerment of Rural Poor through SHGs by Promoting Kokum Plantation, Collection and Processing Sindhurg District, Maharashtra.	Maharashtra	Forestry	6	DRDA, Sindhurg	2003-04 (7.6.04)	5 yrs	298.420	186.590	74.840	-	-	74.840
3.	Sustainable Employment through Rejuvenation of Life Support System in Sidhi District.	MP	Forestry	6	ZP, Sidhi	2002-2003 (28.03.02)	3 yrs	1230.500	922.875	369.150	-	-	369.150
4.	Sustainable Employment through Forestry Activities on Degraded Revenue Forest Land in Shahdol MP.	MP	Forestry	6	ZP, Shahdol	2003-04 (8.02.04)	3 yrs	250.000	112.500	45.000	-	-	45.000
5.	Sustainable Employment through Forestry Activities on Degraded Revenue Forest Land in Damoh, MP.	MP	Forestry	6	ZP, Damoh	2003-04 (6.02.04)	5 yrs	500.000	225.000	90.000	-	-	90.000
6.	Sustainable Employment through Forestry Activities on Degraded Revenue Forest Land in Chhatarpur, MP.	MP	Forestry	6	ZP, Chhatarpur	2003-04 (6.02.04)	3 yrs	800.000	270.000	108.000	-	-	108.000
7.	Special Project under SGSY for Comprehensive Community Development Project for the BPL Families in Selected Villages of Benewara District of Rajasthan.	Rajasthan	Forestry	6	Forest Division, Benewara	2002-2003 (24.10.2002)	2 yrs	241.000	180.750	72.300	72.300	-	144.600
Total								4469.820	2783.985	1117.590	430.800	0.000	1548.390

Computerisation of Courts

1783. SHRI SANAT KUMAR MANDAL: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government has selected some courts in four major metropolitan cities for computerisation;

(b) if so, the details thereof;

(c) whether such computerisation would be restricted only to the High Courts or to be extended to the district courts in such cities; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Yes, Sir.

(b) The Government has implemented the scheme of Computerisation of City Civil Courts in four metropolitan cities of Chennai, Delhi, Mumbai and Kolkata and has so far released Rs. 17.80 crore under this scheme.

(c) and (d) Computerisation would not be restricted to the High Courts and would be extended to the district courts in such cities. The Government has also released an amount of Rs. 24.24 crores for the Computerisation of City Courts in Sate Capitals or places where the Principal Bench of the High Courts are located. A scheme for computerisation of District and Subordinate Courts in the States and Union Territories is under active consideration of the Government.

Funds for Consumer Protection

1784. SHRI KAILASH MEGHWAL: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether there are two separate funds available for consumer protection and awareness-one with the Department of Company Affairs (DCA) and another with the Securities and Exchange Board of India (SEBI);

(b) if so, the funds utilized by DCA so far for the purpose;

(c) whether the Government is considering to transfer the Investor Education and Protection Fund (IEPF) available with DCA to the SEBI; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

Pronouncing of Judgement

1785. SHRI PAWAN KUMAR BANSAL: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether after the conclusion of arguments, judgements are reserved by various High Courts in a large number of cases and not pronounced for a very long period;

(b) if so, whether there are any norms fixing the time pronouncing a judgement; and

(c) the number of cases pending for pronouncements in various High Courts of the Country for six months, one year and over one year respectively?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) As per available information there were 173 cases in Madhya Pradesh High Court, 60 cases in Karnataka High Court, 12 cases in Uttaranchal High Court as on 31st December 2003 and 38 cases in Calcutta High Court as on 30th June 2003 where judgements were reserved. As for other High Courts, there are no such cases where judgements have been reserved.

(b) Order XX Rule (1) (i) of the CPC (Amendment) Act, 2002 provides as under:

"The Court, after the case has been heard, shall pronounce judgement in an open Court, either at once, or as soon thereafter as may be practicable and when the judgement is to be pronounced on some future date, the Court shall fix a day for that purpose of which due notice shall be given to the parties or their pleaders:

Provided that where the judgement is not pronounced at once, every endeavour shall be made by the Court to pronounce the judgement within thirty days from the date on which the hearing of the case was concluded, but where it is not practicable so to do on the ground of the

exceptional and extraordinary circumstances of the case, the Court shall fix a future day for the pronouncement of the judgement, and such day shall not ordinarily be a day beyond 60 days from the date on which the hearing

of the case was concluded, and due notice of the day so fixed shall be given to the parties or their pleaders."

(c) A statement is enclosed.

Statement

Sl. No.	High Courts	No. of cases in which judgement reserved				As on
		More than 1 but less than 2 months	2-4 months	4-6 months	Over 6 months	
1.	Allahabad	0	0	0	0	31.12.03
2.	Andhra Pradesh	0	0	0	0	31.12.03
3.	Bombay	0	0	0	0	31.12.03
4.	Calcutta	13	25	0	0	30.6.03
5.	Delhi*	0	0	0	0	31.12.03
6.	Gujarat	0	0	0	0	31.12.03
7.	Gauhati	0	0	0	0	31.12.03
8.	Himachal Pradesh	0	0	0	0	31.12.03
9.	Jammu & Kashmir	0	0	0	0	31.12.03
10.	Karnataka	46	14	0	0	31.12.03
11.	Kerala	0	0	0	0	31.12.03
12.	Madras	0	0	0	0	31.12.03
13.	Madhya Pradesh	173	0	0	0	31.12.03
14.	Orissa	0	0	0	0	31.12.03
15.	Patna	0	0	0	0	31.12.03
16.	Punjab & Haryana	0	0	0	0	31.12.03
17.	Rajasthan	0	0	0	0	31.12.03
18.	Sikkim	0	0	0	0	31.12.03
19.	Uttaranchal	10	2	0	0	31.12.03
20.	Jharkhand+	-	-	-	-	-
21.	Chhattisgarh+	-	-	-	-	-
Total		242	41			

* Hon'ble High Court of Delhi has not sent its required information in the Report for the period mentioned above.

+ Both the Hon'ble High courts have not sent any quarterly report.

**Accelerated Rural Water Supply Programme
(ARWSP)**

1786. SHRI JASHUBHAI DHANABHAI BARAD: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has received any request from State Governments to enhance the funds under Accelerated Rural Water Supply Programme (ARWSP) during the current financial year;

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

(c) the funds allocated, State-wise?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) and (b) Depending upon the performance and need of the State Governments/UTs and requests received from them, Government of India has been providing additional funds to States/UTs under ARWSP from time to time.

(c) During the current year, Rs. 3148 crore has been allocated to the States/Union Territories under Accelerated Rural Water Supply Programme, including additional allocation of Rs. 248 crore in the month of October 2004. State-wise details of the funds allocated under various components of ARWSP are enclosed as Statement.

Statement

State-wise allocation under various components of ARWSP during 2004-2005

(Rs. in Lakh)

Sl. No.	State/Union Territory	Allocation				Total
		ARWSP-Normal	ARWSP-DDP	PM's Prog.	Swajaldhara	
1	2	3	4	5	6	7
1.	Andhra Pradesh	13084.00	676.40	8827.80	1632.65	24220.85
2.	Bihar	7405.00	0.00	0.00	923.98	8328.98
3.	Chhattisgarh	2663.00	0.00	0.00	332.20	2995.20
4.	Goa	121.00	0.00	0.00	15.04	136.04
5.	Gujarat	6623.00	73.35	833.64	826.42	8356.41
6.	Haryana	1974.00	733.00	23.27	246.48	2976.75
7.	Himachal Pradesh	5427.00	11.20	0.00	677.16	6115.36
8.	Jammu and Kashmir	12502.00	366.60	655.65	1560.02	15084.27
9.	Jharkhand	2949.00	0.00	265.30	368.12	3582.42
10.	Karnataka	10046.00	1731.55	2081.65	1253.54	15112.74
11.	Kerala	3946.00	0.00	0.00	492.54	4438.54
12.	Madhya Pradesh	7745.00	0.00	2882.22	966.49	11593.71
13.	Maharashtra	15971.00	0.00	4583.46	1992.80	22547.26
14.	Orissa	6934.00	0.00	1792.98	865.23	9592.21
15.	Punjab	2815.00	0.00	143.16	351.11	3309.27

1	2	3	4	5	6	7
16.	Rajasthan	20392.00	8847.90	2382.82	2544.51	34167.23
17.	Tamil Nadu	7125.00	0.00	1525.85	889.10	9539.67
18.	Uttaranchal	3035.00	0.00	0.00	378.67	3413.67
19.	Uttar Pradesh	12991.00	0.00	791.64	1821.08	15403.70
20.	West Bengal	8527.00	0.00	2312.29	1084.08	11903.35
21.	Andaman and Nicobar Islands	5.83	0.00	0.00	12.89	18.32
22.	Chandigarh	0.00	0.00	0.00	0.00	0.00
23.	Dadra and Nagar Haveli	3.75	0.00	0.00	8.46	12.21
24.	Daman & Diu	0.00	0.00	0.00	0.00	0.00
25.	Delhi	2.81	0.00	0.00	6.35	9.16
26.	Lakshadweep	0.00	0.00	0.00	0.00	0.00
27.	Pondicherry	2.81	0.00	0.00	6.35	9.16
28.	Arunachal Pradesh	6125.00	0.00	0.00	473.78	6598.78
29.	Assam	10331.00	0.00	4184.75	797.36	15313.11
30.	Manipur	2103.00	0.00	0.00	162.88	2265.88
31.	Meghalaya	2422.00	0.00	253.49	186.12	2861.61
32.	Mizoram	1737.00	0.00	75.69	133.25	1945.94
33.	Nagaland	1782.00	0.00	0.00	137.48	1919.48
34.	Sikkim	731.00	0.00	72.59	57.11	860.70
35.	Tripura	2149.00	0.00	526.82	164.97	2840.79
Sub Total (A)		179670.00	12440.00	34214.87	21147.94	247472.81

Note: In addition to the above State-wise allocation, the following amount is earmarked for various other components of ARWSP

Committed liability of previous years under Swajaldhara and Sector Reform Projects	36852.06
Committed liability of previous years under PM's programme	6785.13
Funds earmarked for calamity relief	13690.00
Funds earmarked for support activities viz. HRD, IEC, MIS etc.	10000.00
Sub Total (B)	67327.19
Total (A+B)	314800.00

[*Translation*]

Modernisation of NTC Mills

1787. SHRI Y.G. MAHAJAN:
SHRI MAHESH KANODIA:
PROF. RASA SINGH RAWAT:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to increase the amount of textile fund formed for the modernisation of NTC mills;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the details of the present amount of the textile fund?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) No, Sir.

(b) Does not arise.

(c) and (d) BIFR has already approved a Rehabilitation Scheme for National Textile Corporation envisaging closure of 66 unviable mills and modernization of 53 viable mills at an estimated cost of Rs. 736.00 crores. The Scheme is under implementation.

[*English*]

Loan for PMGSY

1788. SHRI BRAJA KISHORE TRIPATHY: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Asian Development Bank has extended loan for the Prime Minister Gramin Sadak Yojana;

(b) if so, the details of the terms and conditions fixed for such loan;

(c) the details of loan received by the Government from this Bank so far; and

(d) the details of Asian Development Bank loan provided to various States by the Union Govt. so far the said Yojana?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) Yes Sir.

(b) Asian Development Bank (ADB) has approved a loan of US \$ 400 m for taking up Pradhan Mantri Gram Sadak Yojana works in the States of Madhya Pradesh and Chhattisgarh. The loan has a 5-years moratorium and a 20 year repayment period thereafter. The rate of interest is calculated on the basis of LIBOR plus, as per normal procedure.

(c) and (d) The Agreement has been signed with the ADB on 25.11.2004. A budget allocation of Rs. 100 crore has been provided during 2004-05 for the project.

Restrictions on Non-Banking Financial Companies

1789. SHRIMATI MANORAMA MADHAVRAJ: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has recently imposed restrictions on non-banking finance companies like Sahara and Peerless on acceptance of deposits from the public;

(b) if so, whether this move has been prompted by the Government while noticing irregularities on the part of these NBFCs;

(c) whether any of the depositor forum has brought to the notice of the regulatory authority any fraudulent dealings or refusal to repay deposits by NBFCs maturity; and

(d) if so, the details thereof?

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

(b) Does not arise.

(c) Reserve Bank of India (RBI) have reported that there are no complaints against both the above companies from any depositors' forum.

(d) Does not arise.

Mid Term Review

1790. SHRI IQBAL AHMED SARADGI: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has decided to have mid-term review of the annual policy statement for 2004-05;

(b) if so, whether this review of new credit policy will ease the guidelines to include a larger canvas of borrowers; and

(c) if so, the details of the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Reserve Bank of India (RBI) brings out a Mid-Term Review of the Annual Policy Statement every year. The Mid-Term Review for the year 2004-05 was released by the RBI on October 26, 2004. The Mid-Term Review has announced a number of measures to improve credit delivery. These measures, *inter-alia*, include the following:

- (i) Service area approach for delivery of credit to the farm sector has been dispensed with,
- (ii) Increase in the limit on advances under priority sector for dealers in agricultural machinery from Rs. 20 lakh to Rs. 30 lakh and for distribution of inputs for allied activities from Rs. 25 lakh to Rs. 40 lakh,
- (iii) Banks to increase their disbursements to small and marginal farmers to 40 percent of their direct advances under special agricultural credit plans by March 2007,
- (iv) Extension of the mechanism of special agricultural credit plans to private sector banks from 2005-06. Private sector banks urged to target an annual growth of at least 20-25 percent in their credit to agriculture,
- (v) Enhancement of composite loan limit for small scale industries from Rs. 150 lakh to Rs. 1 crore,
- (vi) Direct Finance by banks for housing up to Rs. 15 lakh to be treated as priority sector lending.

The above measures are expected to result in higher credit disbursement to agriculture and other sectors of the economy.

Crop Size of Tobacco

1791. SHRI BADIGA RAMAKRISHNA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has considered the representation made by the farmers of Andhra Pradesh

and Karnataka to take a decision on the crop size of tobacco;

(b) if so, whether the Union Government has taken decision in this regard;

(c) whether Tobacco Board has fixed Virginia tobacco crop size in Andhra Pradesh at 111.06 million kgs. in 2004-05, which is of the same level as previous season;

(d) if so, whether the Union Government has decided a different size crop in Karnataka; and

(e) if so, the main reason for fixing different crop size for Andhra Pradesh and Karnataka?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a), (b) and (d) Yes, Sir. The crop size of Flue Cured Virginia (FCV) tobacco for the States of Karnataka and Andhra Pradesh is fixed by the Tobacco Board. On a reference by the Tobacco Board the crop size for 2004-05 of Karnataka has been fixed at 67 million kilograms by the Government.

(c) Yes, Sir.

(e) The crop size of the two states is fixed keeping in view demand projection from the trade, trends in export, carry over stocks, customer preferences etc.

Scheme for Development on Non Farm Sector

1792. SHRI D. VITTAL RAO:
SHRI KAMLA PRASAD RAWAT:
SHRIMATI C.S. SUJATHA:
SHRI JASHUBHAI DHANABHAI BARAD:
SHRI SARVEY SATYANARAYANA:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government proposes to create rural business hubs;

(b) if so, the details thereof;

(c) whether the Government proposes to provide jobs to drought hit people in rural areas;

(d) if so, the details of mechanism thereof, State-wise;

(e) the scheme to help rural women find sustainable jobs along with the norms introduced therefor and those benefited/likely to be benefited, State-wise; and

(f) the steps to expand market infrastructure to benefit farmers?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) and (b) No decision has yet been taken on the creation of rural business hubs.

(c) to (e) The Ministry of Rural Development is implementing through the State Governments a self employment scheme namely, the Swarnajayanti Gram Swarozgar Yojana (SGSY) and a Wage Employment Scheme namely, the Sampooma Gramin Rozgar Yojana (SGRY) to provide employment opportunities to the families living Below the Poverty Line (BPL) in the rural areas including drought hit areas of the country. Under the SGSY, the Self Help Groups (SHGs) are being organized, 40% of the beneficiaries are women. The SGRY is being implemented as a centrally sponsored scheme on cost sharing basis between the Centre and the States. The cash component of the Programme is shared between the Centre and State in the ratio of 75:25. There is a provision of special component under the SGRY to provide supplementary based employment in the calamity affected rural areas.

(f) Up to 25% in case of North Eastern States and 20% in case of other States, of the allocation under the SGSY is for the infrastructure, which includes expansion of marketing infrastructure for the benefit of farmers.

FDI in Aviation Sector

1793. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Finance Ministry has recommended that foreign airlines be permitted to invest in Indian Aviation market;

(b) if so, whether Finance Ministry also wants FDI in Aviation sector to be routed through autonomous route;

(c) if so, whether the Government has taken any decision to allowing foreign airlines to acquire equity in the aviation sector; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (d) Government has increased the Foreign Direct Investment limits in "Air Transport Services (Domestic Airlines)" upto 49% and upto 100% by Non-Resident Indians (NRIs) through automatic route. No direct or indirect equity participation by foreign airlines is allowed.

IMF & World Bank Aid for Poverty Alleviation

1794. SHRI SANAT KUMAR MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether the International Monetary Fund (IMF) and World Bank have recently approved loan to India to support poverty alleviation programmes;

(b) if so, the details thereof;

(c) the States where this amount is likely to be provided; and

(d) the actual funds likely to be released during the current year, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The International Monetary Fund (IMF) does not provide project linked assistance to India to support poverty alleviation programmes. While, poverty alleviation is one of the primary objectives of all World Bank assistance in India, the World Bank has not approved any specific poverty alleviation project for India during the current financial year.

(b) to (d) Do not arise.

[Translation]

New Opium Policy

1795. SHRI KAILASH MEGHWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has announced new opium policy for the year 2005-06;

(b) if so, the details thereof;

(c) whether the farmers has opposed this policy;

(d) if so, the reasons therefor; and

(e) the response of the Union Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Opium Licensing Order (Policy) for the crop year 2005-06 has not been announced by the Government.

(b) to (e) In view of (a) above, does not arise.

[English]

Voters Identity Card

1796. SHRI PAWAN KUMAR BANSAL: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether there has been any progress in providing Voters Identity Cards by the Election Commission during the last three years;

(b) the percentage of electorate provided Identity Cards by the Election Commission so far, State/Union Territory-wise;

(c) the total cost incurred thereon;

(d) the time by when all the voters are likely to be provided such cards and its use made mandatory for casting one's vote at an election; and

(e) the steps taken by the Government to remove discrepancies noted so far in preparation of such cards and their reflection in the electoral rolls?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Yes, Sir. The Election Commission has informed that there has been considerable progress in providing in Electors Photo Identity Cards (EPIC) during the last three years.;

(b) A *statement* showing State/Union Territory-wise percentage of electorate in the 2004 roll provided with EPIC is enclosed.

(c) The expenditure on preparation of EPIC is shared between the Central and the State Government on 50:50 basis. A sum of Rs. 526,53,13,000/- has been released to the State Governments as the Government of India's share of the expenditure on the issuance of electors photo identity cards.

(d) The Election Commission has stated that the registration of electors is a continuous process, excepting

for a brief period between the last date for filing nomination and completion of election process. Therefore, the scheme of issue of EPIC to the registered electors is necessarily a continuous process as every new elector will also have to be covered by the scheme. The Commission has outlined steps to complete issue of EPIC in two phases. It has fixed a threshold limit of 85% coverage in the first phase during which field campaigns for extensive coverage of electors included in the existing roll are launched. The campaign is taken up using a targeted approach. Parts of electoral roll of a constituency representing groups of small villages or parts representing the same village in case of large village or localities in urban areas are clubbed together for the purpose of this analysis. Locations—called Designated Photography Locations (DPL)—are identified where the residual electors can be photographed in such a manner that a team of persons is able to cover them in a specified period of time. This campaign mode is continued till the threshold level of 85% of total electors is achieved.

In the second phase, those of the States/Union territories, who attain the threshold target of 85% will go in to the Maintenance Mode to issue EPIC to residual electors. In this mode permanent DPL centres are provided at the district/sub-divisional headquarters. The electors who have either been left out for any reason or those electors who are added to the roll later on are required to go to these DPLs to get their cards prepared.

It is the endeavour of the Commission to achieve the target of issuing the EPICs to all the electors enrolled in the electoral roll being revised w.r.t 01-01-2005 as the qualifying date by the end of year 2005.

The Commission is continuously emphasizing on use of EPIC in all elections. However, as the use of EPIC for the purpose of voting is still not well-settled drill, the Commission, as a matter of abundant caution have been permitting the electors who could not get/preserve their EPICs for some reasons, to vote at elections provided their identity is otherwise established by production of one of the alternative documents prescribed by the Commission.

(e) The Election Commission has informed that the scheme of EIPC was introduced in 1993 independent of electoral rolls. The EPIC details were not captured in the electoral roll. Some of the difficulties encountered were genuine as this was a completely new scheme in the implementation of which a variety of technical issues had to be addressed. The Computerisation of Electoral Rolls Programme in 1997 created the basic ground conditions

through which integration of EPIC with the electoral rolls became possible. Accordingly, the Commission issued revised guidelines in May 2000 for EPIC programme detailing technical specifications and implementation strategy that envisaged its full and complete integration with the programme of Computerisation of electoral rolls. Thereafter, intensive revision of electoral rolls has been undertaken in 2002 and 2003 in all States/Union territories, except Jammu & Kashmir and the North-Eastern States

of Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura to update the rolls as well as to capture the EPIC number in the electoral roll to synchronize the electoral database with that of EPIC. The Enumerators visited every house and collected the names of all eligible persons and also the EPIC number of the persons already possessing such cards. The same strategy is being followed during the current intensive revision of electoral rolls w.r.t. 01-01-2005 as the qualifying date in the North Eastern States and Jammu & Kashmir.

Statement

Status for the progress of Elector's Photo Identity Card

Sl. No.	State/Union Territory	Total Electors w.r.t. 01-01-2004 roll		Grand Total	Electors issued with Defect-free Identity Cards	% of EPIC issued (Column 3 & 6)
		General	(Service)*			
1	2	3	4	5	6	7
1.	Andhra Pradesh	51,001,479	28,554	51,030,033	39,395,792	77.24
2.	Arunachal Pradesh	624,086	736	624,822	304,822	48.84
3.	Assam	14,995,084	19,232	15,014,316	67,479	0.45
4.	Bihar	50,532,795	32,277	50,565,072	26,057,808	51.57
5.	Chhattisgarh	13,691,885	4,392	13,696,277	9,620,499	70.26
6.	Goa	940,468	649	941,117	764,837	81.33
7.	Gujarat	33,597,068	11,344	33,608,412	24,807,957	73.84
8.	Haryana	12,257,580	62,991	12,320,571	11,187,854	91.27
9.	Himachal Pradesh	4,127,440	45,609	4,173,049	3,053,116	73.97
10.	Jammu & Kashmir	6,345,696	31,176	6,376,872	3,198,936	50.41
11.	Jharkhand	16,799,443	4,995	16,804,438	8,380,610	49.89
12.	Karnataka	38,432,800	27,095	38,459,895	30,766,798	80.05
13.	Kerala	20,822,140	40,543	20,862,683	20,817,124	99.98
14.	Madhya Pradesh	38,386,651	17,866	38,404,517	27,254,099	71.00
15.	Maharashtra	62,667,450	75,597	62,743,047	44,455,999	70.94
16.	Manipur	1,532,628	3,880	1,536,508	2,841	0.19
17.	Meghalaya	1,299,419	1,170	1,300,589	1,033,575	79.54
18.	Mizoram	548,544	1,401	549,945	405,785	73.97

1	2	3	4	5	6	7
19.	Nagaland	1,040,347	1,398	1,041,745	723,749	69.57
20.	Orissa	25,629,772	21,787	25,651,559	20,790,801	81.12
21.	Punjab	16,568,709	43,635	16,612,344	11,661,495	80.38
22.	Rajasthan	34,629,341	71,988	34,701,329	26,900,347	77.68
23.	Sikkim	279,540	282	279,822	220,279	78.81
24.	Tamil Nadu	47,064,103	43,075	47,107,178	35,026,156	74.42
25.	Tripura	1,977,115	1,388	1,978,503	1,610,496	81.46
26.	Uttar Pradesh	110,284,179	83,069	110,367,248	63,895,986	57.94
27.	Uttaranchal	5,462,502	55,387	5,517,889	3,828,062	70.08
28.	West Bengal	47,433,587	37,048	47,470,635	40,862,587	86.15
29.	Andaman and Nicobar Islands	241,159	292	241,451	210,714	87.38
30.	Chandigarh	506,208	1,438	507,646	330,218	65.23
31.	Dadra and Nagar Haveli	122,664	17	122,681	83,615	68.17
32.	Daman & Diu	79,041	10	79,051	59,847	75.72
33.	Lakshadweep	38,990	43	39,033	35,564	91.21
34.	NCT of Delhi	8,748,816	4,840	8,753,656	5,699,482	65.15
35.	Pondicherry	636,022	265	636,287	636,022	100.00
Total:		669,344,751	775,469	670,120,220	464,151,369	69.34

* Service electors means a member of the Armed Forces of the Union, a member of the Armed Police Force of a State, and serving outside that State or employed under the Govt. of India in a post outside India.

Indira Awaas Yojana

1797. SHRI PARSURAM MAJHI: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has made additional amount of allocation for various States to implement Indira Awaas Yojana;

(b) whether the cost per unit is also being revised;

(c) if so, the original and subsequent additional allocation of fund made for Indira Awaas Yojana during 2004-2005 financial year; and

(d) the details of the revision made as cost per unit under Indira Awaas Yojana?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): (a) to (c) Under the Indira Awaas Yojana (IAY), in addition to the normal Central allocation, additional Central assistance is provided in emergent situations for natural calamities. During 2004-2005, an amount of Rs. 400.00 crore has been allocated to the State of Bihar as special additional Central assistance in the wake of floods. 50 percent of the additional allocated amount has already been released to the flood affected districts of Bihar. Accordingly, Ministry of Finance has been requested to enhance the existing allocation of Rs. 2500 crores to Rs. 2900 crores under the Indira Awaas Yojana for the current year.

(d) The ceiling on construction assistance under the Indira Awaas Yojana (IAY) has been enhanced from

Rs. 20,000/- to Rs. 25,000/- per unit for the plain areas and from Rs. 22,000/- to Rs. 27,500/- for the hilly/difficult areas with effect from 1.4.2004. The upper limit of assistance in respect of upgradation of unserviceable kutchra house has also been increased from Rs. 10,000/- to Rs. 12,500/- for all areas.

Closure of NTC Mills

1798. SHRI B. VINOD KUMAR:
DR. M. JAGANNATH:
SHRI HEMMAL MURMU:
SHRI THAWAR CHAND GEHLOT:
SHRI SUSHIL KUMAR MODI:
SHRI KAMLA PRASAD RAWAT:
YOGI ADITYA NATH:
SHRI AVINASH RAI KHANNA:

Will the Minister of TEXTILES be pleased to state:

(a) the names of National Textiles Corporation mills and number of employees working there at present, mill-wise and State-wise;

(b) the profit earned and losses suffered by these mills during each of the last three years, mill-wise;

(c) the mills declared sick/closed during the above period, State-wise;

(d) the number of workers affected due to closure of sick mills and the steps taken for their rehabilitation;

(e) the number of employees offered/opted Voluntary Retirement Scheme and the expenditure incurred thereon during the above period, State/mill-wise;

(f) the changes proposed in the current V.R.S.; and

(g) the steps taken/proposed to be taken to reopen revive the sick mills alongwith the amount incurred thereon, mill-wise?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) NTC has at present, 53 mills under its control which have been identified as viable as per the scheme approved by BIFR. Statement-I showing the names of the mills State-wise, number of employees working therein as on 1.11.2004 is enclosed.

(b) Statement-II showing profit and loss position of the 53 viable mills during the last three years mill-wise is enclosed.

(c) to (e) As per the Scheme approved by BIFR, 66 mills have been identified as unviable and are to be closed. 36357 employees in these 66 mills have availed the benefit of Modified Voluntary Retirement Scheme (MVRS) due to closure of these mills and an expenditure of Rs. 1228.07 crores has been incurred on this account. For the rehabilitation of the affected employees, Deptt. of Public Enterprises has formulated a Scheme for re-counselling, re-training and re-deployment of employees of Public Sector Enterprises who are relieved before attaining superannuation on account of various reasons including Voluntary Retirement Scheme. Statement-III showing the names of the closed mills, State-wise, the number of employees who have availed MVRS, and the amount of expenditure incurred, mill-wise, as on 15.11.2004 is enclosed.

(f) At present, there is no proposal to change the existing Voluntary Retirement Scheme.

(g) Out of 119 NTC mills, BIFR has approved revival of 53 viable mills through modernization at an estimated cost of Rs. 736 crores. Out of remaining 66 unviable mills, 65 mills have been closed so far under the ID Act and the closure of one mill is under process.

Statement-I

As on 01.11.2004

Sl. No.	Name of The Mills NTC (APKKM) Ltd.	Total No. of Employees
1	2	3
Andhra Pradesh		
1.	Tirupathi Cotton Mills, Renigunta	100
2.	Ananthapur Cotton Mills, Tadapatri	289

1	2	3
Karnataka		
3.	Minerva Mills, Bangalore	1002
4.	Sree Yallama Cotton Mills, Davangere	310
Kerala		
5.	Algappa Text. Mills, Alagappa	726
6.	Cannanore Spg. Wvg. Mills Cann., Cannanore	409
7.	Kerala Laxmi Mills, Trichur	532
8.	Vijaymohini Mills, Trivandrum	341
9.	Paravathi Mills, Quilon	679
Pondicherry		
10.	Cannanore Spg. Wvg. Mills, Maha Maha	399
NTC (DPR) Ltd		
Punjab		
11.	Kharar Text. Mills, Kharar	695
12.	Suraj Text. Mills, Malot	592
Rajasthan		
13.	Udaipur Cotton Mills, Udaipur	428
14.	Mahalaxmi Mills, Beawar	410
15.	Shree Bijay Cotton Mills, Bijaynagar	510
NTC (Gujarat) Ltd.		
16.	Ahmd. New Text. Mills, Ahmedabad	640
17.	Rajnagar Text. Mills, Ahmedabad	659
NTC (MN) Ltd.		
Maharashtra		
18.	Indu No. 6 Mumbai	441
19.	Indu No. 1 Mumbai	1010
20.	Kohinoor Mills-1, Mumbai	563
21.	Tata Mills, Mumbai	1235
22.	Podar Mills, Mumbai	1034
23.	RBBA Mills, Hinganghat	581
24.	Indu No. 5, Mumbai	463
25.	Savatram Ramprasa Mills, Akola	364

1	2	3
NTC (MP) Ltd.		
Madhya Pradesh		
26.	Burhanpur Tapti Mills, Burhanpur	390
27.	New Bhopal Text. Mills, Bhopal	619
NTC (SM) Ltd.		
Maharashtra		
28.	Apollo Text. Mills, Mumbai	603
29.	Barshi Text. Mills, Barshi	312
30.	Chaliegaon Text. Mills, Chaliegaon	563
31.	Finlay Mills, Mumbai	834
32.	Dhule Text. Mills, Dhule	639
33.	Gold Mohur Mills, Mumbai	602
34.	Nanded Text. Mills, Nanded	614
35.	New City Mills, Mumbai	723
36.	Aurangabad Text. Mills, Aurangabad	211
NTC (UP) Ltd.		
Uttar Pradesh		
37.	Swadeshi Cotton Mills, Mau	542
38.	Swadeshi Cotton Mills, Naini	1127
NTC (WBABO) Ltd.		
West Bengal		
39.	Laxminarayan Cotton Mills, Rishra	588
40.	Sodepur Cotton Mills, Sodepur	418
41.	Arati Cotton Mills, Dasnagar	478
Bihar		
42.	Bihar Co-operative, Mokameh	412
Orissa		
43.	Orissa Cotton Mills, Bhagatpur	388
Assam		
44.	Associated Industries, Chandrapura	203
NTC (TN&P) Ltd.		
Tamil Nadu		
45.	Cambodia Mills, Coimbatore	630
46.	Coimbatore Murugan Mills, Coimbatore	717
47.	Pankaja Mills, Coimbatore	497
48.	Sri Rangavilas Mills, Coimbatore	595

1	2	3
49.	Sri Sarda Mills, Coimbatore	387
50.	Coimbatore Spg. Wvg. Mills, Coimbatore	601
51.	Pioneer Mills, Lamudakudi	305
52.	Kaleeswarar-B, Kalayarkoil	425
Pondicherry		
53.	Sri Bharati Mills Pondicherry	476
Total		29311

Statement-II

National Textiles Corporation Limited, New Delhi
Profit Earned and (Losses) Suffered by Mills during last 3 years (State-wise)

Sl. No.	Name of the Mills	2001-02	2002-03	2003-04
1	2	3	4	5
Uttar Pradesh				(Rs. Lacs)
1.	Swadeshi Cotton Mill, Mau	(497.58)	(569.37)	717.61
2.	Swadeshi Cotton Mills, Naini	(1,507.61)	1,697.29)	3,202.11
Maharashtra (MN)				
1.	India United Mills 1	(21,352.56)	23,779.08)	22,333.94)
2.	India United Mills 5	(9,568.07)	(10,821.93)	(10,440.63)
3.	India United Mills 6	(8,997.71)	(10,280.14)	9,461.63)
4.	Sawatram Mills	(4,787.75)	(5,364.44)	(5,202.10)
5.	RBBA Mills	(5,224.24)	(623.61)	(6,517.64)
6.	Kohinoor Mill No.1	(12,655.40)	(14,890.65)	(13,497.38)
7.	Tata Mills	(11,042.40)	(13,441.05)	(14,143.89)
8.	Podar Mills	(7,419.04)	(9,162.59)	(9,327.63)
Maharashtra (SM)				
1.	Appolo Mills	458.41	(1,106.23)	(1,481.52)
2.	Finlay Mills	(1,483.38)	(1,744.04)	(1,991.75)
3.	Gold Mohur Mills	(1,135.62)	(1,387.64)	(1,720.46)
4.	New City Mills	(1,389.01)	(1,552.71)	(1,956.57)

1	2	3	4	5
5.	Aurangabad Textile mill	(149.77)	(27.60)	(327.05)
6.	Barshi Mills	(214.21)	(92.11)	(189.13)
7.	Chalisgaon Mills	(546.90)	(722.85)	(1,175.06)
8.	Dhule Textile Mills	(270.27)	(366.59)	(1,259.29)
9.	Nanded Textile Mills	(358.65)	(410.00)	(976.83)
Tamil Nadu				
1.	Comodia Mills	(455.25)	(465.56)	(631.10)
2.	Coimbatore Murugan Mills	(168.50)	(179.76)	(385.62)
3.	Coimbatore Spg. & Wvg. Mill	(1,439.25)	(1,700.10)	(1,088.55)
4.	Kaleeswarar Mills B	(397.91)	(334.30)	(481.11)
5.	Pankaja Mills	(356.73)	(371.15)	(436.10)
6.	Pioneer Spinners	(221.59)	(228.27)	(318.60)
7.	Shree Rangavilas-GS&W	(486.69)	(413.21)	(568.49)
8.	Shri Sharda Mills	(599.43)	(665.38)	(579.71)
Pondicherry				
1.	Shri Bharti Mills	(681.06)	(816.37)	(504.49)
West Bengal				
1.	Arti Cotton Mills	(574.00)	(547.00)	(725.00)
2.	Laximnarayan Coton Mill	(536.00)	(730.00)	(890.00)
3.	Sodepore Cotton Mill	(337.00)	(526.00)	(529.00)
Assam				
1.	Associated Industries	(478.00)	(515.00)	(497.00)
Bihar				
1.	Bihar Coop. WS Mills	(370.00)	(552.00)	(595.00)
Orissa				
1.	Orissa Cotton Mills	(528.00)	(534.00)	(486.00)
Gujarat				
1.	Ahmedabad New Textile Mill	(889.52)	(1,801.16)	(3,668.53)
2.	Rajnagar Textile Mill	(856.03)	(3,530.67)	(4,925.77)
Kerala				
1.	Algappa Mills	(212.07)	(606.91)	(713.74)
2.	Cannanore Mills	(124.87)	(77.29)	(175.77)
3.	Mahe Mills	(387.06)	(241.09)	(350.10)

1	2	3	4	5
4.	Kerala Laxmi Mills	(712.38)	(273.52)	(357.91)
5.	Vijaimohini Mills	(148.92)	(242.34)	(393.83)
6.	Parvathi Mills	(1,595.64)	(1,116.85)	(1,511.62)
7.	Tirupatti Cotton Mills	(635.27)	(281.49)	(310.64)
Karnataka				
1.	Minerva & Mysore Mills	(923.31)	(3,654.16)	3,099.07
2.	Yallamma Cotton Mills	(789.98)	(389.94)	(408.66)
Andhra Pradesh				
1.	Ananthapur Mills	(345.09)	(430.97)	(495.85)
Rajasthan				
1.	Mahalakshmi Mills	(585.51)	(644.36)	(547.36)
2.	Shree Bijai Cotton Mills	(490.03)	(373.39)	(820.20)
3.	Udaipur Cotton Mills	(578.06)	(567.20)	(181.14)
Punjab				
1.	Suraj Textile Mills	(525.73)	(574.63)	(608.11)
2.	Kharar Textile Mills	(523.19)	(526.00)	(464.58)
Madhya Pradesh				
1.	Burhanpur Tapti Mills	(540.00)	(1,590.00)	(2,097.00)
2.	New Bhopal Mills	(482.00)	(1,266.00)	(2,114.00)

Statement-III

Names of the Mills closed, their location, No. of Employees availed MVRS and the amount spent.

Sl. No.	Name of the Mills	No. of Employees Availed MVRS As on 15.11.2004	Amount spent on MVRS (Rs. in crores)
1	2	3	4
I. NTC (APKKM) Ltd.			
Andhra Pradesh			
1.	Adoni Mills, Adoni	104	3.49
2.	Natraj Mills, Nirmal	59	2.23
3.	Netha Mills, Secunderabad	126	2.73
4.	Azam Jahi Mills, Warrangal	453	15.59

1	2	3	4
Karnataka			
5.	M.S.K. Mills, Gulbarga	749	21.49
6.	Mysore Spg. & Wvg. Mills, Bangalore	Merged with Minerva Mills	-
II. NTC (DPR) Ltd.			
Punjab			
7.	Dayal Bagh, Amritsar	505	11.12
8.	Panipat Woolen Mills, Kharar	630	14.81
Rajasthan			
9.	Edward Mills, Beawar	280	6.88
III. NTC Gujarat Ltd.			
10.	Rajkot Mills, Ahmedabad	307	9.48
11.	Petlad Mills, Petlad	376	11.17
12.	New Manekchowk Text. Mills, Ahmedabad	778	27.36
13.	Virangam Text. Mills, Virangam	732	22.41
14.	Mahalaxmi Text. Mills, Ahmedabad	725	23.46
15.	Rajnagar-2, Ahmedabad	838	30.05
16.	AHMD. Jupiter Mills, Ahmedabad	794	28.00
17.	Himadri Textile Mills, Ahmedabad	525	19.41
18.	Jehangir Text. Mills, Ahmedabad	1102	40.87
IV. NTC (MN) Ltd.			
Maharashtra			
19.	Kohinoor-3, Mumbai	16	0.67
20.	Kohinoor-2, Mumbai	83	3.95
21.	Indu No. 4, Mumbai	592	30.4
22.	Indu No. 2, Mumbai	813	39.66
23.	Indu No. 3, Mumbai	490	23.84
24.	Jam Mfg. Mills, Mumbai	702	36.56
25.	Shri Sitaram Mills, Mumbai	292	13.09
26.	Model Mills, Nagpur	1305	45.48

1	2	3	4
27.	R.S.R.G. Mills, Akola	621	17.39
28.	Vidharbha Mills, Achalpur	528	16.62
V.	NTC (MP) Ltd.		
Madhya Pradesh			
29.	Kalyanmal Mills, Indore	1445	37.09
30.	Swadeshi Mills, Indore	615	16.85
31.	Hira Mills, Ujjain	874	22.73
32.	Indore Malwa Mills, Indore	1807	42.55
Chhattisgarh			
33.	Bengalnagpur Cotton Mills, Rajnandgaon	1203	31.18
VI.	NTC (SM) Ltd.		
Maharashtra			
34.	Bharat Text. Mills, Mumbai	809	34.14
35.	Digvijay Text. Mills, Mumbai	870	42.91
36.	Elphinstone Spg. & Wvg. Mills, Mumbai	702	34.19
37.	Jupiter Text. Mills, Mumbai	737	37.22
38.	Mumbai Text. Mills, Mumbai	794	37.50
39.	New Hind Text. Mills, Mumbai	875	40.66
40.	Podar Processors, Mumbai	431	19.47
41.	Shree Madhusudan Mills, Mumbai	512	22.05
VII.	NTC (SM) Ltd.		
West Bengal			
42.	Central Cotton Mills, Belur	219	8.04
43.	M.B.Text. Mills, Cossimbazar	101	3.66
44.	Bengal Fine-II Katagunj	46	1.64
45.	Jyoti Wvg. Factory, Patipukur	92	3.51
46.	Shree Mahalaxmi Mills, Palta	144	5.57
47.	Bangasri Cotton Mills, Sukhchar	64	2.36
48.	Bengal Luxmi Cotton Mills, Serampore	171	5.67

1	2	3	4
49.	Rampooria Cotton Mills, Rishra	194	6.59
50.	Bengal Fine S&W Mills-1, Konnagar	157	5.18
Bihar			
51.	Gaya Cotton Mills, Bihar	147	4.54
VIII. NTC (UP) Ltd			
Uttar Pradesh			
52.	Atherton Mills, Kanpur	979	26.86
53.	Bijli Cotton Millsm Hathras	109	3.17
54.	Laxmirattan Cotton Mills, Kanpur	1131	31.17
55.	Lord Krishna Text. Mills, Saharanpur	510	13.51
56.	Muir Mills, Kanpur	1235	35.27
57.	New Victoria Text. Mills, Rae Bareli	1265	35.45
58.	Rae Bareli Cotton Mills, Rae Bareli	165	4.03
59.	Shri Vikram Cotton Mills, Lucknow	470	12.47
60.	Swadeshi Cotton Mills, Kanpur	1106	35.53
IX. NTC (TN&P) Ltd.			
Tamil Nadu			
61.	Om Parasakthi Mills, Coimbatore	284	7.39
62.	Kishnaveni Text. Mills, Coimbatore	223	5.99
63.	Kaleeswarar "A", Coimbatore	216	5.97
64.	Somasundram Mills, Coimbatore	642	15.97
65.	Balaramvarma, Shencottah	292	6.39
Pondicherry			
66.	Swadeshi Cotton Mills, Pondicherry Closure under process	206	5.23
Total		36357	1228.07

Relaxed Export Control by U.S.A.

1799. SHRI IQBAL AHMED SARADGI:
SHRI SURESH KALMADI:

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

(a) whether talks on Indo-US trade were held in September, 2004 at New York;

(b) if so, the details thereof;

(c) whether India has convinced USA to restore benefits under US generalised system of preferences for about 250 agricultural, chemical and pharmaceutical products from the country;

(d) if so, the details thereof;

(e) whether USA has agreed to relax export controls on civilian, nuclear, and space facilities requirement of India; and

(f) the extent to which it would help in enhancing mutual co-operation between two countries.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) and (b) The Government is not aware about any Indo-US trade talks held in September 2004 at New York. However, the Prime Minister of India and the US President had a meeting on September 21, 2004 on the sidelines of the UN General Assembly Session. The Discussions included *inter alia* issues relating to bilateral cooperation and economic relations.

(c) and (d) Under the US Generalized System of Preferences (GSP) Scheme, Indian exports are given duty free access into the US market for a wide range of products. The US withdrew GSP benefits in 1992 to over 800 items of Indian exports in agricultural, chemicals, pharmaceuticals handloom textiles, jewellery on the grounds of lack of adequate protection to Intellectual Property in India. Following our representations, the US restored GSP benefits on 42 Indian products in 2001. We have maintained that with the passage of the Patents (Amendment) Act 2002, India has fulfilled its commitment under the WTO as they exist at present and have sought restoration of GSP benefits by the US on all the remaining products. USA has so far not agreed for restoration of GSP benefits to the remaining products.

(e) and (f) The Next Steps in Strategic Partnership (NSSP) between India and USA provides a platform to

enhance cooperation in civilian space, civilian energy, 'dual use' items and missile defence areas. NSSP has enabled USA to make modifications in its export licensing policies that will foster cooperation in commercial space programs and permit certain exports to safeguarded nuclear power plants in India.

Grain Export Corridor

1800. SHRI BADIGA RAMAKRISHNA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government propose to develop the grain export corridor from Meerut to Kakinada under the National Grain Management Policy;

(b) if so, the schedule drawn therefor;

(c) the likely date of commencement of the project; and

(d) the funds allocated therefor and the source of its funding?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) No Sir.

(b) to (d) Do not arise.

Judges Participated in Strike

1801. SHRI AVINASH RAI KHANNA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Supreme Court took action against 12 judges who participated in the Punjab and Haryana strike;

(b) if so, the total number of judges that have been shifted or transferred;

(c) the number of judges that have been found guilty of corruption;

(d) whether the Supreme Court has suggested a changes in laws for removing those corrupt judges whose number is increasing; and

(e) if so, the steps taken by the Government to amend the law for removing of such judges?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) and (b) The Supreme Court of India has informed that there was no strike by any judge in the Punjab & Haryana High Court and the question of the Supreme Court taking any action on such ground does not arise.

(c) The Chief Justice of India and the Chief Justice of a High Court have the competence to receive complaints against the conduct of the judge of his Court and when he receives any, he would look into it whether the allegations deserve to be closely looked into. As such, Government do not maintain any statistics in regard to the judges who have been found guilty of corruption.

(d) The Supreme Court has been consulted in the matter and they have given to understand that it is not right to say that the number of corrupt Judges is increasing. The Supreme Court has not suggested any change in the laws.

(e) Does not arise.

Promotion of Infrastructure Development

1802. SHRI SURESH CHANDEL: Will the Minister of FINANCE be pleased to state:

(a) whether infrastructure Equipment Bank exists in this country;

(b) if so, the details thereof; and

(c) if not, whether steps are taken to establish such bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) No, Sir. There is no such proposal at present.

Exemption of Concentrated Milk from Excise Duty

1803. SHRI VIJOY KRISHNA:
SHRI KIRTI VARDHAN SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has fully exempted concentrated milk from excise duty;

(b) if so, the details thereof;

(c) whether after such move the prices of milk in the country will come down; and

(d) if not, the steps taken by the Government to ensure that the benefit is equally shared by dairy farmers and consumers in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. Concentrated milk, not containing any sweetening material has been fully exempted from excise duty.

(b) The exemption has been extended *vide* notification No. 47/2004-Central Excise dated 9.9.2004.

(c) and (d) The sale price of a commodity depends on various factors, such as, demand and supply position, transportation and labour costs, state of the domestic industry, rate of inflation etc. However, the above exemption is expected to provide necessary support to the dairy sector and enable them to tap the full marketing potential of milk.

Exemption of Computer Training Institutes from Service tax

1804. SHRI P.K. VASUDEVAN NAIR:
SHRI C.K. CHANDRAPPAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Service Tax exemption for Computer Training Institutes was withdrawn;

(b) whether Vocational Training Institutes are also exempted from Service Tax;

(c) whether Government has received any representation from Computer Training institutes for exemption from Service Tax again; and

(d) if so, the decision taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Computer Training Institutes were exempt from payment of service tax upto 30.6.2004 and are chargeable to service tax with effect from 1.7.04.

(b) Vocational Training Institutes are exempt from service tax.

(c) and (d) The Government had received representations from Confederation of Indian Industry (CII) dated 22nd July, 2004 and computer training institutes requesting for exemption from service tax to computer training. The issue raised was examined and it was decided not to accede to the request.

*[Translation]***Increase in Import Duty on Milk Products**

1805. PROF. MAHADEORAO SHIWANKAR:
SHRI RATILAL KALIDAS VARMA:
YOGI ADITYA NATH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is considering increase in import duty on milk products;

(b) if so, the reasons therefor; and

(c) whether the Government is also considering to ban the import of the milk products?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No, Sir. There is no proposal at present to increase import duty on milk products.

(c) There is no proposal under consideration to ban import of milk and milk products at this stage.

*[English]***Gas Cylinder Notified under Explosives Act**

1806. SHRI UDAY SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has notified the Gas Cylinder Rules, 2004 under the Explosives Act;

(b) if so, the details thereof;

(c) whether the new rules for gas cylinders would provide relief to the gas industry; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) and (b) Yes, Sir. The Government has notified the Gas Cylinders Rules, 2004 under the Explosives Act, 1884. The Rules have been revised on the basis of the recommendations made by an Expert Group set up by the Government. The salient features of the Rules are self regulation in less hazardous applications, easy convertibility of cylinders from one gas to another within the category of non-toxic and non-

flammable gases, extended validity of licences, decentralization/delegation of authority to lower level offices etc.

(c) and (d) Yes, Sir. The provisions of the new rules relating to self regulations in certain cases, extended validity of licences and decentralization of authority are expected to provide relief to the gas industry and make the Government-Industry interface more efficient, transparent and user-friendly.

LIC Package

1807. SHIRMATI MANORAMA MADHAVRAJ: Will the Minister of FINANCE be pleased to state:

(a) whether the LIC is under severe pressure to comply with the solvency margin standards mandated by the Insurance Regulatory and Development Authority (IRDA);

(b) whether the LIC has sought a bail-out package from the Centre including waiver of its distributable surplus payable to the Government every year; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Life Insurance Corporation of India (LIC) has to comply with the Solvency Margin Requirements prescribed under the Insurance Regulatory and Development Authority (IRDA) Regulations. LIC was given a time frame by IRDA to comply with it in a phased manner. As on 31.03.2004 LIC has provided 110.7% Solvency Margin.

(b) No, Sir.

(c) Does not arise.

Guidelines on Rules and Regulations

1808. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the Government is working on a set of draft rules on transfer pricing in the context of related party transactions under the Companies Act;

(b) if so, whether to supplement the existing guidelines under other regulations, these guidelines are required; and

(c) If so, the time by which the rules on transfer pricing in corporate sector will be considered and introduced?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) Yes, Sir.

(b) Yes, Sir,

(c) A new legislation to replace the existing Companies Act 1956 is at concept stage. Rules for regulation of transfer pricing would be considered once the enabling provisions for the same are finalized in legislation.

[*Translation*]

Senior Citizens Deposit Scheme

1809. SHRI ALOK KUMAR MEHTA:
SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI S.P.Y. REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have started a new Deposit Scheme for the Senior Citizens;

(b) if so, the details thereof;

(c) whether there is a proposal to keep the interest earned from this scheme free from income tax provisions as in the case of Provident Fund; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. A Senior Citizens Saving Scheme, 2004 has been introduced by the Government with effect from 2nd August, 2994. Main features of the Scheme are as under:

- (i) Persons of 60 years of age and above are eligible to invest. Single or joint account (with spouse) can be opened.
- (ii) Persons who have retired from service and have attained the age of 55 years or more but less than 60 years are also eligible to invest, subject to conditions.

(iii) Deposit in multiples of Rs. 1000 subject to a maximum of Rs. 15 lakh is allowed.

(iv) The deposit carries interest at the rate of 9 percent per annum.

(v) The maturity period of the deposit is five years, extendable by another three years subject to conditions.

(vi) Premature withdrawal is allowed, subject to conditions.

(vii) The investment is non-tradable and non-transferable. However, nomination facility is available.

(viii) The scheme is available at post offices and designated branches of public sector banks.

(C) No, Sir.

(d) The senior citizens already enjoy specific concessions under the Income-tax Act. Further, the rate of interest under the Senior citizens saving scheme is higher than the rate available under other savings instruments.

Financial Assistance to States

1810. PROF. RASA SINGH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether many State Governments have suggested change in the procedure of providing financial assistance to States;

(b) if so, the details thereof;

(c) the reaction of the Union Government thereto and the names of the over drawing States; and

(d) the States which have established financial discipline in their States, whether such States will be liberally provided grants?

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

(b) Suggestions include change in loan: grant ratio of Normal Central assistance, provision of more additional Open Market borrowings for debt swap, debt relief/write off, charging lower rate of interest on Central Government loans, transfer of EAP grants as grants.

(c) Government of India has reduced interest rate on Central Govt. loans, allowed States to pre-pay high cost Central Government loans under debt swap Scheme, has permitted States to raise Additional Open Market Borrowings for debt swap. Government of India has also circulated a proposal for back to back transfer of external assistance. Other issues are within the jurisdiction of National Development Council and Finance Commission. The States which went in Overdraft at some point(s) in the current financial years, are Arunachal Pradesh, Assam, Goa, Himachal Pradesh, Kerala, Maharashtra, Manipur, Mizoram, Nagaland, Punjab, Uttaranchal, Uttar Pradesh and West Bengal.

(d) States are provided with incentive grants under the Fiscal Reform Facility as per MoU agreement signed with Government of India on achieving a stipulated reduction in the ratio of their revenue deficit as a percentage of revenue receipts. Similarly, States establishing financial discipline in electricity sector are being provided grant assistance under Accelerated Power Development and Reform Programme.

[English]

Service Tax

1811. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

- (a) whether Life Insurance Services have come under service tax;
- (b) if so, the details thereof;
- (c) the new services that have been brought under tax net since June, 2004; and
- (d) the other new services likely to be brought under the net?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes Sir;

(b) Service tax is leviable only on the risk cover in life insurance and is in force since 10-9-2004. In cases where the premium amount towards risk cover is not separately shown in the documents, insurance companies have an option to pay service tax on 1% of the gross amount charged. The rate of service tax is 10% Plus 2% educational cess (total rate being 10.2%).

(c) The following services were brought under the tax net since June, 2004:

- (i) Business exhibition services
 - (ii) Airport services
 - (iii) Transport of goods by air
 - (iv) Survey and exploration of minerals
 - (v) Opinion poll services
 - (vi) Intellectual property service (except copy rights)
 - (vii) Forward contract service
 - (viii) Pandal and shamiana service
 - (ix) Outdoor catering
 - (x) TV or radio programme production
 - (xi) Construction service relating to commercial/ industrial buildings
 - (xii) Travel agents
 - (xiii) The levy of service tax on Transport of goods by road would come into effect on 1-1-2005.
- (d) As it is a policy matter, no comment is offered.

Commercial Taxes

1812. SHRI SUGRIB SINGH: Will the Minister of FINANCE be pleased to state:

- (a) whether several States are facing financial crisis as they have failed to mobilize resources within the States;
- (b) if so, the State-wise arrears of commercial taxes as on date; and
- (c) the reasons why the State Governments are not able to recover the commercial taxes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Govt. of India does not make assessment of "financial crisis" in States. States do have revenue deficits. Eight States had revenue deficit to revenue receipt ratio exceeding 25% in the FY 2003-04 (RE).

(b) and (c) Collection of Sales tax on goods and specified services also referred to as commercial taxes falling under the State List of the Constitution is the responsibility of State Governments for which they are answerable to their receptive State Legislatures.

Government of India, therefore, does not maintain statistics on arrears of State taxes.

Rebate on Duties

1813. SHRI SURESH CHANDEL:
PROF. CHANDER KUMAR:
SHRIMATI PRATIBHA SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether a rebate in excise duty and other duties was announced initially for 10 years for setting up industrial units in Baddi Industrial area with a view to develop Himachal Pradesh industrially but the period of rebate has been reduced this financial year to seven years;

(b) if so, the reasons therefor;

(c) whether the Ministry have received any request from the State Government of Himachal Pradesh for continuing the above facility upto a period of 10 years as before;

(d) if so, when and what action was taken in this regard; and

(e) if not, whether the Union Government will consider continuing the above facility for 10 years as before?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government had announced excise duty exemptions to new units or existing units undertaking substantial expansion in the State of Himachal Pradesh subject to certain conditions. The exemption is valid for a period of ten years for the date of commencement of commercial production by such units. Government has now provided that the exemption will apply only if the unit is set up or substantial expansion takes place on or before 31st March, 2007. However, the period of exemption under the scheme continues to be ten years from the date of start of commercial production by eligible units.

(b) Does not arise, in view of (a) above.

(c) Yes, sir.

(d) and (e) No further change in the scheme is contemplated since all eligible units, that is to say new units which are set up or existing units which undertake

substantial expansion on or before 31.3.2007, will continue to enjoy benefit of the exemption for ten years from the date of start of commercial production.

12.01 hrs.

PAPERS LAID ON THE TABLE

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): I beg to lay on the Table a copy of the Statement (Hindi and English versions) regarding rejection of award given by the Board of Arbitration (BOA) for payment of Transport Subsidy of Rs. 30/- per month non-Gazetted staff (under C.A. reference No. 1 of 1988) in terms of Compulsory Arbitration under the Scheme of Joint Consultative Machinery (JCM) for the Central Government employees.

[Placed in Library. *See* No. LT-1017/04]

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): I beg to lay on the Table:

(1) (i) A copy of the Annual Report (Hindi and English versions) of the Synthetic and Art Silk Mills' Research Association, Mumbai, for the year 2003-2004, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Synthetic and Art Silk Mills' Research Association, Mumbai, for the year 2003-2004.

[Placed in Library. *See* No. LT-1018/04]

(2) (i) A copy of the Annual Report (Hindi and English versions) of the Handloom Export Promotion Council, Chennai, for the year 2003-2004, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Handloom Export Promotion Council, Chennai, for the year 2003-2004.

[Placed in Library. *See* No. LT-1019/04]

(3) (i) A copy of the Annual Report (Hindi and English versions) of the Synthetic and Rayon Textiles Export Promotion Council, Mumbai, for the year 2003-2004, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Synthetic and Rayon Textiles Export Promotion Council, Mumbai, for the year 2003-2004.

[Placed in Library. *See* No. LT-1020/04]

(4) (i) A copy of the Annual Report (Hindi and English versions) of the Apparel Export Promotion Council, New Delhi, for the year 2003-2004, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Apparel Export Promotion Council, New Delhi, for the year 2003-2004.

[Placed in Library. *See* No. LT-1021/04]

(5) (i) A copy of the Annual Report (Hindi and English versions) of the Man Made Textiles Research Association, Surat, for the year 2003-2004, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Man Made Textiles Research Association, Surat, for the year 2003-2004.

[Placed in Library. *See* No. LT-1022/04]

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): I beg to lay on the Table a copy each of the following Reports (Hindi and English versions) of Law Commission of India:

(1) One-Hundred Eighty-ninth Report on Revision of Court Fees Structure-February, 2004.

[Placed in Library. *See* No. LT-1023/04]

(2) One-Hundred Ninetieth Report on the Revision of the Insurance Act, 1938 and the Insurance Regulatory and Development Authority Act, 1999-June, 2004.

[Placed in Library. *See* No. LT-1024/04]

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL): On behalf of Dr. Raghuvansh Prasad Singh, I beg to lay on the Table:

(1) (i) A copy of the Annual Report (Hindi and English versions) of the National Rural Roads Development Agency, New Delhi, for the year 2003-2004, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Rural Roads Development Agency, New Delhi, for the year 2003-2004.

[Placed in Library. *See* No. LT-1025/04]

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): I beg to lay on the Table:

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 642 of the Companies Act, 1956:

(i) The Cost Accounting Records (Chemical Industry) Rules, 2004 published in Notification No. G.S.R. 562 (E) in Gazette of India dated the 2nd September, 2004.

(ii) The Cost Accounting Records (Milk Food) Amendment Rules, 2004 published in Notification No. G.S.R. 661 (E) in Gazette of India dated the 8th October, 2004.

[Placed in Library. *See* No. LT-1026/04]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): On behalf of Shri S.S. Palanimanickam, 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 Excise Act, 1944:

(i) G.S.R. 548 (E) published in Gazette of India dated the 27th August, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 6/2002-CE, dated the 1st March, 2002.

- (ii) G.S.R. 665 (E) published in Gazette of India dated the 11th October, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 23/98-CE, dated the 1st August, 1998.
- (iii) G.S.R. 741 (E) published in Gazette of India dated the 9th November, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 214/86-CE, dated the 25th August, 1986.
- (iv) G.S.R. 742 (E) published in Gazette of India dated the 9th November, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 39/2001-CE, dated the 31st July, 2001.
- (v) G.S.R. 581 (E) published in Gazette of India dated the 9th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No.6/2002-CE, dated the 1st March, 2002.
- (vi) G.S.R. 583 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No.6/2002-CE, dated the 1st March, 2002.
- (vii) G.S.R. 612 (E) published in Gazette of India dated the 15th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No.6/2002-CE, dated the 1st March, 2002.
- (viii) G.S.R. 615 (E) published in Gazette of India dated the 16th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No.6/2002-CE, dated the 1st March, 2002.
- (ix) The CENVAT Credit (Amendment) Rules, 2004 published in Notification No. G.S.R. 617 (E) in Gazette of India dated the 17th September, 2004 together with an explanatory memorandum.
- (x) The CENVAT Credit Rules, 2004 published in Notification No G.S.R. 600 (E) in Gazette of India dated the 10th September, 2004 together with an explanatory memorandum.
- (xi) G.S.R. 567 (E) published in Gazette of India dated the 6th September, 2004, together with an explanatory memorandum making certain amendments in the two Notifications mentioned therein.
- (xii) The Central Excise (Third Amendment) Rules, 2004 published in Notification No. G.S.R. 569 (E) in Gazette of India dated the 6th September, 2004.
- (xiii) G.S.R. 624 (E) published in Gazette of India dated the 20th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 23/2003-CE, dated the 31st March, 2003.
- (xiv) G.S.R. 565 (E) published in Gazette of India dated the 4th September, 2004, together with an explanatory memorandum extending the facility of removal of certain excisable goods mentioned in the Notification from the factory of production to a warehouse, or from one warehouse to another warehouse without payment of duty.
- (xv) G.S.R. 618 (E) published in Gazette of India dated the 17th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No.6/2002-CE, dated the 1st March, 2002.

[Placed in Library. See No. LT-1027/04]

(2) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962:

(i) G.S.R. 560 (E) published in Gazette of India dated the 31st August, 2004, together with an explanatory memorandum seeking to prescribe concessional rates of Customs duty for specified items covered in Early Harvest Scheme under India, Thailand Framework Agreement.

(ii) G.S.R. 564 (E) published in Gazette of India dated the 3rd September, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 21/2002-Cus, dated the 1st March, 2002.

- (iii) G.S.R. 584 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 69/2004-Cus, dated the 9th July, 2004.
- (iv) G.S.R. 653 (E) published in Gazette of India dated the 30th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No.21/2002-Cus, dated the 1st March, 2002.
- (v) The Publication of Daily Lists of Imports and Exports, Rules published in Notification No. G.S.R. 758 (E) in Gazette of India dated the 19th November, 2004, together with an explanatory memorandum.
- (vi) G.S.R. 602 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 21/2002-Cus, dated the 1st March, 2002.
- (vii) G.S.R. 603 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to operationalise the Duty Free Replenishment Certificate Scheme announced in the New Foreign Trade Policy, 2004-09.
- (viii) G.S.R. 604 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to operationalise the Advance Licence for Deemed Export Scheme announced in the New Foreign Trade Policy, 2004-09.
- (ix) G.S.R. 605 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to operationalise the Served from India Scheme announced in the New Foreign Trade Policy, 2004-09.
- (x) G.S.R. 606 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to operationalise the Advance Licence Scheme announced in the New Foreign Trade Policy, 2004-09.
- (xi) G.S.R. 607 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to operationalise the Advance Licence for Annual Requirement Scheme announced in the New Foreign Trade Policy, 2004-09.
- (xii) G.S.R. 619 (E) published in Gazette of India dated the 17th September, 2004, together with an explanatory memorandum seeking to operationalise the Duty Entitlement Pass Book Scheme announced in the New Foreign Trade Policy, 2004-09.
- (xiii) G.S.R. 620 (E) published in Gazette of India dated the 17th September, 2004, together with an explanatory memorandum seeking to operationalise the Export Promotion Capital Goods Scheme announced in the New Foreign Trade Policy, 2004-09.
- (xiv) S.O. 951(E) published in Gazette of India dated the 26th August, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of import.
- (xv) S.O. 952 (E) published in Gazette of India dated the 26th August, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of export.
- (xvi) S.O. 1005(E) published in Gazette of India dated the 15th September, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 36/2001-Cus., (NT), dated 3rd August, 2001.
- (xvii) S.O. 1051(E) published in Gazette of India dated the 27th August, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of import.
- (xviii) S.O. 1052 (E) published in Gazette of India dated the 27th August, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of export.
- (xix) S.O. 1189 (E) published in Gazette of India dated the 26th October, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign

currencies into Indian currency or vice-versa for the purpose of assessment of import.

- (xx) S.O. 1190 (E) published in Gazette of India dated the 26th October, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of export.
- (xxi) S.O. 1259 (E) published in Gazette of India dated the 10th November, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 36/2001-Cus., (NT) dated the 3rd August, 2001.
- (xxii) S.O. 1298 (E) published in Gazette of India dated the 24th November, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of import.
- (xxiii) S.O. 1299 (E) published in Gazette of India dated the 24th November, 2004, together with an explanatory memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or vice-versa for the purpose of assessment of export.
- (xxiv) G.S.R. 614 (E) published in Gazette of India dated the 15th September, 2004, together with an explanatory memorandum making certain amendments in the two Notifications mentioned therein.
- (xxv) G.S.R. 759 (E) published in Gazette of India dated the 19th November, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 21/2002-Cus., dated the 1st March, 2002.
- (xxvi) G.S.R. 566 (E) published in Gazette of India dated the 6th September, 2004, together with an explanatory memorandum making certain amendments in the eight Notifications mentioned therein.
- (xxvii) The Special Economic Zones (Fifth Amendment) Rules, 2004, published in Notification No. G.S.R. 568 (E) in Gazette of India dated the 6th September, 2004, together with an explanatory memorandum.
- (xxviii) G.S.R. 682 (E) published in Gazette of India dated the 18th October, 2004, together with an

explanatory memorandum specifying Phase-II. Sitapura Special Economic Zone at Jaipur in the State of Rajasthan as a Special Economic Zone.

- (xxix) G.S.R. 774 (E) published in Gazette of India dated the 25th November, 2004, together with an explanatory memorandum seeking to supercede the Notification No. 67/95 (NT)-Cus., dated the 1st November, 1995.
- (xxx) G.S.R. 668 (E) published in Gazette of India dated the 13th October, 2004, together with an explanatory memorandum making certain amendments in the Notification No.12/99-Cus., (NT), dated the 5th February, 1999.
- (xxxi) G.S.R. 81 (E) published in Gazette of India dated the 28th January, 2004, together with an explanatory memorandum seeking to exempt second hand computers and computer peripherals from the whole of the additional duty of Customs leviable thereon.
- (xxxii) G.S.R. 82 (E) published in Gazette of India dated the 28th January, 2004, together with an explanatory memorandum making certain amendments in the Notification No. 52/2003-Cus., dated the 31st March, 2003.
- (xxxiii) G.S.R. 311 (E) published in Gazette of India dated the 12th May, 2004, together with an explanatory memorandum allowing concessional rate of duty on the import of gold and silver when imported into India other than through post, courier or baggage.

[Placed in Library. See No. LT-1028/04]

- (3) A copy each of the following Notifications (Hindi and English versions) under sub-section (7) of section 9A of the Customs Tariff Act, 1975:
 - (i) G.S.R. 549 (E) published in Gazette of India dated the 30th August, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on Chloroquine phosphate, originating in or exported from China PR, at the rates recommended by the designated authority.
 - (ii) G.S.R. 641 (E) published in Gazette of India dated the 24th September, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on

- Methylene Chloride, originating in or exported from the Republic of Korea with effect from the 14th October, 2003, at the rates recommended by the designated authority.
- (iii) G.S.R. 648 (E) published in Gazette of India dated the 29th September, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on the Sun and/or Dust Control Polyester Film, originating in or exported from the United Arab Emirates and Chinese Taipei with effect from the 26th August, 2003, at the rates recommended by the designated authority.
- (iv) G.S.R. 659 (E) published in Gazette of India dated the 7th October, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on Poly Vinyl Chloride Paste Resin, originating in or exported from the Saudi Arabia, Republic of Korea and the European Union, at the rates recommended by the designated authority.
- (v) G.S.R. 663 (E) published in Gazette of India dated the 8th October, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on Propylene Glycol, originating in or exported from the United States of America, Singapore, Korea RP and the European Union, at the rates recommended by the designated authority.
- (vi) G.S.R. 669 (E) published in Gazette of India dated the 13th October, 2004, together with an explanatory memorandum seeking to rescind Notification No. 45/2003-Cus., dated the 21st March, 2003.
- (vii) G.S.R. 646 (E) published in Gazette of India dated the 28th September, 2004, together with an explanatory memorandum seeking to rescind Notification No. 73/2004-Cus., dated the 26th July, 2004.
- (viii) G.S.R. 647 (E) published in Gazette of India dated the 28th September, 2004, together with an explanatory memorandum seeking to impose anti-dumping duty on imports into India of Styrene Butadiene Rubber, originating in or exported from Japan, Korea RP or United States of America.
- (ix) G.S.R. 650 (E) published in Gazette of India dated the 30th September, 2004, together with an explanatory memorandum seeking to provisionally exempt imports of vitrified and porcelain tiles produced and exported by specified parties from anti-dumping duty.
- (x) G.S.R. 748 (E) published in Gazette of India dated the 16th November, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on Melamine, originating in or exported from the People's Republic of China with effect from 2nd April, 2004, at the rates recommended by the designated authority.
- (xi) G.S.R. 749 (E) published in Gazette of India dated the 16th November, 2004, together with an explanatory memorandum seeking to rescind Notification No. 53/2004-Cus., dated the 2nd April, 2004.
- (xii) G.S.R. 751 (E) published in Gazette of India dated the 17th November, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on 6 Hexanelactam, originating in or exported from Japan, European Union, Nigeria and Thailand, at the rates recommended by the designated authority.
- (xiii) G.S.R. 752 (E) published in Gazette of India dated the 18th November, 2004, together with an explanatory memorandum seeking to impose final anti-dumping duty on Polytetrafluoroethylene, originating in or exported from Russia at the rates recommended by the designated authority.
- (xiv) G.S.R. 753 (E) published in Gazette of India dated the 18th November, 2004, together with an explanatory memorandum seeking to rescind the Notification No. 141/1999-Cus., dated the 30th December, 1999.
- (xv) The 'Interim Rules of Origin'. In determining the origin of products eligible for the preferential tariff concessions for the Early Harvest Scheme pursuant to the Framework

Agreement between the Republic of India and the Kingdom of Thailand (Hindi and English versions) published in Notification No. S. O. 970 (E) in Gazette of India dated the 31st August, 2004, together with an explanatory memorandum.

- (xvi) S.O. 1300 (E) published in Gazette of India dated the 24th November, 2004, together with an explanatory memorandum containing Corrigendum to the Notification No. 101/2004-Cus. (NT), dated the 31st August, 2004.

[Placed in Library. See No. LT-1029/04].

- (4) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 94 of the Finance Act, 1994:

- (i) The Service Tax (Second Amendment) Rules, 2004 published in Notification No. G.S.R. 585 (E) in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum.
- (ii) G.S.R. 586 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum making certain amendments in the Notifications mentioned therein.
- (iii) G.S.R. 587 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt taxable service provided by a banking company or a financial institution or any other body corporate or commercial concern in relation to the collection of any duties or taxes levied by the Government of India or Government of a State. from the whole of the service tax leviable thereon.
- (iv) G.S.R. 588 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt taxable service tax on business auxiliary services in relation to the procurements of inputs, production of goods or provision of service on behalf of the client and other services incidental or auxiliary to these services, subject to certain conditions.

- (v) G.S.R. 589 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt construction service from so much of service tax as in excess of service tax calculated on 33 percent of the gross amount charged subject to certain conditions.

- (vi) G.S.R. 590 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt taxable service provided to a client in respect to Enterprise Resource Planning software system by a management consultant in connection with the management of any organisation in any manner, from the whole of the service tax leviable thereon.

- (vii) G.S.R. 591 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt service tax equivalent to the cess paid towards import of technology in relation to the intellectual property service.

- (viii) G.S.R. 592 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt that portion of value of taxable service mentioned therein from the whole of service tax leviable thereon.

- (ix) G.S.R. 593 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt outdoor catering service provided in railway train by an outdoor caterer.

- (x) G.S.R. 594 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt service tax on service provided by an outdoor caterer from so much of service tax as in excess of service tax calculated on fifty percent of the gross amount charged, subject to certain conditions.

- (xi) G.S.R. 595 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking

- to exempt service tax on service provided by outdoor caterer located within the premises of any academic institution or medical establishment.
- (xii) G.S.R. 596 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt service tax on service provided by a pandal or shamiana contractor from so much of service tax as is in excess of service tax calculated on seventy percent of the gross amount charged, subject to certain conditions.
- (xiii) G.S.R. 597 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to rescind two Notifications mentioned therein.
- (xiv) G.S.R. 598 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt service tax on vocational and recreational training institutes providing service in relation to the commercial training or coaching.
- (xv) G.S.R. 599 (E) published in Gazette of India dated the 10th September, 2004, together with an explanatory memorandum seeking to exempt that portion of value of taxable service, which is received prior to 10th September, 2004 in relation to the existing services whose scope has been expanded.
- (xvi) G.S.R. 616 (E) published in Gazette of India dated the 17th September, 2004, together with an explanatory memorandum seeking to exempt service tax on service provided by an aircraft operator in relation to transport of export cargo by aircraft.
- (xvii) G.S.R. 632 (E) published in Gazette of India dated the 22nd September, 2004, together with an explanatory memorandum seeking to exempt service tax on so much of the value of taxable service provided by banking company or financial institutions or any other body corporate or commercial concern which is equivalent to interest on overdraft, cash credit or discounting of bills, bills of exchange or cheques in relation to the banking and other financial services.
- (xviii) The Service Tax (Third Amendment) Rules, 2004 published in Notification No. G.S.R. 610 (E) in Gazette of India dated the 13th September, 2004, together with an explanatory memorandum.
- (xix) The Service Tax (Fourth Amendment) Rules, 2004 published in Notification No. G.S.R. 633 (E) published in Gazette of India dated the 22nd September, 2004, together with an explanatory memorandum.
- [Placed in Library. *See* No. LT-1030/04]
- (5) A copy each of the following Notifications (Hindi and English versions) under section 48 of the Foreign Exchange Management Act, 1999:
- (i) G.S.R. 551 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 46/2001-RB dated the 29th November, 2001.
- (ii) G.S.R. 552 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 47/2001-RB dated the 5th December, 2001.
- (iii) G.S.R. 553 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 63/2002-RB dated the 21st June, 2002.
- (iv) G.S.R. 554 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 70/2002-RB dated the 26th August, 2002.
- (v) G.S.R. 555 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 76/2002-RB dated the 12th November, 2002.
- (vi) G.S.R. 556 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 77/2002-RB dated the 25th November, 2002.
- (vii) G.S.R. 557 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 95/2003-RB dated the 2nd July, 2003.

- (viii) G.S.R. 558 (E) published in Gazette of India dated the 31st August, 2004 containing corrigendum to the Notification No. FEMA 96/2003-RB dated the 2nd July, 2003.
 - (ix) The Foreign Exchange Management (Current Account Transactions) (Amendment) Rules, 2004 published in Notification No. G.S.R. 608 (E) in Gazette of India dated the 13th September, 2004.
 - (x) The Foreign Exchange Management (Compounding Proceedings) (Amendment) Rules, 2004 published in Notification No. G.S.R. 609 (E) in Gazette of India dated the 13th September, 2004.
 - (xi) The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) (Fourth Amendment) Regulations, 2004 published in Notification No. G.S.R. 625 (E) in Gazette of India dated the 21st September, 2004.
 - (xii) G.S.R. 626 (E) published in Gazette of India dated the 21st September, 2004 regarding change of nomenclature of Exchange Control Department of R.B.I. from the Exchange Control Department to Foreign Exchange Department with effect from the 31st January, 2004.
 - (xiii) G.S.R. 711 (E) published in Gazette of India dated the 29th October, 2004 containing Corrigendum to the Notification No. FEMA. 89/2003-RB dated the 29th April, 2003.
 - (xiv) G.S.R. 712 (E) published in Gazette of India dated the 29th October, 2004 containing Corrigendum to the Notification No. FEMA. 90/2003-RB dated the 23rd May, 2003.
 - (xv) G.S.R. 713 (E) published in Gazette of India dated the 29th October, 2004 containing Corrigendum to the Notification No. FEMA. 91/2003-RB dated the 5th June, 2003.
 - (xvi) G.S.R. 714 (E) published in Gazette of India dated the 29th October, 2004 containing Corrigendum to the Notification No. FEMA. 92/2003-RB dated the 7th June, 2003.
 - (xvii) G.S.R. 715 (E) published in Gazette of India dated the 29th October, 2004 containing Corrigendum to the Notification No. FEMA. 100/2003-RB dated the 3rd October, 2003.
 - (xviii) G.S.R. 716 (E) published in Gazette of India dated the 29th October, 2004 containing Corrigendum to the Notification No. FEMA. 108/2004-RB dated the 1st January, 2004.
 - (xix) G.S.R. 717 (E) published in Gazette of India dated the 29th October, 2004 containing Corrigendum to the Notification No. FEMA. 109/2004-RB dated the 1st January, 2004.
 - (xx) The Foreign Exchange Management (Guarantees) (Amendment) Regulations, 2004 published in Notification No. G.S.R. 745 (E) in Gazette of India dated the 16th November, 2004.
 - (xxi) G.S.R. 746 (E) published in Gazette of India dated the 16th November, 2004 containing Corrigendum to the Notification No. FEMA. 86/2003-RB dated the 1st March, 2003.
 - (xxii) G.S.R. 747 (E) published in Gazette of India dated the 16th November, 2004 containing Corrigendum to the Notification No. FEMA. 97/2003-RB dated the 8th July, 2003.
 - (xxiii) The Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004 published in Notification No. G.S.R. 757 (E) in Gazette of India dated the 19th November, 2004.
- [Placed in Library. *See* No. LT-1031/04]
- (6) A copy of the Unit Trust of India (Transfer of Undertaking and Repeal) (Removal of Difficulties) Order, 2004 (Hindi and English versions) published in Notification No. S.O. 1198 (E) in Gazette of India dated the 28th October, 2004 under section 24 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002.
- [Placed in Library. *See* No. LT-1032/04]
- (7) A copy of the Statement (Hindi and English versions) regarding rejection of the Award given by the Board of Arbitration (BOA) (under C.A. reference No. 8 of 1993) in terms of Compulsory Arbitration under the Scheme of Joint Consultative Machinery (JCM) for the Central Government employees.
- [Placed in Library. *See* No. LT-1033/04]

- (8) A copy of the Statement (Hindi and English versions) regarding rejection of the Award given by the Board of Arbitration (BOA) for grant of special pay to Income Tax Inspectors in terms of Compulsory Arbitration under the Scheme of Joint Consultative Machinery (JCM) (under C.A. reference No. 9 of 1993) for the Central Government employees.

[Placed in Library. *See* No. LT-1034/04]

- (9) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 21 of the Coinage Act, 1906:

(i) The Coinage of the Hundred Rupees and One Rupee coined to commemorate "150 YEARS OF INDIA POST" Rules, 2004 published in Notification No. G.S.R. 621(E) in Gazette of India dated the 20th September, 2004.

(ii) The Coinage of the Hundred Rupees and Five Rupees coined to honour of "K. Kamaraj" Rules, 2004 published in Notification No. G.S.R. 622(E) in Gazette of India dated the 20th September, 2004.

[Placed in Library. *See* No. LT-1035/04]

- (10) A copy each of the following Notifications (Hindi and English versions) under sub-section (5) of section 17A of the General Insurance Business (Nationalisation) Act, 1972:

(i) General Insurance (Employee) Pension (Amendment) Scheme, 2004 published in Notification No. S.O. 778 (E) in Gazette of India dated the 5th July, 2004.

(ii) The General Insurance (Rationalization of Pay Scales and Other Conditions of Service of Officers) (Amendment) Scheme, 2004 published in Notification No. S.O. 1027 (E) in Gazette of India dated the 22nd September, 2004.

[Placed in Library. *See* No. LT-1036/04]

- (11) A copy of the Notification No. S.O. 777 (E) (Hindi and English versions) published in Gazette of India dated the 5th July, 2004 containing Corrigendum to the two Notifications mentioned therein under

General Insurance Business (Nationalisation) Act, 1972.

[Placed in Library, *See* No. LT-1037/04]

- (12) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 30 of the Regional Rural Banks Act, 1976:

(i) The North Malabar Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. 1737/Gen./171/PAIRD/2001 in Gazette of India dated the 15th February, 2001.

(ii) The Rayalaseema Gramina Bank (Officers and Employees) Service Regulations, 2000 (Year) published in Notification No. 869/A/PD/GOI-SSR/2001 in Gazette of India dated the 22nd June, 2001.

(iii) The Shivpuri Guna Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. RRB/D-3/0824 in Gazette of India dated the 26th July, 2001.

(iv) The Prathama Bank (Officers and Employees) Service Regulations, 2001 (Revised) published in Notification No. PBHO/PD/2246/2001 in Gazette of India dated the 31st July, 2001.

(v) The Gorakhpur Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. 01-02/Pers/353 in Gazette of India dated the 30th August, 2001.

(vi) The Kshetriya Gramin Bank, Hoshangabad (Officers and Employees) Service Regulations, 2000 published in Notification No. HO/26/Pers/2001-2002/2248 in Gazette of India dated the 16th August, 2002.

(vii) The Chhindwara-Seoni Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. HO/PRS/19/2001-2002/334/2750 in Gazette of India dated the 5th November, 2001.

(viii) The Akola Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. AGB/HO/Pers.-

- 2001/19/1122 in Gazette of India dated the 12th December, 2001.
- (ix) The Chaitanya Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. L.R. No. 099/3/10/89 in Gazette of the India dated the 30th January, 2003.
- (x) The Buldana Gramin Bank (Officers and Employees) Service Regulations, 2003 published in Notification No. BGB/HO/PRS/2003/860 in Gazette of the India dated the 6th May, 2003.
- (xi) The Siwan Kshetriya Gramin Bank (Name of the Bank) (Officers and Employees) Service Regulations, 2001 (Year) published in Notification No. Pers/23/2003-04/222 in Gazette of India dated the 14th June, 2003.
- (xii) The Kosi Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. F.No. Pers.-03-04/1064 in Gazette of India dated the 23rd June, 2003.
- (xiii) The Champaran Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 Published in Notification No. Pers/28/03-04/HO/11/89 in Gazette of India dated the 1st July, 2003.
- (xiv) The Yavatmal Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. HO/Pers./2003-04/435 in Gazette of India dated the 11th July, 2003.
- (xv) The Hadoti Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. PS/23/2004-05/Pers. in Gazette of India dated the 16th July, 2003.
- (xvi) The Madhubani Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 18th January, 2001 (Year) published in Notification No. A. S./Govt./25/2003/07/No. 9 in Gazette of India dated the 17th July, 2003.
- (xvii) The Kashi Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. KGB/STF/S-539/2003 in Gazette of India dated the 11th September, 2003.
- (xviii) The Bareilly Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. HO/PD/2003/112 in Gazette of India dated the 17th September, 2003.
- (xix) The Mayurakshi Gramin Bank (Officers and Employees) Service Regulations, 2000 (Year) published in Notification No. GSPAD/35051/2003 in Gazette of India dated the 14th November, 2003.
- (xx) The Shahjahanpur Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. AO/STF/21/1186 in Gazette of India dated the 19th November, 2003.
- (xxi) The Gwalior Datia Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. HO/03-04/PR 5/802/676 in Gazette of India dated the 11th December, 2003.
- (xxii) The Uttarbanga Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. P. R. S./27/4177/PRS-16 in Gazette of the India dated the 5th January, 2004.
- (xxiii) The Saran Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. HO/PERS/2003-2004/6112 in Gazette of India dated the 5th January, 2004.
- (xxiv) The Mithila Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. HO Karmik/24/2003-2004/234 in Gazette of India dated the 23rd February, 2004.
- (xxv) The Gopalganj Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2001 published in Notification No. Praka/Pers/2004-05/178 in Gazette of India dated the 26th July, 2004.
- (xxvi) The Ballia Kshetriya Gramin Bank (Officers and Employees) Service Regulations, 2000 published in Notification No. HO/2004/06/PSR/265 in Gazette of India dated the 22nd June, 2004.

- (13) Twenty six statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (10) above.

[Placed in Library. *See* No. LT-1038/04]

- (14) A copy of the Bank of Maharashtra (Shares and Meetings) Regulations, 2004 (Hindi and English versions) published in Notification No. AXI/SHARES/1201/2004-05 in Gazette of India dated the 10th August, 2004 under sub-section (4) of section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.

[Placed in Library. *See* No. LT-1039/04]

- (15) A copy each of the following Annual Reports and accounts (Hindi and English versions) of the Regional Rural Banks for the year ended the 31st March, 2004, together with Auditor's Report thereon:

- (i) Buldana Gramin Bank, Buldana.

[Placed in Library. *See* No. LT-1040/04]

- (ii) Chaitanya Grameena Bank, Guntur.

[Placed in Library. *See* No. LT-1041/04]

- (iii) Faridkot-Bhatinda Kshetriya Gramin Bank, Bhatinda.

[Placed in Library. *See* No. LT-1042/04]

- (iv) Gaur Gramin Bank, Malda.

[Placed in Library. *See* No. LT-1043/04]

- (v) Gorakhpur Kshetriya Gramin Bank, Gorakhpur.

[Placed in Library. *See* No. LT-1044/04]

- (vi) Gwalior Datia Kshetriya Gramin Bank, Datia.

[Placed in Library. *See* No. LT-1045/04]

- (vii) Kamraz Rural Bank, Sopore.

[Placed in Library. *See* No. LT-1046/04]

- (viii) Madhubani Kshetriya Gramin Bank, Madhubani.

[Placed in Library. *See* No. LT-1047/04]

- (ix) Manipur Rural Bank, Imphal.

[Placed in Library. *See* No. LT-1048/04]

- (x) Mewar Aanchalik Gramin Bank, Udaipur.

[Placed in Library. *See* No. LT-1049/04]

- (xi) Samastipur Kshetriya Gramin Bank, Samastipur.

[Placed in Library. *See* No. LT-1050/04]

- (xii) Uttarbanga Kshetriya Gramin Bank, Coochbehar.

[Placed in Library. *See* No. LT-1051/04]

- (16) A copy of the Consolidated Review (Hindi and English versions) of the working of the Regional Rural Banks for the year ended the 31st March, 2004.

[Placed in Library. *See* No. LT-1052/04]

- (17) A copy each of the following Notifications (Hindi and English versions) under section 296 of the Income Tax Act, 1961:

- (i) The Income-tax (Tenth Amendment) Rules, 2004 published in Notification No. S.O. 980 (E) in Gazette of India dated the 2nd September, 2004 together with an explanatory memorandum.

- (ii) S.O. 1060 (E) published in Gazette of India dated the 28th September, 2004 together with an explanatory memorandum specifying domestic company being a venture capital undertakings referred to clause (n) of the Regulation 2 of SEBI, 1996, as a venture capital undertaking.

- (iii) The Income-tax (Eleventh Amendment) Rules, 2004 published in Notification No. S.O. 1067 (E) in Gazette of India dated the 29th September, 2004, together with an explanatory memorandum.

- (iv) The Income-tax (Twelfth Amendment) Rules, 2004 published in Notification No. S.O. 1180 (E) in Gazette of India dated the 25th October, 2004, together with an explanatory memorandum.

- (v) The Income-tax (Thirteenth Amendment) Rules, 2004 published in Notification No. S.O. 1213 (E) in Gazette of India dated the 3rd November, 2004, together with an explanatory memorandum.

- (vi) The Income-tax (Fourteenth Amendment) Rules, 2004 published in Notification No. S.O. 1275 (E) in Gazette of India dated the 16th November, 2004, together with an explanatory memorandum.

[Placed in Library. *See* No. LT-1053/04]

- (18) A copy of the Notification No. S.O. 1058 (E) (Hindi and English versions) published in Gazette of India dated the 28th September, 2004 together with an explanatory memorandum appointing the 1st October, 2004 as the date on which the Chapter VII of the Finance (No. 2) Act, 2004 shall come into force, issued under sub-section (2) of section 96 of the said Act.

[Placed in Library. *See* No. LT-1054/04]

- (19) A copy of the Securities Transaction Tax Rules, 2004 (Hindi and English versions) published in Notification No. S.O. 1059 (E) in Gazette of India dated the 28th September, 2004, issued under section 114 of the Finance (No. 2) Act, 2004, together with an explanatory memorandum.

[Placed in Library. *See* No. LT-1055/04]

- (20) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 48 of the Life Insurance Corporation of India Act, 1956:

- (i) The Life Insurance Corporation of India Chairman (certain Terms and Conditions of Service) (Amendment) Rules, 2004, published in Notification No. G.S.R. 629 (E) in Gazette of India dated the 22nd September, 2004.
- (ii) The Life Insurance Corporation of India Managing Directors (Revision of certain Terms and Conditions of Service) (Amendment) Rules, 2004, published in Notification No. G.S.R. 630 (E) in Gazette of India dated the 22nd September, 2004.
- (iii) The Life Insurance Corporation of India Chairman (Payment of Gratuity to the Chairman and Managing Directors) (Amendment) Rules, 2004, published in Notification No. G.S.R. 631 (E) Gazette of India dated the 22nd September, 2004.

[Placed in Library. *See* No. LT-1056/04]

- (21) A copy of the Statement (Hindi and English versions) regarding rejection of the Award given by the Board of Arbitration (BOA) in terms of Scheme of Joint Consultative Machinery (JMC) and Compulsory Arbitration (under C.A. reference No. 7 of 1993) for the Central Government Employees.

[Placed in Library. *See* No. LT-1057/04]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): 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 28 of the Indian Boilers Act, 1923:

- (i) The Indian Boiler (Amendment) Regulations, 2004 published in Notification No. G.S.R. 201 in Gazette of India dated the 19th June, 2004.
- (ii) The Indian Boiler (Amendment) Regulations, 2004 published in Notification No. G.S.R. 203 in Gazette of India dated the 19th June, 2004.
- (iii) The Indian Boiler (Third Amendment) Regulations, 2004 published in Notification No. G.S.R. 265 in Gazette of India dated the 7th August, 2004.

[Placed in Library. *See* No. LT-1058/04]

- (2) A copy of the Marine Products Export Development Authority (Amendment) Rules, 2004 (Hindi and English versions) published in Notification No. S.O. 1096 (E) in Gazette of India dated the 8th October, 2004 under sub-section (3) of section 33 of the Marine Products Export Development Authority Act, 1972.

[Placed in Library. *See* No. LT-1059/04]

- (3) A copy of the Export of Milk Products (Quality Control, Inspection and Monitoring) Amendment Rules, 2004 (Hindi and English versions) published in Notification No. S.O. 999 (E) in Gazette of India dated the 13th September, 2004 under sub-section (3) of section 17 of the Export (Quality Control and Inspection) Act, 1963.

[Placed in Library. *See* No. LT-1060/04]

- (4) (i) A copy of the Annual Report (Hindi and English versions) of the Export Inspection Council of India and Export Inspection Agencies, for the year 2002-2003.

(ii) A copy of the Annual Accounts (Hindi and English versions) of the Export Inspection Council of India and Export Inspection Agencies, for the year 2002-2003, together with Audit Report thereon.

(iii) A copy of the Review (Hindi and English versions) by the Government of the working of the Export Inspection Council of India and Export Inspection Agencies, for the year 2002-2003.

(5) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (4) above.

[Placed in Library. *See* No. LT-1061/04]

(6) A copy of the Foreign Trade Policy (1st September, 2004-31st March, 2009) (Hindi and English versions).

[Placed in Library. *See* No. LT-1062/04]

(7) A copy of the Handbook of Procedures (Vol. I) (1st September, 2004-31st March, 2009) (Hindi and English versions).

[Placed in Library. *See* No. LT-1063/04]

(8) (i) A copy of the Annual Report (Hindi and English versions) of the Export Promotion Council for Export Oriented Units (EOUs) and Special Economic Zone (SEZ Units), for the years 2002-2003 and 2003-2004, alongwith Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Export Promotion Council for Export Oriented Units (EOUs) and Special Economic Zone (SEZ Units), for the years 2002-2003 and 2003-2004.

[Placed in Library. *See* No. LT-1064/04]

(9) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619 A of the Companies Act, 1956:

(i) Review by the Government of the working of the MMTC Limited, New Delhi, for the year 2003-2004.

(ii) Annual Report of the MMTC Limited, New Delhi, for the year 2003-2004, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. *See* No. LT-1065/04]

(10) A copy of the Notification No. S.O. 977 (E) (Hindi and English versions) published in Gazette of India dated the 1st September, 2004 regarding exemption to all tea produce in India and exported by the export-oriented units from the levy and collection of cess, issued under section 25 of the Tea Act, 1953.

(11) A copy of the Tea (Marketing) Control (Second Amendment) Order, 2004 (Hindi and English versions) published in Notification No. S.O. 1170 (E) in Gazette of India dated the 20th October, 2004 issued under sub-sections (3) and (5) of section 30 of the Tea Act, 1953.

[Placed in Library. *See* No. LT-1066/04]

12.02 hrs.

COMMITTEE ON GOVERNMENT ASSURANCES •

First Report

[*English*]

SHRI HARIN PATHAK (Ahmedabad): I beg to present the First Report (Hindi and English versions) of the Committee on Government Assurances, Lok Sabha.

12.02 $\frac{1}{2}$ hrs.

STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

Third Report

[*Translation*]

SHRI DEVENDRA PRASAD YADAV (Jharkhand): Sir, I beg to present the Third Report (Hindi and English

versions) of the Standing Committee on Food, Consumer Affairs and Public Distribution (2004-05) on Action Taken by the Government on the Recommendations/Observations contained in the Twenty-Seventh Report of the Committee (Thirteenth Lok Sabha) on "Sick Sugar Industry and Sugar Development Food" of the Ministry of Consumer Affairs, Food and Public Distribution.

12.02³/₄ hrs.

STANDING COMMITTEE ON RAILWAYS

Fourth Report

[*Translation*]

SHRI BASU DEB ACHARIA (Bankura): Sir, I beg to present a copy of the Fourth Report (Hindi and English versions) of the Standing Committee on Railways-2004 (14th Lok Sabha) on the subject 'Passenger Amenities'.

12.03 hrs.

STATEMENT BY MINISTER

Third Progress Report on Action Taken Pursuant to recommendations of Joint Parliamentary Committee on Stock Market Scam*

[*English*]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, my Government is deeply pained at the manner in which the hard earned savings of millions and millions of families, pensioners and widows were wiped out in the scam of 2000-01. I am grateful to the JPC for going into the causes of the scam, analysing the same and for submitting a detailed report. I present today the Third Progress Report on the action taken pursuant to the JPC recommendations. One ATR and the First Progress Report were submitted by the previous Government.

The aim of the Government is to ensure that all those who perpetrated the scam or were accomplices to the misdeeds do not go unpunished. It is our resolve

that sufficient remedial measures are taken to ensure that such events do not recur. The Common Minimum Programme (CMP) clearly mentions our determination to ensure that the strictest possible action will be taken against market manipulators and those who try to deliberately engineer market panic.

In this connection, I also seek the cooperation of this august House to ensure that necessary legislative changes as recommended by the JPC are carried out quickly. In order to avoid any delay in the process of reforming governance in Stock Exchanges, the Government has promulgated the Securities Laws (Amendment) Ordinance, 2004, on October 12, 2004, *inter-alia*, amending the Securities Contracts (Regulation) Act, 1956, to bring about transparency and efficiency in the working of stock exchanges, to safeguard against conflicts of interest and to strengthen the governance of stock exchanges through demutualisation of stock exchanges. Further, this would also help to provide liquidity in the investments made largely by small investors in remote corners of the country in small and medium cap companies by providing of a National trading platform, INDONEXT for trading of such shares. The bills to amend Banking Regulation Act to provide for, among other things, strong regulation over Urban Cooperatives Bank and issues relating to integration of the commodity markets and capital markets are under active consideration.

I would like to assure that effective action against those guilty for the scam will be taken and we will present progress reports at regular intervals until the House is fully satisfied.

12.04 hours

BUSINESS OF THE HOUSE

[*English*]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD): With your permission, Sir, I rise to announce that Government Business during the week commencing Monday, the 13th of December, 2004 will consist of:

1. Discussion on the Statutory Resolution seeking disapproval of the National Commission for Minority Educational Institutions Ordinance, 2004 and Consideration and passing of the National Commission for Minority Educational Institutions Bill, 2004;

*Also placed in the Library. See No. LT 1067/04.

[Shri Ghulam Nabi Azad]

2. Consideration and passing of :

- (a) The Special Tribunal (Supplementary Provisions) Repeal Bill, 2004;
 - (b) The Payment of Wages (Amendment) Bill, 2004, as passed by Rajya Sabha.
3. Discussion and voting on the Supplementary Demands for Grant (General) for 2004-05 and introduction, consideration and passing of the related Appropriation Bill;
4. Consideration and passing of the Delegated Legislation Provisions (Amendment) Bill, 2004, after it has been passed by Rajya Sabha.

MR. SPEAKER: Dr. Col. (Retd.) Dhani Ram Shandil.

.... (Interruptions)

PROF. VIJAY KUMAR MALHOTRA (South Delhi): Sir, I want to make an observation on the Business.

MR. SPEAKER: You will get a chance. There is a procedure. I am following it. Hon. Members have given notice. They are entitled to make their submissions. I will come to you.

PROF. VIJAY KUMAR MALHOTRA: I am only objecting to it.

[Translation]

Today also here is no Government business.

[English]

There is no Legislative Business today.

[Translation]

Please see today's agenda.

[English]

There is no Legislative Business.

MR. SPEAKER: You have made your point.

PROF. VIJAY KUMAR MALHOTRA: How is this Government functioning? There is no Legislative Business.

[Translation]

There is no Legislative Business since the Session has started. There is no business today and in the next week also.

[English]

MR. SPEAKER: We have got a lot of work to do.

... (Interruptions)

PROF. VIJAY KUMAR MALHOTRA: Sir, I am on an important point.

[Translation]

It was decided to take up 40 bills but only 3 bills have been discussed out of them ... (Interruptions) Government have no legislation or bill ... (Interruptions).

[English]

We strongly protest against it.

DR. COL. (RETD.) DHANI RAM SHANDIL (Shimla): Sir, the following subjects may be included for discussion in the List of Business for the next week, i.e. December 13-17, 2004:

1. Infrastructure in Himachal Pradesh is inadequate. Rail, road and air services need upgradation.
2. Lift irrigation and drinking water projects for the Shimla constituency may be given a special funding support from the Centre.

[Translation]

DR. SATYANARAYAN JATIYA (Ujjain): Mr. Speaker, Sir, the following items may be included for discussion in the List of Business for the next week:

- (1) To provide adequate funds for the implementation of various schemes of Central Government's Urban Development and Poverty Alleviation Ministry including Balmiki Ambedkar Awas Yojana of Madhya Pradesh's Urban Administration and development, Rashtriya Gandhi Basti Vikas Programme (National Slum Development Programme), Centrally sponsored water Augmentation scheme and for providing employment and poverty alleviation programmes, and
- (2) To provide funds for the implementation of proposed scheme of Madhya Pradesh under the Poverty Alleviation, generation of employment opportunities, infrastructural development and area development programmes under Ministry of Rural Development.

[*English*]

SHRI SUNIL KHAN (Durgapur): Sir, the following items may be included in the next week's agenda:

- (1) To discuss that the profit making Public Sector Undertakings should not go to the hands of private Multinational Companies.
- (2) Need to pass the Women's Reservation Bill.

[*Translation*]

SHRI MOHAN SINGH (Deoria): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

"Privatisation of four sugar mills of Central Government namely Gauri Bazar, Padrauna, Kathkaiya and Bhatora should be considered."

SHRI SHIVRAJ SINGH CHOUHAN (Vidisha): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

1. Unemployment is on the rise in the country. Educated youth as well as agriculture labourers are compelled to live a gloomy life due to unemployment. There is a need to discuss the problem of unemployment.
2. The problem of electricity is increasing day by day. It is affecting agriculture, industry and business also. There is a need to discuss the electricity crisis.

SHRI VIRENDRA KUMAR (Sagar): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

1. The repair and construction work on national highways from Sagar to Devri Maharajpur and from Sagar to Malhona should be done on priority basis.
2. The Department of Telecommunication should immediately start the mobile facility in Devri, Khurai Rahli and Garakota areas of Sagar district.

[*English*]

DR. ARUN KUMAR SARMA (Lakhimpur): Sir, the following items may be included in the next week's agenda:

- (1) The pace of rehabilitation of flood affected families and reconstruction of damaged roads need urgent review. Rehabilitation of more than 2,000 flood hit homeless families in Assam alone who are living on roads and reconstruction of roads suffered due to non-release of fund from CRF and NCCF to concerned districts.
- (2) The matter of taking up certain important railway projects declared under Prime Minister's Special Initiative to backward regions like the Bogibeel Bridge Project and connecting gauge conversion of Rongai-Murkungechek section of NFRLY require urgent attention of the Government.

SHRI P. C. THOMAS (Muvattupuzha): Sir, the following item may be included in the next week's agenda:

LIC employees are on agitation. Bonus incentives and some other genuine demands have been demanded. The Government should come forward to settle the matter.

There was a second one, I think it has not come. It was regarding the collective responsibility of the Government.

[*Translation*]

SHRI PARAS NATH YADAV (Jaunpur): Mr. Speaker, Sir, 80% people from Poorvanchal including businessmen, employees and labourers come to Mumbai to earn their bread and butter. As the number of labourers coming to Mumbai is much more, common people are facing difficulty while travelling. There is a long pending demand of people of Jaunpur and eastern region to introduce a superfast train from Jaunpur to Mumbai via Allahabad.

Therefore, I request the Central Government and hon'ble Railway Minister that in view of the problems of people of eastern region, a superfast train from Jaunpur to Mumbai via Allahabad should be introduced.

[*English*]

MR. SPEAKER: Now, we come to Item No. 14, Shrimati Meira Kumar.

... (*Interruptions*)

SHRI KHARABELA SWAIN (Balasore): Sir, what is the Government business today from 2 p.m. to 3.30 p.m.? There are only two Bills to be introduced. That will hardly

[Shri Kharabela Swain]

take two minutes. You are the Speaker of the House, you should tell us what is the business today? There is absolutely nothing. You may see today's List of Business ... *(Interruptions)*

[Translation]

PROF. VIJAY KUMAR MALHOTRA (South Delhi): Raja Sabha has been adjourned early, Lok Sabha is also going to adjourn. Bills are not being introduced ... *(Interruptions)*

[English]

MR. SPEAKER: Please speak one by one.

SHRI KHARABELA SWAIN: Sir, my point is that there is no Government business today. You may see the List of Business. There is no business from 2 p.m. to 3.30 p.m. There are only two Bills to be introduced, one by Shri Shivraj Patil and another by Shri Suresh Pachouri. It will hardly take two minutes to introduced them. What else are we supposed to do? All the time, media and other people are saying that there is no business. There is nothing in the House. Nobody is doing anything. We are spending crores of rupees on every minute. I want to know from the Government, what is the business today.

[Translation]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD): Thank God, after wasting three months, today he got the point. For the last three months, he was not aware of it ... *(Interruptions)* As there is no issue to make hue and cry in the House, therefore ... *(Interruptions)* Try to find the issue and then come to Parliament... *(Interruptions)*.

[English]

MR. SPEAKER: I wanted to hear you one by one. I have allowed Shri Malhotra.

... *(Interruptions)*

[Translation]

SHRI GHULAM NABI AZAD: There is a limit to the bankruptcy issues. Now they have no issue to raise ... *(Interruptions)*

[English]

MR. SPEAKER: I will allow you one by one. You make your point, I am not stopping you from speaking. I have allowed Shri Malhotra and Shri Khanduri.

MAJ. GEN. (RETD.) B.C. KHANDURI (Garhwal): Sir, I am surprised at the response given by the hon. Minister of Parliamentary Affairs. There are lapses sometimes. There are some things, but reacting in anger and saying that 'thank God, now you have realised this', is not expected as a response from the hon. Minister. This type of response is not expected from an hon. Minister. He is an experienced Minister. I am sorry to say that this kind of response is coming from the hon. Minister... *(Interruptions)*

SHRI GHULAM NABI AZAD: I have seen their senior leaders behaving in the House. ... *(Interruptions)*

MAJ. GEN. (RETD.) B.C. KHANDURI: Sir, now he is making a running commentary.

MR. SPEAKER: There should not be any running commentary.

MAJ. GEN. (RETD.) B.C. KHANDURI: There are some methods to respond. He could say that we would look into it and that these are the reasons. He could try to explain this in such a manner.

MR. SPEAKER: The Speaker will look into it.

MAJ. GEN. (RETD.) B.C. KHANDURI: But this kind of anger is not required. I am sorry to hear such kind of response from the hon. Minister of Parliamentary Affairs. ... *(Interruptions)*

[Translation]

SHRI MOHAN SINGH (Deoria): Today, Private members business will be taken up... *(Interruptions)*

SHRI RAMJI LAL SUMAN (Ferozabad): Mr. Speaker, Sir, it had been decided in the meeting of the Business Advisory Committee that we will Support all Government Bills. The House may not be in the mood or there may be disorder in the House but my request is that the Government business should not be stalled.

I feel that such things should not be repeated in future as this as a very serious issue.

[English]

MR. SPEAKER: I thought that Shri Nitish Kumar wanted to say something.

SHRI NITISH KUMAR (Nalanda): I am waiting for the Zero Hour ... (*Interruptions*)

MR. SPEAKER: There is no hour called 'Zero Hour'. It is not an official term.

[*Translation*]

SHRI PRABHUNATH SINGH (Maharajgunj, Bihar): We know that it is not included in the business but since all members have started speaking over this issue, it automatically becomes an item of the business. We would like to tell only one thing that whenever we raise any issue you get annoyed though we obey your orders.

[*English*]

MR. SPEAKER: You are unfair.

[*Translation*]

SHRI PRABHUNATH SINGH: My request is that if the Government does something wrong then please show your anger also so that such things may not be repeated in future.

[*English*]

MR. SPEAKER: I am accused of being partial to you.

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (SHRIMATI MEIRA KUMAR): Sir, I beg to move ... (*Interruptions*)

[*Translation*]

PROF. VIJAY KUMAR MALHOTRA: Mr. Speaker, Sir, you are also requested to say something over this issue.

MR. SPEAKER: Today, we have got lot of business. There are two calling attentions. We have business even after lunch.

SHRI KHARABELA SWAIN: What is the business?

MR. SPEAKER: Have some patience.

[*English*]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): After lunch, he will know what the business is. If he is planging ... (*Interruptions*)

MR. SPEAKER: Shrimati Meira Kumar, I have allowed you.

... (*Interruptions*)

MR. SPEAKER: Do not monopolise. Nobody should monopolise.

... (*Interruptions*)

MR. SPEAKER: If I may say so, you have raised a very vital issue. Certainly, this is a matter which should be looked into, and I shall try to find out that in future such things do not happen.

... (*Interruptions*)

MR. SPEAKER: Whenever you raise a pertinent point, I always respond, but you are always getting angry and abusing the Chair.

12.16 hrs.

ELECTION TO COMMITTEE

Central Coordination Committee under the Persons with Disabilities (Equal opportunities, Protection of Rights and full Participation) Act, 1995

[*English*]

THE MINISTER OF SOCIAL JUSTICE AND EMPOWERMENT (SHRIMATI MEIRA KUMAR): I beg to move:

"That in pursuance of section 3 (2) (h) of the Persons with Disabilities (Equal Opportunities, Protection of Rights and full Participation) Act, 1995, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from amongst themselves to serve as members of the Central Coordination Committee for the period till they cease to be the members of the House, subject to other provisions of the said Act and Rules made thereunder."

MR. SPEAKER: The question is:

"That this House do agree that in pursuance of section 3 (2) (h) of the Persons with Disabilities (Equal Opportunities, Protection of Rights and full Participation) Act, 1995, the members of this House do proceed to elect, in such manner as the Speaker

[Mr. Speaker]

may direct, two members from amongst themselves to serve as members of the Central Coordination Committee for the period till they cease to be the members of the House, subject to other provisions of the said Act and Rules made thereunder."

The motion was adopted.

12.17 hrs.

RE: QUESTION OF PRIVILEGE

... *(Interruptions)*

[Translation]

PROF. VIJAY KUMAR MALHOTRA (South Dethl): My issue relates to question of privilege, about which I have given a notice. I have raised the question of privilege. I sent one notice on 22nd November and sent another notice today. Other members have also sent notices in this regard.

English]

MR. SPEAKER: I will consider it.

[Translation]

PROF. VIJAY KUMAR MALHOTRA: I have given a notice of question of privilege against Shri Lalu Prasadji because he has stated in the House that he has not levelled any allegation. Paswanji too has said that he has not levelled any allegation.

MR. SPEAKER: Let me consider it.

PROF. VIJAY KUMAR MALHOTRA: You please listen to me. I will explain it within one-two minutes. The entire country has witnessed it.

[English]

MR. SPEAKER: May I make an observation.

[Translation]

I am speaking about you only.

PROF. VIJAY KUMAR MALHOTRA: Please give me an opportunity to speak, I will take one-two minutes. ... *(Interruptions)*

SHRI DEVENDRA PRASAD YADAV: These people have deviated from their subject, that is why they are

speaking like this in the House. Sometimes they raise the issue of Shankaracharyaji and sometimes they raise such issues. We can also raise their issue. ... *(Interruptions)*

MR. SPEAKER: Please don't speak simultaneously. You please sit down.

[English]

Let us not be too sensitive.

Translation]

I cannot give opportunity to everyone at the same time.

... *(Interruptions)*

PROF. VIJAY KUMAR MALHOTRA: First he should give notice and after that he can raise the issue of Shankaracharyaji. ... *(Interruptions)*

SHRI DEVENDRA PRASAD YADAV: He is raising something which is not an issue. That matter is sub-judice. ... *(Interruptions)*

MR. SPEAKER: Malhotraji, I have received a notice and it is under consideration.

[English]

We are doing exceedingly well since morning. I was having hope that all the assurances that have been given and are now being remembered will be kept.

[Translation]

PROF. VIJAY KUMAR MALHOTRA: Here the hon'ble Minister has made a very strong statement which has been witnessed by 100 crore people of the country. He has said that he has not levelled any allegation. This is contempt of my Privilege. ... *(Interruptions)*

MR. SPEAKER: It is under my consideration.

... *(Interruptions)*

MR. SPEAKER: Nothing will be recorded. I will delete it.

... *(Interruptions)**

*Not recorded.

MR. SPEAKER: Hon. Members, I have received notices of question of privilege dated 9th and 10th of December, 2004 from Sarvashri P.C. Thomas, Sushil Kumar Modi, Vijay Kumar Malhotra and Prabhunath Singh, Members of Parliament, against Shri Lalu Prasad, Member of Parliament and Minister of Railways, for allegedly having misled the House on 8th of December, 2004 on the issues of his reported differences with Shri Ram Vilas Paswan, Minister of Chemicals and Fertilizers. The matter is under my consideration.

[Translation]

SHRI DEVENDRA PRASAD YADAV: Mr. Speaker, Sir, I am on Point of order. ... *(Interruptions)*

PROF. VIJAY KUMAR MALHOTRA: It is not proper to give the office of Minister to any tainted person. ... *(Interruptions)*

MR. SPEAKER: This is not right. You please sit down.

... *(Interruptions)*

[English]

MR. SPEAKER: It is under my consideration. How can you raise it now? It will not be allowed. Nothing else will be allowed. I want to now allow this.

[Translation]

SHRI PRABHUNATH SINGH (Maharajganj, Bihar): Please listen to me also.

MR. SPEAKER: What do you want to say?

SHRI PRABHUNATH SINGH: I have also given a notice.

[English]

PROF. VIJAY KUMAR MALHOTRA: Sir, our privilege notices are under your consideration. But what about the Prime Minister's coming and replying? ... *(Interruptions)*
The Prime Minister has not come here to give a reply. In protest, we are walking out. ... *(Interruptions)*

12.20 hrs.

(All this stage, Prof. Vijay Kumar Malhotra and some other hon. Members left the House.)

... *(Interruptions)*

MR. SPEAKER: No comments please.

... *(Interruptions)*

MR. SPEAKER: Hon. Members have a right to stage a walk-out also.

... *(Interruptions)*

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD): This shows how much interest they have in the business of the House. ... *(Interruptions)*

[Translation]

SHRI DEVENDRA PRASAD YADAV: The entire country is witnessing as to how much interest he is having in the business of the House. Hon'ble Swainji is asking as to what will we do between 2.00 pm and 3.00 pm. The entire country is witnessing as to how much interest he is having in the business of the House. ... *(Interruptions)*

MR. SPEAKER: Please sit down.

... *(Interruptions)*

MR. SPEAKER: Then, I will go out and put you here.

[English]

MR. SPEAKER: We now take up the business after the Question Hour. Now, Suravaram Sudhakar Reddy.

SHRI SURAVARAM SUDHAKAR REDDY (Nalgonda): Sir, the Reserve Bank of India has withdrawn its licence to the Prudential Cooperative Urban Bank, Secunderabad in Andhra Pradesh and made an announcement on 7th November, 2004. This is announcing the liquidation of the Prudential Cooperative Urban Bank. This is the oldest Cooperative Urban Bank in Andhra Pradesh with 1,86,765 depositors. Rs. 451 crore is deposited by them. ... *(Interruptions)*

MR. SPEAKER: No cross-talks please.

... *(Interruptions)*

MR. SPEAKER: I want to be liberal and give opportunity to all of you.

... *(Interruptions)*

MR. SPEAKER: I am thankful to my friends for their co-operation. Please come in quietly. You are all welcome.

... *(Interruptions)*

SHRI SURAVARAM SUDHAKAR REDDY: The bank has to get Rs. 300 crore dues from the big borrowers. The liquidation will help only the borrowers who need not pay the money to the bank, and the depositors will be in big loss. Most of the depositors are middle-class and lower middle-class people. The Deposit Insurance Scheme will help them only partially. I request the Union Government to re-think about the liquidation of the Prudential Co-operative Urban Bank, Secunderabad and help the depositors.

12.22 hrs.

(1) Starvation Deaths in Drought Affected Areas of Nalanda Parliamentary Constituency, Bihar

[Translation]

SHRI NITISH KUMAR (Nalanda): With great grief I rise to raise this issue. Some parts of Bihar are reeling under severe drought and in some parts people have died of hunger. Such news made headlines in local editions of newspapers though it has not been reported by national dailies. Therefore, it has not come to the notice of people. In the month of November, 6 persons died of hunger in Nalanda district. On 5th November, Bacchi Devi w/o Inderdev Bhagar, Gram Nizampura, Asthawan, Nalanda on 6th November, Mugi Devi w/o Late Ram Vipun Manjhi, Gulab Bagh, Mohan Chak, Panchayat Islampur, Nalanda on 9th November, Sahodari Devi w/o Late Tetar Manjhi, Village Pariylana, Post Meyar, Nursal, Nalanda on 20th November, Sangeeta Devi w/o Ganesi Ravidas, Mallick Sarai, Islampur, Nagar Panchayat, Nalanda, on 30th November, Meena Devi w/o Ganesh Paswan, Village and Post Khundaganj, Islampur, Nalanda, thus in all 6 people have died and it is continuing. The condition over there is quite pitiable and the administration has lost sensitivity. People are not rendered any kind of relief. The condition is so serious that people do not have even water to drink. The condition has become so worse that the wells and handpumps have run dry.

There is no question of kharif crop. Rabi crop could not be sown as there was no rain. Consequently, people have been rendered jobless which is leading to hunger death of labourers and other poor people. Food for Work Programme has been launched with much fanfare but there is no trace of it in drought affected Nalanda district. It has not been launched here. I have urged local administration as well as Union Rural Development Minister in this regard so that the poor folk may get some work. Basically, people depend upon agriculture in this area whereas crops have been ruined. Drinking water crisis and fodder-crisis prevails but the Government are paying no heed. I am very surprised over it. My submission is that the drought situation should be viewed seriously, a Central Team be sent to the affected area and the situation should be assessed. I urge upon the Government to start some scheme there so that people may get job. I do not know whether the State Government will be able to do something in this regard or not? If the State Government was able to do anything such situation should not have come up and I would not have been forced to raise this issue in Lok Sabha. Therefore, a Central Team should be sent there. Hon. Agriculture Minister should make a statement to this effect as it is a matter of drought. Home Minister is also present, Disaster Management Team is under him. Since this issue is relating to drought. Therefore, I would like hon. Agriculture Minister to make a statement in this regard.

I would urge Agriculture Minister to respond to it. It is not an issue confined to party politics, but concerning mankind and it is the basic responsibility of the Government. The Prime Minister had visited that area to assess flood affected places. He had assured that not a single person would be let to die of hunger. Despite flood, several places are facing drought. The situation has become dangerous in southern Gangetic area. There cannot be anything more shameful for a Government than let its people die of hunger. 12 States faced hunger during NDA's Government not a single person was let to die of hunger. Foodgrains were made available according to the need. Despite all sorts of assurances from the Government, if still people die of hunger what can be more shameful than this? I would seek Government's response to it. ... *(Interruptions)*

[English]

MR. SPEAKER: You have made your point. Thank you. I have given you the fullest opportunity.

[*Translation*]

SHRI NITISH KUMAR: Mr. Speaker, Sir, I want Government's reply to it. ... (*Interruptions*)

[*English*]

MR. SPEAKER: Very senior Ministers are here. If you want to respond, you can respond.

THE MINISTER OF HOME AFFAIRS (SHRI SHIVRAJ V. PATIL): Generally, when the issues are raised in the 'Zero Hour', unless we are asked to respond, we do not do it. Sir, we had received information from the State Government about the difficulties faced by the people because of the drought and floods. Those requests were considered in the Committee which consists of representatives from the Home Ministry, Agriculture Ministry and also others. We have given a large quantity of foodgrains and huge amounts of money to the State Government to meet the demands of the people and to help them. We will take note of the information which is given by the hon. Member, and we will discuss this issue with the State Government. If anything else, more than what we have already done, has to be done, we will certainly look into it.

MR. SPEAKER: It is very good. You got a reply also.

[*Translation*]

SHRI MOHD. TAHIR (Sultanpur): Mr. Speaker, Sir, as per scheduled programme I was to tour Bisauli assembly on 25 November. Same day, I was fatally attacked and it was a conspiracy to kill me. Members of Samajwadi Party attacked me. When I went to Police Station Kudabhar to lodge FIR, I was hold up by SP, Sultanpur, SHO city and they sent me to jail at 2-3 O' clock, I was harassed. A case was registered against me in Bandigram police station under Section 504 on 26th. Further, many other cases are being registered against me. Whatever I submitted in writing is termed as false. The Government of UP has conspired to kill me. It is a well hatched conspiracy. Being a Member of this House, I seek your protection as my life is in danger.

Mr. Speaker, Sir, my submission is that it should be handed over to the Privileged Committee so that a detailed investigation can take place. This all has been

done at the behest of Government of Uttar Pradesh, Police administration and "... (*Interruptions*)

[*English*]

MR. SPEAKER: That will be deleted. Why are you saying such things?

... (*Interruptions*)

[*Translation*]

SHRI RAMJI LAL SUMAN (Firozabad): Mr. Speaker, Sir, hon. Member is levelling charges against Uttar Pradesh Government. ... (*Interruptions*)

[*English*]

MR. SPEAKER: Shri Ramji Lal Suman, you are not representing the UP Government.

... (*Interruptions*)

[*Translation*]

SHRI RAMJI LAL SUMAN: Mr. Speaker, Sir, it is totally preposterous. ... (*Interruptions*)

[*English*]

MR. SPEAKER: This is very unfortunate.

... (*Interruptions*)

MR. SPEAKER: Mr. Azmi, I have allowed an hon. Member from your party to speak. Please sit down.

... (*Interruptions*)

[*Translation*]

MR. SPEAKER: It is alright. Please sit down.

... (*Interruptions*)

MR. SPEAKER: Ramjilalji, Please sit down. Do not record anything.

... (*Interruptions*)*

[*English*]

MR. SPEAKER: You must sit down.

... (*Interruptions*)

..... Expunged as ordered by the Chair.

*Not recorded.

MR. SPEAKER: Nothing is being recorded.

... *(Interruptions)**

MR. SPEAKER: Hon. Member Khan, I have received your notice dated December 10, 2004 regarding registration of allegedly false cases against you by the State Government of Uttar Pradesh thereby causing obstruction in the performance of your parliamentary work, as you have alleged. I have also received your complaint dated November 16, 2004 against the Circle Officer, Sultanpur City for allegedly holding biased opinion about you and for being discourteous to you. I have already called for a factual note from the Ministry of Home Affairs on this complaint. I am also calling for a factual note on your present allegation against the State Government of Uttar Pradesh from the Ministry of Home Affairs.

SHRI MOHD. TAHIR: Thank you, Sir.

MR. SPEAKER: So, why are you not patient? Do you think, you would become a very popular Member by not being patient?

Shri Subodh Mohite.

... *(Interruptions)*

MR. SPEAKER: Please sit down. I would not allow this type of indiscipline.

... *(Interruptions)*

MR. SPEAKER: Even senior Members are not behaving properly.

... *(Interruptions)*

[English]

MR. SPEAKER: Let there be at least one day for hon. Members to raise issues.

[Translation]

Please take your seats. What is the matter, why are you standing? I will call hon. Members whose name appear in the list.

... *(Interruptions)*

SHRI SUBODH MOHITE (Ramtek): Mr. Speaker, Sir, I would like to thank Late President of India Dr. Shankar

Dayal Sharma, who is no more among us today, for having constituted Vidarbha Development Board in Maharashtra for Vidarbha Area under Article 371 (2) of the Constitution for a term of 5 years. As all are aware, every political party mentions development in their manifesto but as soon as the elections are over the promises made in the manifesto take back seat. Thus, injustice has been done with Vidarbha.

[English]

In 1995, the BJP Shiv Sena Government came to power and recommended the extension of same Board for five years.

[Translation]

I have to raise this point because BJP-Shiv Sena Government was ousted of power in 1999 and Congress formed the Government there. There was a backlog of Rs. 5200 crore for Vidarbha. The Government of Maharashtra should have extended the term of said Board for another five years under Article 371 (2) of the Constitution. But it was not extended. Maharashtra Government extended it for only one year. It was expiring on 30.04.2005. I would like to tell the Government that Maharashtra was one of the most developed State in India, then.

MR. SPEAKER: Is it the duty of the Central Government or the State Government?

... *(Interruptions)*

SHRI SUBODH MOHITE: Though Maharashtra is a developed State, yet there is no arrangement for drinking water over there. Shri Shivraj Patil and Shri Ghulam Nabi Azad are present here who contested election from Vidarbha area of Maharashtra. The position of power supply is poor in Maharashtra and the State Government has declared it famine affected and they have demanded Rs. 200 crore. People are committing suicide. As Shri Nitish Kumarji has raised Bihar issue just now, similar is the situation in Maharashtra. There is enough scope of politics being played in the name of development. Financial year expires on 30.04.2005. Union Home Ministry gives directions to the Governor, then only the notification is issued. I would like to request the hon. Minister of Home Affairs who is present here that if the Cabinet of Maharashtra Government does not recommend for the Development Board for five year then in view of the above and considering the backlog of Vidharba the

Central Government should give directives to compel the State Government to do so.

[English]

MR. SPEAKER: Shri Brajesh Pathak, I will tell you that in future you will not get a chance. You remember this warning.

... (*Interruptions*)

[Translation]

SHRI BRAJESH PATHAK (Unnao): Sir, I have not committed any mistake.

MR. SPEAKER: You please speak, it is too much.

SHRI BRAJESH PATHAK: Mr. Speaker, Sir, recently India International Trade Fair was organized in Delhi. The organizers of the Trade Fair did large scale bungling in tickets. The number of tickets shown on the paper were only half of the total number actually printed tickets. Thus there was bungling of crores of rupees under the nose of the Government in Delhi. Through you, I would like to request the Government that the guilty officers involved in the said ticket scam should be punished. In Delhi under the nose of the Government of India they have exploited the people of the country in the name of trade promotion. They showed only fifty lakh tickets on the paper while one crore to one and half crore tickets were printed by them. Thus tickets were sold for Rs. 400 or 300. I would like to demand that action should be taken against the officials involved in ticket scam and they should be suspended.

[English]

MR. SPEAKER: I hope the hon. Ministers have heard it.

... (*Interruptions*)

MR. SPEAKER: Shri Hemlal Murmu.

... (*Interruptions*)

MR. SPEAKER: Every hon. Member should be alert and quiet.

... (*Interruptions*)

[Translation]

SHIR HEMMAL MURMU (Rajmahal): Mr. Speaker, Sir, through you I would like to draw the attention of the Government especially towards the failure of the malaria, kalaazar and TB eradication programme being implemented in the Jharkhand State. Malaria Directorate has not been constituted in Jharkhand and as a result of this D. D. T. is not being sprayed. The State Government is not making available the funds for making payment to the officials that spray D. D. T. It is on account of this that every month, at least one thousand people are dying in these four districts of Dumka, Gudda, Sahabganj and Pakud. Since this is forest and hilly area, so no any health facilities are available there. Pesticides are not available there and malaria drugs are not available in the hospitals there. It is on account of this that situation is very dreadful there. We had requested to the hon. Prime Minister, then a Central team was sent there. The said team in its report has mentioned that the magnitude of the spread of disease is more than in fact reported. However, till today nothing has been done. So, I would like that some arrangements should be made by the Central Government to protect the people of the area. Otherwise brain fever have spread so severely that people are continuously dying.

[English]

MR. SPEAKER: It is a very good issue.

... (*Interruptions*)

MR. SPEAKER: Any hon. Member who has already raised the issue this week will not be called unless there is sufficient time.

... (*Interruptions*)

PROF. K. M. KADER MOHIDEEN (Vellore): Sir, I thank you very much for giving me this opportunity.

In Tamil Nadu, the Tamil Nadu Pollution Control Board has issued notice to more than 20 tanneries in Sembattu of Tiruchirapalli. They have closed all the tanneries. More than 15,000 families have been affected. They are without work and food. The effluent treatment plant is to be established by the Central Government. The Government has already promised, but they have failed to do it until now. The Pollution Board has issued the notice showing the reason that the tanneries have failed to establish the effluent treatment plant.

[Prof. K.M. Kader Mohideen]

The same danger is there in Vellore district also in Vaniambadi, Ambur, Pernambattu, Dindigul and in Paallavaram and Chromepet areas in the neighbourhood of Chennai. More than 10 to 12 lakh workers have been affected by this attitude. Therefore, I request the hon. Speaker to direct the Government, particularly the Minister of Commerce and Industry to put a stop to this closure of tanneries and permit all the tanneries to work and make the people work in the tanneries. Thank you.

MR. SPEAKER: It is an important issue, no doubt it will be looked into.

... *(Interruptions)*

MR. SPEAKER: Those who wait patiently will be rewarded.

12.41 hrs.

(ii) Re: Securing early release of Indian Fishermen lodged in Pakistani Jails

[Translation]

SHRI JASHUBHAI DHANABHAI BARAD (Junagarh): Mr. Speaker, Sir, during the last-15 days Pakistani Security Guards have arrested nearly 700 fishermen from the coastal area of Gujarat along Indo-Pakistan border and have imprisoned them in Pakistani Jail and their boats have also been confiscated by them. I would like to submit to the Government that the sea coast along Pakistan border come under Kutchh and Jakhau area of Gujarat. Majority of fishermen arrested by Pakistan Coast Guard belong to Diu extension, Daman extension and Saurashtra region. I would like to request the Government that it should take action at the earliest to get fishermen freed from the Pakistani prison and to get their boats returned to them. The fishermen who return from Pakistani prisons tell that they (fishermen) are not feed properly and are mistreated. I would like to request the Government that the action should be taken at the earliest to get the fishermen released from the prison.

[English]

SHRI P. S. GADHAVI (Kutch): Sir, I request the hon. Minister of Home Affairs that the Coast Guard activity should be expedited. Then this problem, which is an old problem, will be solved. Thank you.

THE MINISTER OF HOME AFFAIRS (SHRI SHIVRAJ V. PATIL): Sir, we have already taken a decision to strengthen the Coast Guard and we are going to have more boats. We are going to have more offices and men and the protection that is required would be given to the people living in that area.

MR. SPEAKER: Thank you.

[Translation]

SHRI HARIKEWAL PRASAD (Salempur): Mr. Speaker, Sir, with your permission I would like to submit that non issuance of postal stamp in the memory of valiant freedom fighter, Champion of socialist Movement, hero of emergency period and the ex-Cabinet Minister Late Shri Rajnarayan ji shows the discriminatory policy of the previous Government. The postal stamps have been issued in the memory of many such persons whose contribution towards freedom struggle and national reconstruction are nothing, however, the patriot like Late Shri Rajnarayan ji, who fought throughout his life for Dalits, poor, minorities exploited and oppressed has been ignored. I have entered into correspondence with the ex-Minister of Communications, many times in this regard however, it is very unfortunate that every time I got vague reply and no positive steps were taken in this matter. Through the august House I would like to demand from the Central Government that it should announce to build memorial and issue postal stamp on the occasion of death anniversary of Late Shri Rajnarayan ji, on 31 December.

12.44 hrs.

(iii) Re: Resentment due to closure of the regional office of Allahabad Bank at Darbhanga and its merger with the regional office of the Bank at Muzzaffarpur, Bihar

SHRI DEVENDRA PRASAD YADAV (Jhanjharpur): Mr. Speaker, Sir, I would like to draw the attention of the Government towards an issue of public importance, Darbhanga Commissioner, located inside 50 km along Indo-Nepal border area, is the Commissioner town of Uttar Bihar. It is the most important centre where regional office of Allahabad Bank is functioning for last 15 years. There are 11 district under the jurisdiction of the said office. Out of the said 11 districts branches of the said banks are functioning in eight districts and the report regarding the opening up of bank branches in remaining three districts are lying for years in the headquarters of Allahabad Bank.

Mr. Speaker, Sir, suddenly it has been decided by the management of Allahabad Bank to close down the regional office of Darbhanga and to merge it with regional office Muzaffarpur.

Sir, I am mentioning this because it is a very serious issue as on the one hand Darbhanga town is the biggest commercial, economic and political centre of the north Bihar and on the other hand, it is the main centre of Mithilanchal. Punjab National Bank, Central Bank, Central Bank and Bank of India have also opened up their regional office and are functioning. However, Allahabad Bank have suddenly closed its regional office there. Darbhanga is not limited only in the town rather it serves the entire contiguous area from Madhubani to Kishanganj. From the point of views of banking business the area is so vast that the profit of the bank can be enhanced by setting up its branches. So, I would like to submit to the hon'ble Minister of Finance that from the point of view of development it will not be easy for the regional office of the Allahabad Bank in Muzaffarpur to cater to the needs of a vast area from Siwan to Kishanganj a distance of nearly 750 km. The centre of the area falling under Darbhanga Regional office is located in Darbhanga. So, I would like to request the Minister of Finance that the Government should not disturb regional office of Allahabad Bank located in Darbhanga and it should be remained there.

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, let the hon. Member give me a copy of the statement. I will look into it.

12.46 hrs.

(iv) **Re: Reviewing the decision to reduce troops deployed in Jammu and Kashmir in view of increasing terrorist activities**

[Translation]

SHRI SHIVRAJ SINGH CHOUHAN (Vidisha) : Mr. Speaker, Sir, the Government have decided to reduce troops deployed in Jammu and Kashmir and will be withdrawn.

Sir, terrorist activities are continuously increasing in the country, particularly in Jammu-Kashmir, army camps are being attacked, army personnel are being killed and suicidal attacks have increased. Our Minister of Defence

himself is telling that there is no decline in cross border terrorism and infiltration and it has not been checked. Rather, cross border infiltration has further increased. The Minister of Defence has himself asserted that 67 terrorist camps are operating across border in Pakistan occupied Kashmir, and there are 32 such centres from where terrorists are being infiltrated inside India.

Sir, though the situation is very grim, but the Government do not mention about cross border terrorism while holding talks with the Pakistan Government. To what extent is it justified to reduce troops while terrorist incidents are continuously increasing?

Sir, I have come to know that there is also difference of opinion between the Prime Minister's office and the Ministry of Defence on this issue. Through you, I would like to submit to the Government that it is a question of security of the country and the security of the country is at the stake. In this situation the Government should review its decision to reduce or withdraw troops deployed there.

[English]

MR. SPEAKER: The hon. Home Minister wishes to reply.

[Translation]

SHRI GANESH SINGH (Satna): Sir, I have also a question related to this.

[English]

MR. SPEAKER: You have put a question. I am not allowing you second chance.

[Translation]

SHRI GANESH SINGH: Mr. Speaker, Sir I am not taking second chance. I have also given notice on the subject on which hon'ble Shivraj Singhji has spoken. So, I want to associate myself with them.

[English]

MR. SPEAKER: You can associate.

[Translation]

THE MINISTER OF HOME AFFAIRS (SHRI SHIVRAJ V. PATIL): Mr. Speaker, Sir, I would like to clarify two

[Shri Shivraj V. Patil]

things in brief. First thing that I would like to clarify is that there is no difference of opinion among the Prime Minister's office, the Ministry of Defence and my Ministry i.e. the Ministry of Home Affairs on the issue of reducing the troops deployed there. Secondly, it is being propagated that there is difference between the Ministry of Home Affairs and Ministry of Defence regarding the number of incidents of infiltration there. I would like to clarify that there is no difference of opinion between the Ministry of Defence and the Ministry of Home Affairs on this issue. Thirdly, the Minister of Defence says that the number of infiltrators have increased in September-October in these two of one month, the basis of his statement is that the number of infiltrators have increased in comparison to the number of previous year infiltrators. So, misguiding the people on the basis of incomplete information will not serve the purpose of security of the country in a better way. This is what I want to submit.

SHRI SHIVRAJ SINGH CHOUHAN: Mr. Speaker, Sir, 67 training camps are operating there. ... *(Interruptions)*

[English]

PROF. VIJAY KUMAR MALHOTRA (South Delhi): No, Sir. There is something very important. ... *(Interruptions)*

MR. SPEAKER: There is a discussion on this subject next week, Monday or Tuesday. You know that you are initiating it.

... *(Interruptions)*

MR. SPEAKER: You have raised an important issue, but it will also be discussed. He has already responded.

... *(Interruptions)*

[English]

SHRIMATI C. S. SUJATHA (Mavelikara): Sir, in the present flawed draft of the National Rural Employment Guarantee Bill, the Government seeks to restrict the operation of the Act only to some selective districts, with no guarantee of its expansion.

Equally unfortunate is the fact that the Draft defines a household on the basis a shared dwelling or a common

ration card. It ignores the reality of joint families. In other words, if there are three adult sons and their families, only one amongst them will be eligible for employment under the Draft Bill. This makes a mockery of the CMP assurance.

The past experience of negative consequences of the exclusion of women from the Government Work Programmes has been ignored, and there is no mention of the essential Clause that: "At least, 40 percent of those who get work under the law should be women." At present, in most rural areas the legal minimum wages are not being paid. Shockingly, the proposed Draft provides sanction to the floating of the minimum wages law by itself, proposing that the Minimum Wages Act should not apply to wages-for-work provided under the proposed Act, but may be decided by the Central Government. There is an ominous indication that the vulnerability of the millions of unemployed in rural India will be used to further push down the minimum wage, which must be prevented. Even though the Scheme is a Centrally-Sponsored Scheme, the draft legislation expects the State to meet 1/3rd of the cost, which, given the depletion of resources available to the States, would make it virtually impossible for its implementation.

It is, therefore, essential that the Centre takes the responsibility of the entire cost.

MR. SPEAKER: It should be brief and pointed.

[Translation]

SHRI MADAN LAL SHARMA (Jammu): Mr. Speaker, Sir, through you, I would like to draw the attention of the Government to the fact that the lakhs of people of Jammu and Kashmir especially residing in border areas of my area Jammu and Punch constituency are deprived of telephone facility.

Mr. Speaker, Sir, today telephone has become an integral part of modern life however, it has been instructed by the Government that no one is permitted to operate mobile telephone within the radius of 10 k.m. while the Central Government has stopped providing land line for last two years. There are thousands of villages located from Kathua to Punch, Leh and the villagers have to cover 20-20 km. distance to come to town for availing telephone facility. There are many unemployed people there. Telephone facility is not available in the village for those people whose family members are serving in army and who want to talk to them. So through you, I would

like to request the Government and the Ministry of Telecommunications that if it not possible for the Government to allow the people residing along border area to use mobile phone then the Government should atleast lift the restriction of the provision of the land lines to the propal that has been imposed for last two years, so that this facility may be provided to the people.

[English]

SHRIMATI JAYABEN B. THAKKAR (Vadodara): Mr. Speaker, Sir the Chief Minister, Government of Gujarat had written letters to the Minister of Finance, Government of India. The loans from World Bank and Asian Development Bank (ADB) for earthquake and rehabilitation work have been sent to the Gujarat Government by the Government of India on normal Additional Central Assistance (ACA) pattern, that is, 70 percent is loan, 30 percent is grant. The initial rate of interest was 12.5 percent, which has been, subsequently, revised to 9.5 percent per annum. The Gujarat Government had requested the Union Government that the loans taken by it for the purpose of calamity, which occurs rarely, may be converted to a grant.

I urge the Government that these special purpose loans be converted to grants.

MR. SPEAKER: Next, Prof Rasa Singh Rawat

... (*Interruptions*)

[Translation]

SHRI RATILAL KALIDAS VARMA (Dhandhuka): Mr. Speaker, Sir, I have also given notice. ... (*Interruptions*)

[English]

MR. SPEAKER: Please sit down. Kindly allow your own Members to speak.

... (*Interruptions*)

[Translation]

SHRI ILYAS AZMI (Shahabad): Mr. Speaker, Sir, I have also given notice. ... (*Interruptions*)

MR. SPEAKER: I am calling the Members as per the list.

... (*Interruptions*)

SHRI RATILAL KALIDAS VARMA: Mr. Speaker, Sir I have also given notice. ... (*Interruptions*)

[English]

MR. SPEAKER: Hon. Member, the BAC has decided that every hon. Member would be given only one opportunity to speak per week during the 'Zero Hour'. I am only following the decision taken by the BAC.

[Translation]

PROF. RASA SINGH RAWAT (Ajmer): Mr. Speaker, Sir, the crops in more than 18000 villages of 25 districts in Rajasthan has been damaged due to severe drought.

Today a very terrible situation has developed there. Crop has been damaged in Jodhpur and Bikaner divisions and other areas of Rajasthan. A grave crisis of drinking water has arisen, hence it is necessary to supply water through tankers. Provision for providing fodder for livestock and organising livestock preservation camps has also become necessary. There is also an urgent need to start relief work so as to provide employment to the people. Therefore, the Government of Rajasthan has provided employment to 3 lakh workers in the hope that the Union Government would provide the required funds and the foodgrains meant to be disbursed under the Food for Work Programme. Hence there is an urgent need to amend the existing non feasible norms of providing salary under the Calamity Relief -Fund (CRF) so as to provide wages to the workers engaged in relief operations. As per the existing norms of CRF, only Rs. 15 as cash and 5 kg. foodgrains is provided which is totally, unjustified. The Government of Rajasthan has also revised the minimum wage to make it Rs. 18 as cash and 12 kg. as foodgrains.

Hence, I request the Government of India that it should immediately provide 28 lakh metric tonnes wheat, Rs. 200 crore for drinking water, Rs. 311 crore for livestock preservation, Rs 576 crore for employment generation, Rs. 114 crore for providing assistance to the destitutes, Rs. 80 crore for health and nutrition and Rs. 91 crore for providing input to the farmers by amending the existing norms of the Calamity Relief Fund.

SHRI JASWANT SINGH BISHNOI (Jodhpur): Mr. Speaker, I associate myself with him.

[English]

MR. SPEAKER: In future, I will not allow any reading.
Shri Manoj Kumar—not present.

Now, I give the floor to Shri Ramdas Athawale.
Please do not create any problems. Why do you not
keep quiet?

[Translation]

SHRI RAMDAS ATHAWALE (Pandharpur): Mr. Speaker, Sir, I demand that the Union Government should make a provision of Rs. 50 crore in the forthcoming budget for the renovation of the national memorial in the Baba Saheb Ambedkar Chaitya land. The State Government has provided an amount of Rs. 10 crore for the development of Baba Saheb Ambedkar memorial but there is a problem of CRZ in it. Hence the NDA Government had given the permission to develop it alongside the Savarkar Memorial. Similarly I demand that the UPA Government should provide Rs. 50 crore by resolving the CRZ problem in Baba Saheb Ambedkar Memorial. Similarly, I also demand that the Government should provide another Rs. 50 crore for development of Baba Saheb Memorial at 26 Alipur Road, Delhi. This is my demand. Right?

MR. SPEAKER: It is for the Minister to decide whether it is right or not, not I.

[English]

Shri Ilyas Azmi, you have to wait for some time and you have to show some patience. You are setting a bad example to new Members.

[Translation]

SHRI ILYAS AZMI: Mr. Speaker, Sir, this year the Central Government and State Government employees are a part of rice procurement exercise in Uttar Pradesh. Rice is procured from the rice mill owners and not from the farmers and it is something that needs to be emphasized that rice is procured from such millowners. The FCI Chief in Uttar Pradesh and State Government agencies have formed such syndicate that a bribe of Rs. 70 per bag is being extracted and the godowns are being filled with low grade and substandard rice. Bungling of thousands of crores of rupees is taking place every year and this year it is taking place at even a bigger scale.

I request the Union Government to send an enquiry team to look into the matter by the sample of the rice procured so far. Even class IV employees engaged in this exercise are earning lakhs and crores of rupees. A thorough probe should be held into the matter to bust this racket so that farmer may get money meant for this purpose and rice millowners and senior officers may not carry on this loot of the farmer's earnings.

SHRI SHAILENDRA KUMAR (Chall): Only those Members are getting an opportunity to speak who are on their legs. ... *(Interruptions)*

13.00 hrs.

[English]

MR. SPEAKER: If you impute anything to the Chair, you are not doing justice to yourself either. Do not think you are very clever.

[Translation]

SHRI RATILAL KALIDAS VARMA: Mr. Speaker, Sir, I would like to draw the attention of the House towards a very heart rending story of a dalit employee. Shri Dineshbhai Ganpatbhai Parmar, an Assistance Engineer in LIC was suspended two years ago. False allegations were levelled against him and he stood out fair from all allegations but still his suspension was not revoked. Not only this, he was harassed so much by his senior officers that he was forced to commit suicide in the month of October. Besides him, his wife Madhu aged 40 years, his college going daughters Payal aged 19, his 17 years old eleventh class student daughter Nisha also committed suicide. No officer paid heed to him. He wrote a 12 page long suicide note in which he has accused that the aforesaid officers had made him to commit suicide. That note had the signatures of all the family members who have committed suicide. Shri Samsher Singh, DCP of the area stated that it would be deemed as a dying declaration. The officers whose names were mentioned in the note. ... *(Interruptions)**

MR. SPEAKER: Do not mention anybody by name. It won't be included in the proceedings.

... *(Interruptions)*

SHRI RATILAL KALIDAS VARMA: I am very sorry to say that the High Court did not grant these officers bail whose names appeared in the suicide note but LIC

*Not recorded.

promoted them. It would only send this message in India that it is better to committing atrocities and harassing the dalits and dieing them to commit suicide so as to get promotion.

Now Minister of Finance is sitting here. Rallies and dharnas were staged in Gujarat. Congress colleagues as well as those belonging to BJP and other social organisations participated in dharnas. I would like to submit that Government should ensure that such officers don't get promotion and take remedial measures so that no employee could be harassed to commit suicide in future.

I make a request to give suitable compensation to their families and extend every possible help. With this I once again request that they should get justice. ...(*Interruptions*)

MR. SPEAKER: Please send him.

...(*Interruptions*)

SHRI RATILAL KALIDAS VARMA: It is shameful for us that dalit officers are driven to commit suicide even after 56 years of independence. ...(*Interruptions*)

[*English*]

MR. SPEAKER: Shri Manoranjan Bhakta.

You have given notice for two matters-(1) salaries of employees of Andaman & Nicobar Plantation and Forest Development Corporation and (2) usage of sand and metal stone. You can raise only one matter.

[*Translation*]

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Island): Mr. Speaker, Sir, I come from the Union Territory of Andaman and Nicobar Islands. Unemployment has increased considerably in Andaman and Nicobar at present as atrocities are being committed in the name of Supreme Court's ruling on environment and forest. All construction works have come to a halt there. Two thousand persons working in Andaman Nicobar Forest Plantation Development Corporation have not been paid salary for 3 months. They are in serious trouble. Extra burden of 50 thousand has accumulated due to closure of timber industries. You can understand the situation if one lakh persons out of the population of 4 lakh persons

are unemployed. I have met several concerned officers but no solution has come up.

I would like to draw the attention of the House and the Government and highlight the fact that the same circumstances continue to prevail in which the development works have come to a halt and unemployment keeps on increasing then the people of the far-flung island would start to follow the same path adopted by the people of North-East which is not in the interest of the country. ...(*Interruptions*)

[*English*]

MR. SPEAKER: It is an important matter. I am sure it should be looked into.

[*Translation*]

SHRI MANORANJAN BHAKTA: I request that there should be a discussion under Rule 193 in the House for the people who do not have an assembly as we do not have a platform to express our views. ...(*Interruptions*)

MR. SPEAKER: Please give notice in this regard.

...(*Interruptions*)

SHRI MANORANJAN BHAKTA: I represent a small place that is why I am never accorded priority. I want to request that there should be a provision for setting up of legislative assembly to fulfil the aspirations of the people of Andaman and Nicobar.

[*English*]

MR. SPEAKER: I am sure the Government will consider your views.

[*Translation*]

SHRI MANORANJAN BHAKTA: The sooner it is done, the better. It was discussed earlier too. There was a bill from Shri Basudeb Achariaji, the Parliamentary Affairs Minister gave an assurance during discussion on that bill that they would bring up a bill. It was withdrawn later on. An all party meeting was called within 15 days. A consensus was arrived at in this regard. The then Home Minister late Shri Indrajeet Gupta took initiative in this regard. ...(*Interruptions*)

[English]

MR. SPEAKER: We can understand your agony. I am sure the Government will consider your views.

[Translation]

SHRI MANORANJAN BHAKTA: Sir, through you I want a new mindset be applied while dealing with the issue of small island and union territories. It was stated in the manifesto of our party that legislative assemblies should be constituted for the territorial States but I do not know what happened to that proposal? I would only like to say that it should be considered.

[English]

MR. SPEAKER: Shri Bhakta, you no longer need a discussion under Rule 193 on this subject.

[Translation]

SHRI SUKDEO PASWAN (Araria): Mr. Speaker, Sir, entire Bihar is affected by floods and drought. It is the sowing season for wheat. The actual price of the DAP in the market is Rs. 510 for 50 kg. bag whereas it is being sold at Rs. 750-800 per 50 kg. in black market. Similarly the rate of NPK fertilizer is Rs. 460 per bag and it is selling at Rs. 625. The fertilizer priced at Rs. 270 is being sold at Rs. 350 to 400 per bag. There is a local fertilizer factory in Bihar. The price of that local fertilizer is Rs. 400 per bag while it is selling at Rs. 600-700.

Through you, I want to tell the Government that poor farmers are being cheated. There is no check on the traders over there and no action is being taken against them. I want to say that it is the time of Rabi crop in Bihar, sowing of wheat is going on, my demand is that the establishments of big industrialists should be raided and the farmers should get the fertilizer at the rates fixed by the Government.

[English]

DR. K.S. MANOJ (Alleppy): Sir, today is the International Day of Human Rights. Parliament has passed the POTA (Repeal) Bill as well as the Unlawful Activities Bill. I would like to draw the attention of Parliament that many accused persons are kept without trial in various jails in various States of our country.

One such incident is in Kerala. Shri Abdul Nasar Madani, Chairman of the Peoples' Democratic Party was kept in jail for the last six and a half years without any trial. His petitions for bail were refused. He was kept in Coimbatore jail for the last six and a half years. I would like to draw the attention of the Central Government to look into the matter. He is also having a lot of medical ailments. Even the jail authorities have denied facilities for his treatment. Hence, I would like to draw the attention of the Central Government in this matter to ensure early trial of the person.

SHRI VIRENDRA KUMAR (Sagar): Mr. Speaker, Sir, Dr. Hari Singh Gaur University of Sagar is one of the most ancient and important universities of the country. It has a very important place in the world of education in Madhya Pradesh. Dr. Hari Singh Gaur, who was a famous lawyer and who earned a lot of money through his practice abroad, put in all his earnings to establish this university.

Not only from our country but students from abroad also come to study pharmacy, geology, criminology in this university. The university has a big campus and a longer number of students are enrolled with the university. It is a long pending demand of the intellectuals, students and social organizations that Dr. Hari Singh Gaur University be accorded the status of a central university. Through you I would like to request the Government that Dr. Hari Singh Gaur University be converted into a central university on priority basis.

SHRI SANTOSH GANGWAR (Bareilly) : Mr. Speaker, Sir, I want to draw the attention of the hon. Finance Minister towards a very important subject. The employees of rural banks of the country are staging a dharna in Delhi on 14th. Their major demand is that the 8th bilateral pay agreement signed with banking industry has not been implemented. Now all the rural banks are functioning commercially and most of them are earning profit and their working has improved considerably in comparison to earlier times. I would like that when the employees of rural banks gather on 14th, the hon. Finance Minister should give them assurance to the effect that their demand would be accepted and the 8th bilateral pay agreement would be implemented soon. I insist upon him to fix a date in this regard.

[English]

MR. SPEAKER: You all should learn from Shri Bhargava. He gives a notice, waits patiently and gets a

chance. Merely raising hand and saying 'Sir', 'Sir', will not help. He is an ideal Member.

[Translation]

SHRI GIRDHARI LAL BHARGAVA (Jaipur): Mr. Speaker, Sir, my only submission is that capital of Rajasthan, Jaipur does have neither a ropeway nor a ground for exhibition. I have made a request to the Rajasthan Government in this regard. My request has been accepted and a ropeway is going to be constructed in Jaipur but the State Government does not have the funds to construct it. I request the hon. Finance Minister that Rajasthan should be given some grants for the construction of ropeway and exhibition ground in Jaipur so that the State Government may complete this project. Thank you.

[English]

SHRIMATI SUSMITA BAURI (Vishnupur): Sir, the long-pending Bill on Reservation for Women in Parliament and State Assemblies should be placed on the Table of the House in this Session of Parliament for voting without any further delay and without resorting to any tactics of diversion or deviation.

During NDA Government's rule, the Women Reservation Bill was tabled thrice. But NDA Government did not show the political will to put the Bill to vote. Moreover, they chose to freeze the consideration of the Bill itself in the name of lack of political consensus. The grounds which are shown for the repeated delay in passing the Bill are not issues that can deny the extreme need of social, political, economic and cultural support to women. Women not only comprise the bulk of the population but are also very important in the structure. In family, society, production and creativity, the part played by women is not only important but also unique—man cannot perform what woman has to.

Women have already shown their ability and strength in the panchayati system as elected members and office bearers. It is said that women are less corruptible than their gender counterpart. We demand that this Bill should be tabled in the Parliament with utmost priority and put to vote.

[Translation]

DR. KARAN SINGH YADAV (Alwar): Mr. Speaker, Sir, the yield of onions and cotton is very good this time

in the district Alwar of Rajasthan from which I have been elected. But with heavy heart I have to say that onion is not procured from the farmers of Rajasthan even at the rate of Rs. 1 or 2 per kilogram farmers hesitate in taking onions to mandi as they are not sure of its sale even after stopping the truck or trolley for whole day and that is why they have to sell it off at the rate whatever it is offered. I request the Union Minister of Agriculture to enquire into this matter so that the farmers may get the remunerative price. Similarly, I want to make request about cotton. Last year cotton and "nama" used to be sold at Rs. 2500 per quintal but this year it is fetching only Rs. 1400 or Rs. 1500 per quintal. The price of agricultural produce is so low, but when we go to market to buy onions we get it at the rate of Rs. 10-12 to Rs. 15. However, the farmers are not even getting Rs. one or Rs. 2. Therefore, I request the Ministry of Agriculture to look into the matter.

[English]

MR. SPEAKER: The House stands adjourned to meet again at 1415 hours.

13.15 hrs.

The Lok Sabha then adjourned for Lunch till Fifteen Minutes past Fourteen of the Clock.

14.24 hrs.

The Lok Sabha re-assembled after Lunch at Twenty-Four Minutes past Fourteen of the Clock.

[DR. LAXMINARAYAN PANDEY *in the Chair*]

[Translation]

SHRI AVINASH RAI KHANNA (Hoshiarpur): Mr. Chairman, a very shameful incident has taken place in Pattarewala village of Punjab. ...*(Interruptions)*

MR. CHAIRMAN: Let the House function. We would take up item no. 15.

SHRI AVINASH RAI KHANNA: I want to raise a very serious issue. Dalits were forced to drink urine from a shoe in Pattarewala village and the administration did not take any action. ...*(Interruptions)*

[English]

MR. CHAIRMAN: You have drawn the attention of the House.

The House shall now take up Item No. 15. Shri Dushyant Singh.

14.25 hrs.

CALLING ATTENTION TO THE MATTER OF URGENT PUBLIC IMPORTANCE

- (1) **Situation arising out of hardships being faced by opium cultivators in opium growing areas and steps taken by the Government in regard thereto**

[English]

SHRI DUSHYANT SINGH (Jhalawar): Sir, I call the attention of the Minister of Finance to the following matter of urgent public importance and request that he may make a statement thereon:

"The situation arising out of hardships being faced by opium cultivators in opium growing areas and steps taken by the Government in regard thereto."

*THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): The Government notifies the general conditions for grant of licence for cultivation of opium poppy on an annual basis for each opium crop year. A crop year is the period from 1st October of any year to 30th September of the next year. The 'Opium Licensing Order' is formulated keeping in view various factors, such as the requirements under the United Nation's Single Convention on Narcotic Drugs 1961, the welfare of opium cultivators, the domestic and export requirements of opium and the current stocks of opium in possession with the Government Opium Factories, etc.

The 'Opium Licensing Order' for the crop year 2004-05 was announced vide notification GSR 679 (E) dated 15th October, 2004. Apart from other eligibility conditions, the said order provides for issue of licence to all eligible cultivators who tendered opium in the preceding crop year 2003-04 in accordance with the Minimum Qualifying Yield (MQY) of 54 kilogram per hectare in the State of Madhya

Pradesh and Rajasthan and 48 kilogram per hectare in Uttar Pradesh. The Minimum Qualifying Yield (MQY) is fixed taking into account the Forewarning of Minimum Qualifying Yield (MQY) given in the Opium Licensing Order for the preceding crop year, the average yield of opium tendered by the cultivators in the preceding crop year and other relevant factors. In order to limit opium cultivation, keeping in view the factors I have indicated, the maximum area permitted for cultivation to the individual licensed cultivator in the Order for the crop year 2004-05 was kept at 10 are i.e. 1/10 of an hectare. A five percent increase in the procurement price has also been announced for the crop year 2004-05.

To discourage the growing trend of tendering water-mixed opium by certain cultivators, a specific provision was introduced for the first time in the current year's opium policy debarring from licence for one crop year all such cultivators who had tendered water-mixed opium having a consistency below 55 degree consistency i.e. opium containing less than 55 percent solid. In view of the representations received from the opium cultivators against the introduction of this provision without advanced forewarning in the 'Opium Licensing Order' for the preceding crop year, the provision has been deleted through the notification GSR 784 (E) dated 3.12.2004. Opium poppy cultivation licence has now been granted to all such cultivators who have tendered water-mixed opium below 55 degree consistency provided they fulfilled the Minimum Qualifying Yield (MQY) criteria and other eligibility conditions. Thus while this provision has been deleted for the purpose of licensing in the crop year 2004-05, the forewarning in this regard has been retained whereby the opium cultivators are forewarned that those cultivators who tender water-mixed opium below 55 degree consistency in the crop year 2004-05 would not be eligible for licence in the next crop year 2005-06.

The "Opium Licensing Order" also contains a forewarning of Minimum Qualifying Yield (MQY) which is intended to inform the cultivators, well in advance, regarding the Minimum Qualifying Yield (MQY) which they would be required to tender to be eligible for licence in the succeeding crop year. In the 'Opium Licensing Order' for the crop year 2004-05, a forewarning was given to the opium cultivators that they would be required to tender opium in accordance with the MQY of 49 kilogram per hectare for Uttar Pradesh and 58 kilogram per hectare for Madhya Pradesh and Rajasthan in order to become eligible for licence in the next crop year 2005-06. The Minimum Qualifying Yield (MQY) forewarning for Rajasthan and Madhya Pradesh was fixed based on the average

*Statement was also placed in the Library. See No. LT 1068/04.

yield of opium in these two States. However, representations against the sharp rise in Minimum Qualifying Yield (MQY) forewarning for Madhya Pradesh and Rajasthan were considered and the Minimum Qualifying Yield (MQY) forewarning for Madhya Pradesh and Rajasthan has been reduced from 58 kilogram per hectare to 56 kilogram per hectare vide the above mentioned notification dated 3rd December, 2004.

The Government of India has over the years taken several measures to benefit cultivators. The procedure for testing opium at the field has been improved by introduction of scientific method of testing by electric ovens, the introduction of collection of separate 50 gram samples from individual opium cultivators to identify the actual adulterators from the bona fide cultivators, the periodic increase of procurement prices to increase the remuneration to cultivators and upgradation/modernisation of the Government Opium and Alkaloid Works to increase the consumption of opium.

[Translation]

SHRI DUSHYANT SINGH: Mr. Chairman, Sir, with your permission, I want to tell the hon. Finance Minister that opium cultivation is done in Rajasthan and Madhya Pradesh. Opium cultivation is undertaken in Ramganj, Mandi, Sangod and Ladopura of Kota in Rajasthan. It is done in Baran, Jhabra, Cheechabarod, Ataru in Baran. In Jhalawar, it is cultivated in Jhalapatan, Khanpur, Ekera, Pachpada, Pidama, Gandhar and Manoharthana and it is also grown in Chittorgarh, Bheelwada and Udaipur. Opium cultivation is also undertaken in Mandsaur in Madhya Pradesh to which Mr. Chairman, Sir, you belong. Apart from this, it is produced in Ujjain too. Opium is also grown in Bareilly in Uttar Pradesh. I would raise the issues relating to my area. Every year the Union Government formulates a policy for opium. After assuming power at the centre by the UPA Government. The hon. Prime Minister stated in the Common Minimum Programme of the UPA Government that have sympathy for farmers. We want the farmers to move ahead. It is written in the introduction Common Minimum Programme of the Government that they would take every possible step to promote agriculture and work for the welfare of the farmers but the Government's policies have given a set back to the farmers. Due to Government's policy the farmers who used to cultivate opium on 20 are would be able to cultivate opium only on 10 are. I want to request the hon. Finance Minister to withdraw the reduction made in the extent of land for cultivation of opium and help in making the farmers prosperous. It would strengthen the financial position of the farmers and would lead to

development of the area. Due to Government's opium policy five pattas for the cultivation of opium have been reduced as a result of which farmers can not cultivate opium to that extent. I request the Government to restore those pattas.

Mr. Chairman, Sir, it was said right now that procurement price of opium has been increased. All the members of Parliament have demanded to fix it between Rs. 3000 to 3500 in the meeting convened every year but you have increased it only by 5 percent. I want that he should increase it a little bit more. Hadauti the area of Malwa in Madhya Pradesh is inhabited by small farmers. It would be a major set back for them to provide patta of 10 are for the cultivation of opium. Farmers want that 20 are patta should be provided to them so that the region could make progress. In my area cases are filed against farmers without any reason. Their houses are raided during the crops. I request that a new policy should be formulated in this regard.

I agree with him that the Government should have a strict policy against persons indulging in the business of illicit drugs so that the Government can put an end to this business. All the members of Parliament would agree to this and this would end the menace of drugs in the country. At times, the farmers have to plough the land due to natural calamities that is why I suggest that Narcotics Commissioner whose office is in Gwalior should demand a report from the Tehsildar and Patwari because the officers of narcotics department who inspect the crops make visits after much delay. I request that they should visit immediately so that a good environment is created and our farmers might be benefited. Testing is carried out when the material is produced every year.

[English]

During the testing season, the material is found good and after testing, the material goes to Gazipur where the stocks of Rajasthan go. There are two different factories, one in Neemach in Mandsaur, and the other one in Gazipur. In those places, they find the products adulterated. I believe the farmers are toiling with their sweat and are working round the clock. They are working in a season when it is hard to cultivate opium. I would request you to have on the spot check and the farmers should be given money on the spot for their produce. They should not wait for the materials to go back to Gazipur or Neemach to get their money back. Every year, we have a policy formed by the hon. Finance Minister. I would request the Finance Minister to include, apart from MPs and MLAs, farmers also in policy-making. Farmers

[Shri Dushyant Singh]

should be called and you may have an interaction with them. They may be included in the Salahkar Committee so that their views may be included in the policy-making. We have to have a new policy.

With the policy, we have to look at the insurance of the opium cultivators. Opium cultivators are producing opium in the months of October to March. During that period, there are a lot of natural calamities which take place. Thus, the opium cultivators have to face severe hardship. I am personally having a sympathetic view towards the farmers and the people of our nation. I would request you to have an insurance programme for the farmers.

[Translation]

There is a need for an insurance scheme for our farmers. You should get it ready. He had convened a meeting and said that a quantity of material is lying in the factories.

[English]

What should I do with the material lying in Gazipur and Neemach? We have two good factories which produce them. Here, I must say that these factories are producing narcotine, papaverine and codeine phosphate. At that point of time, I must say that morphone salts and codeine phosphate are the main products. These are used in the Indian pharmaceutical companies.

[Translation]

Our medicine companies need these. The Union Cabinet of the erstwhile Government took a decision and the then Health Minister hon. Sushmaji noted that. I would like to quote:

[English]

Now, there are only two Government-owned factories in this field and they have inadequate capacity to meet the needs of the drug companies which use opium as raw material. So, I request you that in order to benefit the farmers, we need to open up the industry and invite private entrepreneurs in this area, particularly pharmaceutical companies.

I would go to a Question which was asked by our Chairman, Dr. Laxminarayan Pandey, who is sitting in the Chair now, about the foreign companies. It was answered on 16.3.01. He asked the Government about

the quantities of opium exported as per contracts of that year, 2001. According to that reply a company called Mallinckrodt Inc. USA, was contracted 380 metric tonnes of opium in that year. The quantity exported to that company was 345 metric tonnes. There is another company called, Noramco of Delaware Inc, USA. A quantity of 150 metric tonnes was exported to them. A quantity of 142 metric tonnes was exported to Tomen Corporation, Japan. I must say that totally 649 metric tonnes was exported abroad. Why can we not do it here? Why can we not make a policy for the pharmaceutical companies so that we can open up the market, increase the production and help the common man?

[Translation]

Sir, the Government should take welfare steps for the common man for whom Shri Manmohan Singhji and he has so much regard. Sir, I want to say that.

[English]

We are for the farmers. We have been voted by the people. We have to work for them. I would request the hon. Finance Minister to consider this and help the farmers.

[Translation]

Sir, I would conclude with a few lines about the farmers "Sabke liye ann upjate hai, khud phir bhi bhukha so jata hai, Sachmuch woh hai anndata, uska hum sab par karza hai, phir yadi who haq mang raha hai, dene mein kaisa harza hai."

He grows food for everyone and he himself stays hungry

He is the giver of food and we owe a lot to him,

Then if he is seeking his due then what is the harm.

[English]

Sir, I request them again to formulate a policy for the welfare of the farmers for whom he has so much regard. This would benefit the farmers and create a good environment for them. I particularly request for Rajasthan and Malwa region so that these regions might develop.

Mr. Chairman, Sir, I thank you for giving me opportunity to speak.

[Translation]

SHRI SRICHAND KRIPLANI (Chittorgarh): Mr. Chairman, sir through you, I would like to draw the attention of hon'ble Finance Minister that there are many flaws in the new opium policy. I would like to bring your attention towards those drawbacks.

Sir, as Dushyantji was telling just now that in our country opium is cultivated in Rajasthan, Madhya Pradesh and Uttar Pradesh and over one lakh farmers have been issued lease by the Finance Ministry to grow opium. More than 12 lakh people are directly or indirectly involved in the cultivation of opium, but I would call it very unfortunate that the opium policy announced this year does not look promising. Each year the opium policy used to be formed by holding consultation with both the opium farmers and officials. ...(*Interruptions*)

MR. CHAIRMAN: Kriplaniji, please ask the pointed question only.

SHRI SRICHAND KRIPLANI: Sir, I am asking the same. I know that before formulating the opium policy hon'ble Minister would have discussed it with the officials as well as farmers, but I would like to draw their attention towards the opium policy formed during last six years. Each year at the time of formulating the opium policy, a meeting is held with opium farmers and Government Officials and the decision is taken on the same day itself regarding how much area would be brought under opium and what cost price is to be kept. All this was decided and announced on the same day of meeting but it was for the first time this year that the meeting was held, talks were held with the officials present but instead of announcing the opium policy, hon'ble Finance Minister asked us to leave at that moment and said that the opium policy would be announced. ...(*Interruptions*)

[*English*]

MR. CHAIRMAN: Shri Kriplani, you please ask only pointed questions.

[*Translation*]

SHRI SRICHAND KRIPLANI: Sir, in the first budget speech hon'ble Finance Minister had said a large number of things about being a true well-wisher to the farmers and that they will help the farmers in every possible manner but we have been disappointed to see the Government's opium policy this year. According to the Government figures 1 lakh direct and 12 lakh indirect farmers are involved in growing opium but the opium policy has not been formed properly. Many flaws have been left in it. The Government have cut down 20 thousand lease deeds to 10 thousand in the policy and they have cancelled all the lease in some regions where there were 5 farmers. The prices were not increased where we had asked. There are many problems due to the opium policy. The surety was made 55 percent and an average of 58 was done because of opium policy.

We had requested you that opium is cultivated in Uttar Pradesh, Rajasthan and Madhya Pradesh and that the average should be equal at all the places.

Sir, now I will ask a pointed question. I will not speak for long. I request hon'ble Finance Minister to seriously ponder over this matter. In India, opium farming is such that, though they may say they have large opium stocks and they are making its rakba half. Tomorrow they may say that they have accumulated large stocks of wheat or corn and thus the farmers should stop growing it. Hon'ble Finance Minister, you cannot do this. I request them to seriously think about it. Do they think of making it 10 aris to 20 aris or not. We want to request that if they want to stop opium smuggling then they should bring uniformity between the market price of opium and the prices being paid to farmers and that they should make efforts to bring uniformity because opium smuggling cannot be curbed till no uniformity is formed between the two.

Sir, we had also said that a situation of famine prevailed in Rajasthan, Madhya Pradesh continuously for five years due to which a number of farmers could not give the due average which led to the cancellation of their lease deeds. We request you to issue lease to the farmers whose lease have been cancelled till 500 gms. In the year 2004-05 they said they would take an average of 58 and on our request the average was brought to 56. It is my request to you that looking at the situation of Rajasthan, Madhya Pradesh and Uttar Pradesh the average should be kept at 54. Farmers can be helped by this measure only. When we talk of exports, just now as Dushyant Singhji was talking about export of Morphin, Cordine and Thibin. The modernisation of Neemach and Ghazipur industries in particular were discussed during the NDA Government, but I don't know whether the modernisation work is going on after the formation of UPA Government. If they do some modernisation and increase two shifts of Neemach and Ghazipur to three shifts then we will require more opium and we shall be able to give lease to the farmers.

Sir, we have been requesting them from time to time that we cannot help the country's farmer till we issue new lease to farmers and open new avenues. Now, I would like to make a submission regarding section 8/29 under which the police is empowered to initiate action against the cultivators on the statement of a smuggler in its custody. The narcotics department as well police take action against them and make money from it. They start harassing the farmer. I request them that it will be an immense help to farmers if section 8/29 is done away

[Shri Srichand Kriplani]

with. I request you to look into the new opium policy formulated in order to accommodate our demands e.g. to increase cost price as per our demand, to issue new lease deeds, to increase 10 aris upto 20 aris and to withdraw the lease deeds issued upto 500 gms. They should make efforts for the welfare of the farmers. Hon. Minister should keep his words spoken and promise made at the time to Budget that he is always there for the farmer.

Sir, in the end, I would like to remind the hon'ble Minister of Finance about the visit he made to Chittorgarh 6 years back. We had organised a big rally at the time of their visit, 25,000 people had aggregated at that time. Shri Jaswant Singhji brought you there along with him. You had made big promises to us then. if you remember that incident of six years back and think, it will surely help the opium farmers.

[English]

SHRI P. CHIDAMBARAM: Nobody bothered about this during the last six years. *...(Interruptions)*

[Translation]

SHRI SHAILENDRA KUMAR (Chail): Hon'ble Chairman, Sir, you have given me an opportunity to ask Hon'ble Finance Minister question regarding the problems faced by opium producers in opium producing region of our friend Shri Dushyant Singhji.

Sir, through you, I would like to ask a few questions to hon'ble Finance Minister and would also like to give some suggestions. In Uttar Pradesh, particularly in Barabanki and Ghazipur, there is an opium factory in Ghazipur but it is cultivated in Barabanki and Bareilly, the farmers over there are in problem because of no rain on time and famine.

The Farmers have suffered a lot due to serious water crisis. Often it is seen that particularly in opium cultivation water is required 8 to 10 times and due to non-availability of water the farmers, at present, are on the verge of starvation also. All Governments only commit that they will provide water to them. Today, 80% people are dependent on agriculture but we do not pay any attention towards them. The recent example of this is Madhya Pradesh where 13,000 farmers, who used to do opium cultivation, have stopped the cultivation due to serious water crisis. This is in a way very big problem of

unemployment. Every region has its own geographical condition. Some lands are suitable for production of particular item whereas foodgrain can be produced in large quantity at some other places. At some places the cultivation of opium can be done and at others the farmers can produce some selected items only because of their dependence on rain. Hence we are compelled to think about the cultivation of opium for the livelihood of farmers of that area. Similarly despite getting licence, 5000 farmers of Madhya Pradesh refused to undertake opium cultivation due to non availability of water in that area.

'Secondly, since there is competition in world market, we have to think of producing good quality opium only then we can earn foreign exchange and make development...*(Interruptions)*

MR. CHAIRMAN: You please ask the question.

SHRI SHAILENDRA KUMAR: I am coming to the question only. There is a need to check the illegal smuggling from Afghanistan also. The hon'ble Finance Minister should talk to that Government in this regard so as to check smuggling. If smuggling is checked then only we can make progress. Due to smuggling of narcotics, there has been increase in the cases of HIV which can be avoided by checking smuggling.

I would like to ask some question from hon'ble Minister. Particularly when we are talking about the farmers and their production, I would like to tell that the officers and inspector of Narcotics Department often exploit farmers and harass them. In case the FIR is lodged then it is observed that 4-6 tenants, who are small and marginal farmers, are influenced by it, There is a need to check this also.

While giving thanks to Shri Dushyant Singhji, who has raised the issue of production of opium and its product, I would like to request the hon'ble Minister to formulate a new policy regarding production of opium and think of providing facilities to farmers only then we can progress.

[English]

SHRI P. CHIDAMBARAM: Sir, there is no new opium policy. This is the same policy which has been there for many years, a policy which I had implemented for two years earlier and the NDA Government implemented for six years. Therefore, there is no new opium policy. We are following the same policy. We are following the same method. The Minister calls the hon. Members who come

from that area, listens to them and then a policy is announced. When representations are received, we make corrections in the policy.

I have visited Chittorgarh. My predecessor also visited the opium-growing areas. When there is an opportunity, I will once again visit the opium-growing areas to meet the opium cultivators to see if any further steps are to be taken.

Very quickly, I would deal with the issues. What is the problem? The problem is that exports which touched 718 metric tonnes in 1997-98 have now come down to 480 metric tonnes. The stocks of opium have increased from 497 metric tonnes to 1424 metric tonnes.

We are producing too much opium. There is no export market. The export market is dwindling. I may submit with great respect that the future is not a very good further for export of opium. It is, in these circumstances, that we had to take certain policy decisions. The first decision was to reduce the area to 10 ares. Now, this is not new. In 1991-92, in 1992-93 and in 1993-94, 10 acres were fixed for each cultivator because we wanted to accommodate as many cultivators as possible. And we have reduced it to 10 ares. If I increase it to 20 ares, then the number of cultivators will be halved. Therefore, in order to accommodate as many cultivators as possible, the only way out is to reduce the area per cultivator so that not too many of them are disappointed.

Sir, as regards the price, fantastic claims are made about price. I wish that is the history; but that is not so. The price that was given in 2002-2003 was between Rs. 650 and Rs. 1700, depending upon the output. In 2003-2004, it was between Rs. 720 and Rs. 2100. We have this year increased by five percent across the board for every level. That is the increase possible under the circumstances. We have not reduced the price; on the contrary, we have increased the price.

Sir, the next point raised was about testing. We are not doing anything new. Tasting is a well-recognised method and is followed. The tests are done at the field. Ninety percent of the payment is made to the cultivator on the basis of the field test of the consistency of opium. Sir, the 'oven test' is carried out in a special and closed space of size 10x15 feet. The chemists deputed by the Central Revenue Control Laboratory carry out these tests. Considering space constraints, we accommodate only 30 to 40 cultivators in a space of 10x15 feet. But when the time for procurement comes, we will renew instructions and the system of determining consistency will be

explained to all the cultivators present daily till conclusion of the weighment.

Sir, it is not that we are unresponsive. We did notify, for example, 58 kg. and 49 kg. as next year's forewarning. After receiving representations, I have reduced 58 kg. for MP and Rajasthan to 56 kg. Secondly, we had disqualified those who had tendered water-mixed opium. When it was brought to my notice that this forewarning had not been given last year, I immediately changed that and said that "all right we will not disqualify any one for the current year, but I am forewarning people for the next year that if they tender water-mixed opium. I am afraid, We will have to disqualify them". The reason is that the number of people tendering water-mixed opium is increasing year after year. Now, if we continue to allow this trend, then, I am afraid, more and more people will be encouraged to tender water-mixed opium, and we will have serious problems. For example, in UP, the percentage of cultivators, who have tendered water-mixed opium, have increased to 47 percent, in Rajasthan-23.5 percent; and in MP-18.69 percent.

We are, therefore, forewarning them for next year that if you tender water-mixed opium this year, I will disqualify you next year. Otherwise, it is the same policy. I know that we should do something better. But, there is no opium market. The export market has virtually collapsed. But, I will do my best. When I visit opium-growing areas, I will talk to the opium cultivators. Hon. Members can be present and whatever best I can do in the circumstances. I will certainly do.

[Translation]

SHRI SRICHAND KRIPLANI: Mr. Chairman, Sir, hon'ble Finance Minister is doubting the intention of farmers ...*(Interruptions)* There may be some wrong doing at some places. ...*(Interruptions)* Problem occurs only due to defective machine. Hon'ble Minister is threatening to stop the cultivation of opium. ...*(Interruptions)* I would like to say that the former Chief Minister of Madhya Pradesh Shri Digvijay Singhji and former Chief Minister of Rajasthan Shri Ashok Gehlotji have been continuously demanding to stop the cultivation of opium. ...*(Interruptions)* I feel that after formation of UPA Government, they want to stop the cultivation of opium. ...*(Interruptions)* They have drawn up outline to stop the cultivation of opium. ...*(Interruptions)* We will definitely oppose it

15.00 hrs.

The future of 12 lakh people depends on it, I request hon'ble Minister of Finance to think about farmers.

[Shri Srichand Kriplani]

...(Interruptions) They would not be able to cultivate this crop. They are engaged in this cultivation for last several years. ...(Interruptions).

[English]

SHRI DUSHYANT SINGH: Mr. Chairman, Sir, I need to seek a clarification from the Minister. I will take only one minute. ...(Interruptions)

MR. CHAIRMAN: There is no provision for clarification in the Rules.

SHRI DUSHYANT SINGH: Sir, I request you to allow me because this is a serious matter relating to farmers of Rajasthan.

SHRI P. CHIDAMBARAM: Mr. Chairman, Sir, there is one more Calling Attention and we have to conclude it by 3.30 p.m.

[Translation]

SHRI DUSHYANT SINGH: Mr. Chairman, Sir, the hon'ble Minister has stated in his reply that there is no volume of export. ...(Interruptions) I would like to submit that the export during 2002-03 was to the tune of Rs. 270.62 crore and in 2003-04, it was to the tune of Rs. 279.55 crore. ...(Interruptions)

[Translation]

MR. CHAIRMAN: There is no provision of any clarification after the reply in Calling Attention.

[English]

We will go to the next item now. Shri Chandrakant Khaire.

15.01 hrs.

- (ii) **Situation arising out of implementation of various rules by the LIC and GIC adversely affecting the Income, Service Conditions and Interests of Development Officers and Field Staff of the Corporations and steps taken by the Government in regard thereto**

[English]

SHRI CHANDRAKANT KHAIRE (Aurangabad, Maharashtra): Sir, I call the attention of the Minister of

Finance to the following matter of urgent public importance and request that he may make a statement thereon:

"The situation arising out of implementation of various rules by the Life Insurance Corporation and General Insurance Corporation adversely affecting the income, service conditions and interests of Development Officers and Field Staff of the Corporations and steps taken by the Government in regard thereto."

*THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Sir, the Development Officers of Life Insurance Corporation of India (LIC) are salaried employees. They receive, in addition to salary, incentive bonus, conveyance allowance, additional conveyance allowance and reimbursement of expenses, depending upon the premium income brought in by agents working under them.

The scheme of incentive bonus for Development Officers is formulated by the LIC and is modified from time to time. The last Incentive Bonus Scheme, 2000 and Reimbursement of Expenses Scheme, 2000 came to an end on 31.8.2004. The new Growth-Oriented Incentive Bonus Scheme was approved by the Board of LIC, taking into account the rapidly growing competition in the insurance sector. In an increasingly competitive environment, LIC is losing its market share and unless effective steps are taken to regain it, the Corporation would stand the risk of losing its status as the dominant player, in years to come.

LIC had to revise the existing schemes which though quite liberal, could not effectively motivate all Development Officers and many of them were performing below par. Many Development Officers were excessively dependent on a few result-oriented agents and did not recruit new agents. Large-scale termination of agents affected the business growth of LIC resulting in failure to achieve budgeted targets. The earlier schemes were not linked to the performance in marketing of certain product segments like pension, unit-linked products etc. in which private life insurance companies are dominating the market. Apart from this, reimbursement of expenses and large payments under additional conveyance allowance to Development Officers were leading to administrative problems as well as litigation with tax authorities.

*Statement was also placed in the Library. See No. LT 1069/04

The Corporation wanted to address issues like controlling lapsation of policies, inadequate recruitment, quality of agents and quality of business by arresting number of early death claims etc. To address the deficiencies of earlier schemes, a new Growth-Oriented Incentive Bonus Scheme, 2004 has been introduced by merging Incentive Bonus Scheme, Reimbursement of Expenses Scheme and Additional Conveyance Allowance Scheme. into one. This would avoid administrative problems as well as litigation with tax authorities. It has introduced a graded system of credit, making the Development Officer responsible for growth of business, thus creating opportunities to earn higher incentives. Among other things, it provides for minimum number of agents, debit for absence or low recruitment and also termination. It has revised the cost ratio and fixed a quota of minimum number of lives covered.

LIC has implemented the new scheme after holding a series of consultations with the representatives of Development Officers. The proposed scheme was given to the representatives of the National Federation of Field Workers of India (NFIFWI) on 12.8.2004 and thereafter a series of discussions were held by LIC with NFIFWI representatives on different dates. On the basis of representations, a number of modifications were carried out in the scheme and, wherever relaxations were warranted, they were incorporated in the notified scheme.

The scheme is cost effective and performance oriented. Development Officers operating at higher cost ratio levels will tend to move towards lower cost ratio levels, leading to greater economy of operations and qualitative improvement in performance. At the same time, the scheme would provide opportunities to earn higher incentive bonus through productivity linked performance.

So far as the General Insurance Corporation is concerned, it is in reinsurance business and does not have any Development Officers.

[Translation]

SHRI CHANDRAKANT KHAIRE: Mr. Chairman, Sir, I don't agree with what hon'ble Minister has said just now as all Development Officers are agitating for the last three months. Despite this, they are not getting justice. This policy is in existence since 1956 when LIC was nationalised. There are 19,700 Development Officers and more than one lakh agents in LIC. It has hundreds of Divisions and 2400 branches in the country. People thought the country invest their money in it.

LIC is the only institution in which all people have faith. But I would like to tell that many foreign companies are also entering in this field and have launched their policies. Besides, many private companies of our country are also opening insurance offices. As a result of this, they are competing among themselves for getting business. But gross injustice is being done to 19,700 Development Officers of LIC. Similarly, the corporation has launched new Growth-Oriented Incentive Bonus Scheme, 2004. After introduction, this scheme has been sent to the Union 6 times. Six meetings have been held. But even after this, the Management of LIC has asked NFIFWI the federation of Development Officers and Field Workers to give new proposal so that it can consider it. The NFIFWI suggested a new proposal but the Management has passed that scheme in a Board Meeting without considering the proposal stating that they want to bring new scheme. This move has resulted in gross injustice against Development Officers and agents who increase the business of LIC by visiting homes of people throughout the country. People invest their hard earned money in it and now they are very much concerned as to what is happening in LIC. Due to the agitation, which is going on for the last three months, even the business of LIC has come down. Only some facilities were given to the Development Officers on behalf of LIC. They should be given promotion also. We want that our Corporation should function efficiently. There should be healthy competition between LIC and the foreign companies and private companies entering in this field.

The management has to think that it would be profitable only if more business is done. There were directions for Development officers in the service rule for increasing the business in L.I.C. Earlier the Development officers used to get full credit for the business done by them.

I would like to tell about the system which the LIC Management has implemented recently for Development officers. According to the new system, the Development officers who have been working for the last 7 years will get 100% credit. The Development officers who have been working for the last 8-10 years will get 90% credit whereas those working for the last 11 years will get credit upto 80%, 60% and 40%. Under earlier system, they used to get credit upto 10 lakh but now as per new rules will get Credit upto 4 lakh which is a loss to them. Due to this, no one will try to increase the premium and put this much effort. That is why I would like to say that Development officers are the base of LIC. *...(Interruptions)* A detailed discussion should be held over this. Several

[Shri Chandrakant Khaire]

other members also want to speak over this issue. I would like to tell the hon'ble Minister that the Government have to think as to how to increase the business of LIC. It would be in the interest of Corporation if the system which was prevailing earlier is re-introduce.

Today, even the Chairman and the M.D. in LIC are not permanent. They are being given extensions. Many Senior officers of LIC are in touch with other companies. After joining those companies they will increase their business. If this is the situation then others will naturally take advantage of it. An officer, whose name was Mathur, has joined some other company. LIC is the soul of people of India. Therefore, I would request our dynamic Minister of Finance to re-introduce our earlier system so that LIC could be saved and its condition is improved. Today the Development officers have no job security in LIC as they can be removed at any time. They are suffering loss due to this also.

Now, I would like to mention about conveyance allowance. The Development officers of LIC Management have to do field work.

MR. CHAIRMAN: Khaireji, this is not half-an-hour discussion. This is Calling Attention. The hon'ble Speaker has given permission to 8 other members to speak over this issue.

SHRI CHANDRAKANT KHAIRE: Mr. Chairman, Sir, this is a very serious issue.

MR. CHAIRMAN: I know this.

SHRI CHANDRAKANT KHAIRE: If we don't raise their issue here then nobody will come to know about their problems. Many senior officers want to turn LIC into a loss-incurring venture.

MR. CHAIRMAN: You please listen to me. The hon'ble Speaker has given permission to eight other members to speak over this issue. This is not half-an-hour discussion, this is calling attention. Therefore, you express your views while considering this.

SHRI CHANDRAKANT KHAIRE: At 3.30 p.m., there is Private Member's Business. Therefore, I request you to give opportunity to everyone to speak over this issue and extend its time limit.

[English]

SHRI P. CHIDAMBARAM: At 3.30 p.m., there is Private Member's Business.

[Translation]

SHRI CHANDRAKANT KHAIRE: It happened last time also when I moved notice of Calling Attention. ..(Interruptions)

Even the amount of fixed conveyance allowance and additional Conveyance allowance, which they were getting earlier, has been changed. Earlier the fixed conveyance allowance for motorbike was Rs. 914 and for car, it was Rs. 1900. They used to get 4% additional conveyance allowance on premium amount of above Rs. 1,50,000/-

MR. CHAIRMAN: Don't go into the details and express your views in brief.

SHRI CHANDRAKANT KHAIRE: Additional Conveyance allowance has been reduced. Earlier the Development officers used to make more effort for business.

[English]

THE MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE OF THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI KAPIL SIBAL): Please call the attention of the Minister to some of these questions. Please ask questions and do not make a Speech.

MR. CHAIRMAN: Please Conclude now.

[Translation]

SHRI CHANDRAKANT KHAIRE: I am placing their problems. In our district also, there are many agents. Its impact is more in Maharashtra. I would like to tell that people get loan from LIC only. LIC extends help in the development of States and people get loans from it. It plays a major role in the development of the country. I would like to say that earlier there was rebate in income tax. It was Rs. 32,000/- for motor cycle and Rs. 66,000 for car...(Interruptions) Even that has been withdrawn.

[English]

SHRI P. CHIDAMBARAM: This is not Half-an-Hour discussion. This is only a Calling Attention. You can ask only clarificatory questions. ..(Interruptions)

[Translation]

MR. CHAIRMAN: Khaireji, you have moved the proposal of Calling Attention. Now you please conclude. We have limited time. The hon'ble Speaker has given permission to eight other members to speak, so you please conclude.

SHRI CHANDRAKANT KHAIRE: We can speak during Calling Attention. Give me two-three minutes time. I am saying that the restrictions which were there in various schemes. *...(Interruptions)* I hope that the hon'ble Minister would pay attention towards the scam which is taking place in LIC. This institution is in existence since 1956 and the agitation which is going on in LIC, I would like to draw your attention towards that also. *...(Interruptions)* Through you, I would like to draw the attention of hon'ble Minister towards 19,700 Development Officers. I request you to give protection and justice to them and the benefits, which they were enjoying earlier, should once again be given to them. *...(Interruptions)*

[English]

MR. CHAIRMAN: Nothing will go on record.

*(Interruptions)**

MR. CHAIRMAN: Now, Shri Basu Deb Acharia. Please do not make a speech. You can only ask clarificatory questions.

SHRI BASU DEB ACHARIA (Bankura): Sir, the Development Officers and the Agents of Life Insurance Corporation of India are the backbone of LIC. And because of their sincere efforts, the Life Insurance Corporation of India, which was nationalised in 1953, has achieved a great success. With Rs. 5 crore equity participation of the Government, it has contributed one thousand crores of rupees for the development of the country.

The Minister has stated that in order to make LIC more competitive, they are curtailing the benefits and the facilities which they are enjoying since 1953. Why did the Government of India or LIC Board feel today that the facilities which are being enjoyed by 9,700 Development Officers should be curtailed to make it cost effective? The earlier scheme was not expensive. *...(Interruptions)*

MR. CHAIRMAN: Please put your questions.

SHRI BASU DEB ACHARIA: Sir, I am coming to the question.

The cost of the Development Officers—the Corporation had received Rs. 54,603 crore by way of premium in the year 2002-03—only constitute about 1.3 percent of the premium. Sir, Rs. 54,000 crore was the premium and the cost of the Development Officers was only 1.3 percent of the premium collected in that particular year.

Sir, it is because of this scheme, there has been a demoralising effect since it has been unilaterally announced and notified by the Chairman of LIC. There had been six meetings. None of the suggestions, which were given by the federation, was accepted by the LIC Board. They unilaterally imposed it upon the Development Officers. As a result of this, there has been agitation, and because of this, the LIC is losing its market share by two percent.

Sir, this new incentive scheme will not make the LIC competitive, rather the private companies, which are doing business in our country, which are being allowed by amending the Act, are gradually encroaching, and their market share is on the increase. I want to know, because there is agitation and demoralisation effect and demotivation among the Development Officers, in order to have further consultation, whether the Finance Minister would ask the Board to hold discussions with the federation. Till that date, the implementation of the scheme be put on hold so that the LIC is not ruined, and LIC is safe, because their demand is to save the LIC.

MR. CHAIRMAN: Shri Basu Deb Acharia, the time is limited. You see the time also.

SHRI BASU DEB ACHARIA: There is another problem which has been faced by the field workers because of appointment of brokers and bank insurance. This has threatened the livelihood of 11 lakh LIC agents.

MR. CHAIRMAN: Please allow another hon. Member to ask question.

SHRI BASU DEB ACHARIA (Bankura): So, I want to know from the Minister whether the Ministry would consider the request, the demand of the 9,700 Development Officers and 11 lakh LIC agents so that their livelihoods are not adversely affected and they are not thrown out of their jobs.

SHRI P. S. GADHAVI (Kutch): Sir, I associate myself with Shri Chandrakant Khaire.

MR. CHAIRMAN: Now, Shri Vasudevan Nair. You ask only one question.

SHRI P.K. VASUDEVAN NAIR (THIRUVANANTHAPURAM): Mr. Chairman, Sir. I very well remember the assurances.

MR. CHAIRMAN: Please put a straight question because time is limited. The hon. Speaker has allowed only questions to be put.

SHRI P.K. VASUDEVAN NAIR: I know that. But we are sitting here from the morning. If you want, I will sit down.

SHRI P. CHIDAMBARAM: The time is running out.

SHRI GURUDAS DASGUPTA (Panskura): There can be an extension of the House by a few minutes. What is the harm in it? It is within your rights to extend it. *...(Interruptions)*

MR. CHAIRMAN: Otherwise, we have to extend the time also.

SHRI P.K. VASUDEVAN NAIR: Sir, I want to say something which is reasonable. I remember how the Government, including the present Minister, had assured, while opening the public sector corporations like the LIC, GIC, etc., for competition, that they would take steps to protect the public sector organisations and that our intention is not to liquidate and close down these organisations. Sir, I am afraid that a unilateral step taken by the Government on the existing facilities enjoyed by the Development Officers and other staff has created so much of frustration and discontent among the people who would really uphold these corporations. I am sure the Minister will take necessary steps. *...(Interruptions)*

MR. CHAIRMAN: Now, Shri Ratilal Kalidas Varma. You put only question.

[Translation]

The discussion on the Private Members Resolution is to take place at 3.30 p.m. You conclude quickly.

SHRI RATILAL KALIDAS VARMA (Dhandhuka): Mr. Chairman 'Jeevan Jyoti' is meant for common man. It is

like a ray of hope and provides support to the persons at the fag end of their lives. LIC is subsidiary organisation of Government in economic sphere.

[English]

SHRI GURUDAS DASGUPTA: He should finish. Let him finish. *...(Interruptions)*

SHRI P. CHIDAMBARAM: I noted his point.

[Translation]

SHRI RATILAL KALIDAS VARMA: I would like to ask two-three questions. I would like to know whether the Government intend to keep the morale of the field officer high? I would further like to know as to how many senior officers went to the private companies last year? Why was the new circular issued by the CMD at the last moment? Are field officers and agents not required for making publicity in hilly areas to compete with private companies? Some other Government works have been handed over to private sector. Further I would like to know whether the Government propose to close down LIC or handover the entire business to private companies in future.

SHRI MOHAN SINGH (Deoria): Sir, LIC is the most prominent public institution of our country having direct access to the people. I would like to say to the hon. Minister that once LIC has been left to face the competition then it is the duty of the Government to strengthen it because both foreign as well as private players are likely to increase their presence in the insurance sector. Private players try to acquire the equity of the public undertakings to strengthen themselves. Due to a ongoing confrontation in the past the business of LIC and GIC is getting adversely affected. I would like to know whether the Government are taking initiative to reach an amicable solution by making arrangement for holding direct talks between the Board and their regional field officers.

MR. CHAIRMAN: Shri Haribhau Rathod, you ask the question only.

SHRI HARIBHAU RATHOD (Yavatmal): Sir, it is not a small thing that a big industry is on the verge of ruins. I would like to know as to what the Government are doing by pushing such a big industry to closure just for the sake of petty interests of few people, *i.e.* for granting bonus and conveyance allowance to them. I want to know

whether the Government propose to abolish the post of development officers? I want the hon. Minister to reply it? Whether a scheme is going to be launched?
..(*Interruptions*)

SHRI ANNASAHEB M.K. PATIL (Erandol): I have only one question that the growth oriented scheme.
..(*Interruptions*)

MR. CHAIRMAN: I will take your question. As we have to take another business after at 3.30 p.m. and it is getting closer and the hon. Minister is to reply hence it would be proper to extend the time by ten minutes. Is the House agreed to it?

SEVERAL HON. MEMBERS: Yes, Sir.

SHRI ANNASAHEB M.K. PATIL: Sir, I have only one question to ask. Hon. Minister was saying that its performance and efficiency would increase a bit due to growth oriented scheme. I would like to know as to how true it is? As the introduction of new scheme would give some benefits and it would also have an impact. Whether there is any reduction in the 90 percent business share of LIC that used to be done by it quite efficiently? I would like to know as to why and for whom this new scheme has been introduced? I fail to understand his point that it has been done for the sake of increasing its efficiency. Please tell something about it. ..(*Interruptions*)

[*English*]

MR. CHAIRMAN: Hon. Minister, please.

SHRI P.S. GADHAVI: Please associate our feelings.
..(*Interruptions*)

SHRI P. CHIDAMBARAM: Yes, I accepted your association.

SHRI P.S. GADHAVI: Our association may kindly be noted.

SHRI P. CHIDAMBARAM: Mr. Chairman, Sir, let me assure the hon. Members, it is my intention to make LIC stronger and more competitive.

After a long gap, I held a meeting in Mumbai for about two hours with the Chairman and all senior officers of LIC. An action plan has been chalked out. LIC would make every effort to retain a market share of about 90 to 95 percent. Let there be no doubt: it is my intention

to make LIC stronger. But let us not have misplaced sympathy for a certain section of people who have enjoyed a very comfortable existence and there is no commensurate return to the Corporation. Let me give you some hard figures.

In 2001-2002, the first premium income, which is new business, of LIC was Rs. 14,843 crore. In 2002-2003, the next year, it came down to Rs. 9,689 crore, a decline of 34 percent. In 2003-2004, it again came down to Rs. 8,567 crore, a decline of 11.6 percent. This year, I have set a target of Rs. 11,565 crore, to go back to at least near the 2001-2002 level. In the meanwhile, what has happened? ..(*Interruptions*)

Just a moment, please allow me to answer. Otherwise, I would sit down. Please listen to me.
..(*Interruptions*)

The total of incentive bonus, conveyance allowance, and reimbursement of expenses plus salary has increased in the same period from Rs. 1,166 crore to Rs. 1,346 crore. It is an increase of 14 percent in 2002-2003 and two percent in 2003-2004. Now, what does this mean?

There is one Development Officer who got incentive, conveyance allowance, and expense allowance of Rs. 1.23 crore. Three hundred and seventy eight Development Officers have got more than Rs. 10 lakh. If you take the total establishment expenses of 19,281 Officers, it is Rs. 1,346 crore. The average comes to Rs. 6,73,000 a year. These are not poor people. They are doing work. They should be compensated. But let us not assume that these are poor people below the poverty line who are suffering and that their bread and butter is being taken away.

We have to go back to the level of over Rs. 10,000 crore FPI. In the last two years, it has come down to Rs. 9,689 crore and Rs. 8,567 crore. Therefore, we have made this performance oriented and linked it to performance. A man who performs would get more than what he earned last year. A man who does not perform, a man who does not recruit new agents and a man who simply is happy with renewal premiums and is not concentrating on FPI would not get what he earned last year.

We are paying Rs. 6,73,000 on an average and the highest performer gets Rs. 1.23 crore. Parliament is entitled to debate but this is a management function. We talk about autonomy to LIC. I want to give autonomy to LIC and hold them accountable on the bottomline. I would

[Shri P. Chidambaram]

ask them to show me the balance sheet at the end of the year and I would hold them accountable. How they run their business, how they work the incentive schemes, and how they get performance out of their employees are management functions. I would respectfully tell all hon. Members that we should not interfere with every single management function.

Six meetings were held. I have got a whole chart here. The original scheme proposed is in column 2 of this chart. The revised final scheme, which is a substantial modification of the original scheme, after taking into account the views of the Development Officers, is in column 3. New clauses were added, which were not in the original scheme. At the instance of Development Officers, we have added new clauses. I have gone through them myself and as Minister I am completely satisfied with what has been done, with extensive discussions and extensive negotiations. A proper scheme has been framed. I would humbly appeal to hon. Members, let us allow LIC to function as an organisation with commercial and business autonomy. We would call them to account when they present their Annual Report. Let us debate their Annual Report but I do not think we should interfere with the management decision of LIC.
..(Interruptions)

MR. CHAIRMAN: No clarifications are allowed.

..(Interruptions)

[Translation]

SHRI CHANDRAKANT KHAIRE: Mr. Chairman, Sir, I would like to ask a question. Whether the Government intend to amicably resolve the ongoing agitation by union through talks? Whether the Government propose to give them a leaving or not?

[English]

SHRI P. CHIDAMBARAM: Shri Chandrakant Khaire, please listen to me. Let us wait for the year to be over. Let us see what the performance is and then we will look at the matter. Let us not interfere, at this stage, with LIC's commercial autonomy. Let the year come to an end and we will review the matter in April.

15.35 hrs.

STATE EMBLEM OF INDIA (PROHIBITION OF IMPROPER USE) BILL*, 2004

[English]

MR. CHAIRMAN: Now, the House will take up Item No. 17. Shri Manikrao Hodlya Gavit.]

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MANIKRAO HODLYA GAVIT) Mr. Chairman, Sir, I, am behalf of shri Shivraj V. Patil, propose that leave be granted to introduce a Bill to prohibit the improper use of State Emblem of India for professional and commercial purposes and for matters connected therewith or incidental thereto.

[English]

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill to prohibit the improper use of State Emblem of India for professional and commercial purposes and for matters connected therewith or incidental thereto."

The motion was adopted.

[Translation]

SHRI MANIKRAO HODLYA GAVIT: Sir, I introduce the Bill.

15.36 hrs.

SPECIAL TRIBUNALS (SUPPLEMENTARY PROVISIONS) REPEAL BILL*, 2004

[English]

MR. CHAIRMAN: Now, the House will take up Item No. 18.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD): Sir, on behalf of Shri Suresh Pachouri, I beg to move for leave to introduce a Bill to repeal the Special Tribunals (Supplementary Provisions) Act, 1946.

MR. CHAIRMAN: The question is:

"That leave be granted to introduce a Bill to repeal the Special Tribunals (Supplementary Provisions) Act, 1946."

The motion was adopted.

*Published in the Gazette of India, Extraordinary Part II, Section-2, dated 10.12.04

SHRI GHULAM NABI AZAD: Sir, I introduce the Bill.

[English]

MR. CHAIRMAN: Now, the House will take up Item No. 19. Shri Dhyabhai V. Patel.

..(Interruptions)

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD): Sir, please wait for a minute. My dear friend, Shri Kharabela Swain and other friends raised this issue in the morning and they had walked out on this issue that the Government does not have Business up to 3.30 p.m. Now, it is 3.40 p.m. So, the Government had not only Business up to 3.30 p.m., the Government had Business up to 4.30 p.m. So, the objections, which were raised in the morning, were politically motivated and without application of mind. ..(Interruptions)

SHRI KHARABELA SWAIN (BALASORE): It is very wrong. ..(Interruptions) Sir, you allow us also. ..(Interruptions)

MR. CHAIRMAN: No, I have allowed Shri Santosh Gangwar.

..(Interruptions)

[Translation]

SHRI SANTOSH GANGWAR (Bareilly): Sir, my Submission is that you should ask to hon. Minister of Parliamentary Affairs to keep patience. This conduct is quite contrary to parliamentary decorum. He should admit his mistake. We have Co-operated with you. What you are saying is that. ..(Interruptions)

[English]

SHRI KHARABELA SWAIN: Sir, please listen to me. The general traditional rule is. ..(Interruptions)

MR. CHAIRMAN: Shri Kharabela Swain, I have allowed Shri Santosh Gangwar.

..(Interruptions)

SHRI KHARABELA SWAIN: Sir, generally the rule is that at 12 o' clock Calling Attention notices are taken up. There were two Calling Attention notices today. So, it would have continued up to 1 o' clock. Then from 1 o'clock to 2 o' clock is the lunch hour. Then, from 2 o' clock, there is no item in the Business.

Sir, if you take the 'Zero Hour' throughout the day, then there is enough business for them. But that is not the Government business. ..(Interruptions)

MR. CHAIRMAN: Shri Kharabela Swain, now it is your time.

..(Interruptions)

SHRI KHARABELA SWAIN: They have tried to manipulate. Please do not try to say that. ..(Interruptions) It is personally your job to ensure that there is sufficient Government business before the House. ..(Interruptions)

You are getting annoyed because you are the hon. Minister of Parliamentary Affairs. You have totally failed in your job. You are the hon. Minister of Parliamentary Affairs and you could not manage it. ..(Interruptions) Zero Hour is not the Government business. Please do not say that. ..(Interruptions) That is not your business. ..(Interruptions)

[Translation]

SHRI SANTOSH GANGWAR: Mr. Chairman, Sir, we have adjusted to it. Minister of Parliamentary Affairs should not make such utterances.

15.39 hrs.

MOTION RE: THIRD REPORT OF COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[English]

MR. CHAIRMAN: Now, the House will take up Private Members' Business—item No. 19. Shri Dahyabhai V. Patel.

SHRI DAHYABHAI VALLABHBHAI PATEL (Daman and Diu): Sir, I beg to move the following:

"That this House do agree with the Third Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 8th December, 2004."

MR. CHAIRMAN: The question is:

"That this House do agree with the Third Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 8th December, 2004."

The Motion was adopted.

15.40 hrs.

RESOLUTION RE: RELIEF MEASURES FOR WORKERS IN AGRARIAN SECTOR-contd.

[English]

MR. CHAIRMAN: We will now take up Item No 20. Shri P.K. Vasudevan Nair to speak.

SHRI P.K. VASUDEVAN NAIR (Thiruvananthapuram): Mr. Chairman, Sir, my Resolution had a very strange fate because I moved the Resolution on the 16th of July and because of the various turbulent situations that developed in the House—adjournments and all that—this Resolution gets life only now. Why I say this is because in the Resolution, as you will see, the main issue that is projected is that of suicides of thousands of farmers that took place in our country during that period. In July and August and all that, when I moved that Resolution, it was a very very live issue; not that it is not live now, not that suicides have stopped. They are still continuing. But, unfortunately, the issue is not being seriously discussed and tackled.

But I want to focus on the very serious situation in agriculture and our rural economy resulting in pauperization of millions of peasants. As far as the fate of the agricultural workers is concerned, agriculture is in crisis and when even the poor and marginal peasants are forced to commit suicide, one can imagine what will be the fate of the farm labour. They are in millions in our country. So, the issue of the farmers and the issue of the agricultural workers are put together in this Resolution.

At the very outset, I shall try to impress upon the Treasury benches about the promises made in the Common Minimum Programme on agriculture, investment in agriculture and so many other things and also the solemn promise that there will be a national legislation on the agricultural workers which will be seriously pursued and a Bill would be brought before the House without delay. Maybe, it may not come in this Session, though we expected at that time that it would come. But I urge upon the Government to see to it that that legislation is brought in the Budget session itself.

This is a very wide subject on the question of agrarian economy. I do not want to go into the very serious problems afflicting the agrarian economy. But

suffice to say that right from the days after freedom. our idea of agrarian reforms was basic, radical agrarian reforms. The agrarian reforms could be of any kind. Some reforms were implemented; some laws were passed and many laws which were passed are kept in the cold storage without implementing. Of course, there the Central Government can say: 'What can we do? It is a State subject, the State Government have to make laws, they have to implement them,' But let us not throw the blame from the Centre to the States and States to Centre. The fact remains that the basic, Fundamental reason for the agrarian crisis is our inability to implement radical agrarian reforms.

Even after so many years, even today, land is a monopoly of certain big land-owners. You have the tenancy laws. Of course, in many States, tenancy laws were implemented, but land ownership even now is not transferred to the actual tenant. In the case of Andhra Pradesh, where perhaps the largest number of suicides has taken place, I understand that there are many tenants. Of course, they got the land due to their own struggle and agitation. They possess the land, but they do not have *pattas*, they do not have ownership rights. That is the case with regard to many tenants where tenancy laws were implemented. So, unless you make the tiller of the soil the real owner, agrarian economy will not improve. That is the cornerstone not only of agrarian economy but even industrial development, industrialisation.

Of course, as we all know, we on this side—the Left Parties, the communists—were for land reforms. We thought that land reform is a question of social justice and of social equity, but at the same time, it is an issue which opens up the road to industrialisation, to overall development. But in our country, which is an agrarian country even today, although lot of developments have taken place in the industrial field, the tiller of the soil is yet to become the real owner of the land. If you make the tiller of the soil the real owner of the land and the beneficiary—what he produces he gets for himself and his purchasing power goes up—that will open up the door for the integrated development of the economy.

Unfortunately, in our country, in spite of the fact that Father of the Nation wanted land reforms very much, in spite of the fact that the Prime Minister of the country who took over the Government immediately after Independence also very much wanted land reforms, but unfortunately, for whatever reasons, it was implemented in a very halting manner. So, in the CMP, after so many

years, we have gone back to that question. There is a promise that that old idea of land reforms will be taken up again. I think, that should be given very serious attention. So, together with that, the farm labour, the worker, the real tiller of the soil should be empowered. By way of legislation, he should be assured of social justice. Social justice and empowerment go together. All this is the basic reason for crises in agrarian sector.

Then, I come to the recent days. I think 1991 is a watershed when this *avatar* of LPG—liberalisation, privatisation and globalisation-dawned. We call it LPG. There were some people who got so much worked up that they said that this is the real road to prosperity, this is the real road to development. Even today, we are amused when we see even some of the Ministers in the Treasury Benches feel a kind of special enthusiasm when they go on saying reforms, reforms and reforms.

Only six months back, the people of this country gave a verdict. The Narasimha Rao Government and the Congress Government implemented reforms for five years, and then the BJP Government came to power. They have a special capacity to adapt themselves. They were criticising the Narasimha Rao Government when they were in the Opposition, but when they took over, then they became the real protagonists of LPG. They said a lot about it, but please remember that the peasants and the rural population rejected them. It is because in their great enthusiasm to have globalisation, liberalisation, etc. they forgot the agrarian sector, forgot the poor peasants and forgot the agricultural workers, and when they got an opportunity, they gave a very clear verdict.

I think that it should be a lesson for the Treasury Benches, who are sitting here. Let us learn that lesson. A lot of promises were made in the Common Minimum Programme (CMP). I have got it with me here. but I do not want to take the time of the House by reading it out. I would say that it is very good to read. and I would make a humble claim that we, from the Left, have made some contributions to it. Many things were mentioned about agriculture, when the CMP was prepared, and we have some contribution of ours also in it. We do not say it is solely our programme, but it is not their programme also. This is the reason for it being known as the common programme. Of course, their Party is the main Party in it. All the things said about agriculture, agrarian reforms, investment in agriculture, its implementation, etc. should get priority.

During the period when a lot of suicides were being committed, one Chief Minister in our country said that

suicides were always taking place in the country. When people demanded some relief, and Rehabilitation for the families, who have committed suicide, he went to the extent of saying that: "If you give them some rehabilitation aid, then it will be an incentive for suicide." This is what he said on this issue, and he stopped all help and assistance to the families of those who committed suicide. Even such strange interpretations were given on this issue.

Of course suicides will always be there, and even in the future there will be suicides. There are many reasons for committing suicide. It is not only the farmers, but others also committing suicide. But in the last five years it has continued on a big scale. It is a special characteristic, which should be understood. It is directly related to the crash of the agrarian economy; it is directly related to the perverted policy of liberalisation; and is also directly related to the conditionalities of the WTO. Import was a weapon, and it was a lever in the hands of the Government not only in our country, but in all other countries to protect the unorganised peasants.

Unless you assure remunerative prices to the producers, there is no meaning in having an agrarian policy. I do not have time to go into my experiences in my State. However, I want to say one thing.

In Kerala, the agrarian economy is based mainly on cash crops; we produce some food crops also. We are the biggest producers of natural rubber, as you all know. At one time, I remember, when I was in Parliament in the 1960s, we had this headache. At that time, there was no liberalisation, but there was a different import policy. Even then, rubber used to be imported, in spite of the fact that we produced more than what was required in the country. I was a member of the Rubber Board, at that time. That Board did good work. Perhaps, rubber is one commodity where productivity has gone up after Independence. There are not many other commodities like that. Rubber is now produced by the poor marginal peasants and not in the Estates, as in the past. It is now mainly produced by the small farmers. What happened at that time? We, in the Rubber Board, every year, used to make a recommendation to the Central Government that we had sufficient rubber and that no import was necessary. However, when the final decision came, they said, "We do not have sufficient Rubber. Import is necessary and, therefore, we are importing." Due to this, this prices of rubber came down. Who used to manage that? There was a very powerful try lobby. There were only ten or fifteen companies. but they were

[Shri P.K. Vasudevan Nair]

much more powerful than five or ten lakh rubber producers. They used to manipulate, they used to bribe—there was a lot of corruption—and they used to manage to import rubber, which was not necessary. Rubber, of course, is the main raw-material for the tyre industry. So this conflict between the primary producer and the industrial monopolists was there even before the period of liberalisation. Now, both are there, The tyre lobby is much more powerful than in the past.

I would like to ask the hon. Minister as to why the Government is allowing the import of natural rubber and what is the logic or reason behind it. Kindly convince us on this. As you know, at that time, after a lot of agitation, both within and outside the House, the then Prime Minister Indira Gandhi assured the Kerala Government that they would take a decision on the import of natural rubber only after a discussion with the Kerala Government. Kerala is the main producer of natural rubber. That assurance was kept for some time and that assurance helped us in the days of import of agrarian commodities.

I do not know why the Commerce Ministry is looking after so many agrarian commodities. The Agriculture Ministry has nothing to do with that, and that is another anomaly. I will request the Commerce Ministry that when you decide on the fate of agricultural commodities, which are cash crops, kindly take the State Government concerned into confidence. At least, please listen to them ask them as to what their opinion is, and then only take a decision on that.

16.00 hrs.

I am referring to rubber as one case. We all know the contribution that our peasants who produce cash crops make to the country. They help the country in saving millions and millions of dollars of foreign exchange. They export many commodities and get foreign exchange directly. Indirectly they help the country in saving valuable foreign exchange. But for them, we would have had to import all those commodities.

So peasants should be given more consideration which is not presently being done. Only lip service is being paid to them even today, even in your CMP. Until we show firm political will in implementing it, I will say than lip service is going on where nothing actually is being done.

I now come to my last point and that is the issue of farmers committing suicides. Of course. I do not ask you

to forget those who commit suicides. How can any body say that? But, have we ever thought as to what their families go through? If you take the statistics, I understand that more than 20,000 suicides have taken place in this country. I do not know whether there is any State where such unfortunate things have not happened. The tendency of the State Governments is to say, 'No no, no, in our State there is no suicide'.

My Agriculture Minister in Kerala protested when people said that suicides did take place in Wynad District and in many other places. But, the Chief Minister called a conference of Members of Parliament wherein a note was circulated stating that some 300 or so persons had committed suicides in Kerala also.

However, thousands and thousands of people have committed suicides in Andhra Pradesh. Even in a State like Punjab, suicides took place. I was surprised to know that. In Orissa also we hear stories like that.

The Central Government does not directly deal with agriculture because it is a State Subject. Even then, I would request that Government of India should collect information on what has happened. Even if it is not 20,000, even if it is 15,000 or 12,000 or 10,000 only, it is the responsibility of not only the States concerned but also of the Central Government to take care of this problem.

We, the Members of Parliament should look after the interest of those families because most of the families of those who have committed suicides are poor peasants. So, what should we do about these families? It is the concern of the Central Government and of the whole nation.

I am very happy that as soon as he took over, the Prime Minister visited Andhra Pradesh and met some relatives of those who committed suicide. He donated some money to their families. That became quite big news in the newspapers. I do not know whether there was any follow-up, not only in Andhra Pradesh but also in other States.

I think one thing you should ensure first is that the peasants are taken care of as far as possible. If at some point of time in some place some such unfortunate tragedy takes place, we should take proper rehabilitation measures. That is the main issue which I wanted to project through this Resolution before the House, The Government and the hon. Members.

I am sure, there will be a consensus on the issue. There need not be any dispute on this matter between the Government and the Opposition or other parties. This, I think, is a passing phase. We will take care of the real people of India, the real people who live in the countryside, who till on the soil, who produce food for us and who produce the wealth of our country.

SHRI KHARABELA SWAIN (Balasore): Sir, it is a very important topic that has been raised by Shri Vasudevan Nair. I would like to participate on this topic. I would have been better since we are debating a topic which affects each and everybody in this country, at this time, the hon. Cabinet Minister of Agriculture himself should have been present to listen to this debate. Anyway, the other Hon. Minister of State is there.

Shri Nair has raised three or four major points. He has said that the relief work in the agrarian sector should be pointed. He has mentioned about the debt trap, unemployment and poverty of farmers and agricultural workers. He has raised the issue of mass suicides also. He has demanded for debt relief and he has demanded for refinance of agrarian sector. As a member of the Standing Committee on Finance, I have moved all over India. Our Committee has deliberated with commercial banks, private banks and the financial institutions and we have been thoroughly convinced with the hon. Finance Minister who, during the course of this year's Budget, wanted that the agricultural credit should be doubled in three years. He is sincerely working for that. Even though I am a Member of the Opposition, I agree that he has tried and within the last six months, about 50 percent of the targets have been achieved.

Regarding the refinance, Shri Nair has mentioned the measures to refinance to agrarian sector. Previously, what was happening? Many people who took loans from the private banks, commercial banks or the cooperative sector, could not pay back. So, they become ineligible to get further loan. The hon. Finance Minister has made them again eligible. He has rephased the agricultural credit so that people are getting loans. Every bank has been asked to bring in within three months, 100 more people who are interested in taking loans. I thank the Government for that. But instead of that, within the last six months, only in Andhra Pradesh, 1860 people have committed suicide. I am not accusing the Government for that because this is the Private Member's Bill. I am not taking from a partisan point of view. Let the hon. Ministers, let the Members of the Treasury Benches not think that I

am going to attack them. But I am raising and I am thinking aloud as to why a Government, a Congress Government which came to power, and gave an impression to the people that the previous Government actually committed the mistake and they are sorting out the mistake, still fail to curbe suicide. They agreed to provide free electricity and other privileges. But still why does it happen? It happens because as a student of economics, I just feel that it is not that because farmers did not get credit, that is why they are committing suicide.

It is not a fact. The fact is that the prices of the agricultural commodities produced have come down, to a great extent, all over the world within the last two to three years. That is the major cause for which the farmer is actually not getting the remunerative price for his produce. How do we set it right?

Now, in the next five to six months, I will give my suggestions about what do we do about this and what the Government ought to do about this and how the farmers will not commit suicide in India. It is the agrarian sector which is heavily dependent on monsoon. The monsoon is intermittent and most of the time it fails. Agriculture has become a very risky affair in India. Now, the rural indebtedness and high rate of interest also contribute to the misery of the farmer. That is why, this is one of the many reasons for which farmers commit suicide. Now how do we set it right? We must look into two or three things. The changing demand in the pattern of food should be looked into. Priorities should be reoriented. It should lead to the promotion and diversification of agriculture. That is the basic thing. Unless we go in for the diversification of agriculture and value addition to it, the farmer is not going to get the remunerative price.

I will give you one example. I will quote from the note prepared by the Reserve Bank of India. Take, for example, the total monthly per capita expenditure on food, including both cereal and non-cereal items, in the rural and urban areas. In 1969-70, in the rural areas, 50 percent of the expenditure in a household was spent on cereals like rice, wheat, etc., and 44 percent was spent on non-cereal items. What has happened now? In 1999-2000, in the rural areas, the expenditure on cereals was 36 percent. If you compare this, from 56 percent it has come down to 36.3 percent and on non-cereal items, it has gone up from 44 percent to 56.7 percent. Similarly, in the urban areas, the expenditure on cereals has come down from 36.6 percent in 1969-70 to 25.7 percent now.

[Shri Kharabela Swain]

On non-cereal items, it has gone up from 63.4 percent in 1969-70 to 74.3 percent now. Now, you see the share of food and non-food items in relation to the total monthly per capita expenditure in rural and urban areas. How much of money is being spent in rural areas on food and non-food items? In 1969-70, people were spending 73.7 percent of their total earning on food and now they are spending only 59.4 percent of their total earning on that. In the case of non-food items, at that time, they were spending 26.3 percent and now it has gone up to 40.6 percent. Now, people are not consuming more rice or more wheat and things like that. They are taking fish, they are taking meat, they are taking more vegetables, and they are taking more fruits, milk products and so on. What has happened in India? All the time, we simply go on asking for increasing the minimum support price. We want them to give more subsidy and increase the minimum support price. This is one of the major reasons for which the farmer does not want to diversify his produce.

He wants to produce only the same paddy, and on it he is not getting the remunerative price. All the time, he is agitated, and sometime he is committing suicide also.

Sir, I come from a State like Orissa. In the western Orissa and coastal Orissa, the farmer is not getting the remunerative price because he is unwilling to grow any other crop. He is unwilling to go in for any other agricultural produce.

Therefore, now the basic point is how do we diversify. Unless we diversify, the situation will not improve.

My hon. colleague, Shri Vasudevan Nair told about rubber. It is not for the first time that the hon. Members from Kerala have raised the issue of not getting the remunerative price for rubber. It has been raised in this House on several occasions. Then, how do they get it? If in the international market, the price is actually low, how much can the Government buy? Can any Government buy everything from a farmer? It is simply not possible. No Government can do it. Neither the NDA Government could do it nor the UPA Government can do it. Next time, even if the CPI(M) Government comes to Kerala, it will also not be able to buy everything from the farmers. It is simply not possible.

So, the question is: who will help the farmers? Who will tell the farmers which crop to grow this year and how much crop to grow this year?

Sir, you must be knowing what is happening in the western countries. They are now in the WTO regime. They have, what they call, amber box, blue box and other boxes. That means, supposing in a blue box, you produce certain things, then the Government is going to give you this much of subsidy. That is why the farmers in the western countries—as they are getting the subsidy—can sell their produce at a much cheaper rate. The most surprising thing is that in the western countries, there are some years when the Government tell their farmers not to produce anything at all, so that they can get some remunerative price because they are not producing it. That is why the Government there, are providing them the subsidy which we, in our country, are not able to give. In India, it is not possible on the part of any Government to provide subsidy. When this happens in our country, we will have to diversify. We will have to diversify because we cannot keep on just producing the same thing.

Now, you talk about Green Revolution. The Green Revolution has now become the greed Revolution. Take the example of Punjab. In Punjab, what happened in 1971? I had been to Punjab with the Committee and there, I had the opportunity to talk to the hon. Chief Minister of Punjab. I asked him, 'Why are you producing so much of rice and sending it to Orissa, whereas we are a rice producing State? All the godowns in Orissa are full of paddy being sent from Punjab.' He said: 'In 1971, there was a scarcity of food in India, and the then Prime Minister, Shrimati Indira Gandhi told us to produce rice in Punjab and they would buy it.'

Now, what is happening in Punjab? The ground water in Punjab is almost finished as the cultivation of paddy requires more and more water. Orissa, Assam and West Bengal are the States where water is in surplus.

MR. CHAIRMAN: Mr. Swain, please conclude now.

SHRI KHARABELA SWAIN: Please give me two to three minutes, and within this time, I would conclude my speech. *...(Interruptions)*

[Translation]

AN HON. MEMBER: It is enough.

[English]

SHRI KHARABELA SWAIN: I know. *...(Interruptions)* This, I do not expect from you because I have very high regards for you. You are there with me in the Standing

Committee on Finance also...*(Interruptions)* You are a professor. This sort of comment hurts...*(Interruptions)*

Sir, when I asked the Chief Minister of Punjab, he said: 'Since we were told by the then Prime Minister, Shrimati Indira Gandhi that this rice which is being produced by the farmers of Punjab would be purchased by the Government of India. We are producing it in plenty, we are producing it even now.'

But, they also feel that it should be diversified. It is because, you see in the Western countries, there are 2 to 3 percent of the people who resort to agriculture. There, agriculture is not a culture; it is business. We will have to change this culture into agri-business also.

Sir, I will tell you just one or two points. Now, for this region, we will have to take up post-harvest activities—storage, transportation, processing and marketing of non-cereal products. We will have to go for this contract farming also. One of the good things is the Pradhan Mantri Gramin Sadak Yojana. It will provide the rural conductivity. That will also facilitate transportation—the movement of agricultural produce. The South-East and East-Asian countries moved away from cereal to non-cereal crops many years back, they have been able to provide a lot of incentives to their farmers in the rural sector. In this way, they have also been able to create more employment opportunities in the rural sector. Sir, industry is not going to eradicate the unemployment problem. It is only the agri-business—it is the agro-based industries in the rural areas—which will be able to do it.

MR. CHAIRMAN: Shri Ramji Lal Suman.

SHRI KHARABELA SWAIN: Last sentence, Sir.

MR. CHAIRMAN: You have taken more than 20 minutes.

SHRI KHARABELA SWAIN: Only one minute. I will say only one sentence.

Sir, I appeal to the Government of India that, basically on this point—it is because the agriculture credit will now be available; and even if it is made available, farmers will still commit suicides—if they do not diversify. So, kindly involve the agricultural universities for preparing the scheme for educating the people as to what to produce, what not to produce and how much to produce. If that is done, then only the lot of the farmers will change.

[Translation]

SHRI RAMJI LAL SUMAN (FIROZABAD): Mr. Chairman, Sir, I associate myself with the concern expressed by the Shri Vasudevan Nair through his private Member's Resolution that the House should hold a discussion on the incidents of suicides by farmers which have come to light in the various parts of the country especially in Andhra Pradesh, Karnataka and Maharashtra. I do not want to dwell on it in detail as the Business Advisory Committee has decided that a discussion on this subject would be held under rule 193. However I would like to draw your attention towards a few points. Just now my friend Shri Kharabela Swain has made a very good speech. Mr. Chairman, Sir, question arises as to why the farmers are committing suicides? The truth is that today farming has become an unremunerative business. It is a separate thing as to how much credit facilities are proposed to be given to them by the hon. Finance Minister but the truth is that they have no capacity to pay back the loans. The input cost is rising everyday but the prices of their produce are not increasing in that proportion. We have become so liberal that we have opened our markets to the world but we are not able to sustain ourselves in international competition. The problems of the farmers have increased. Agriculture has been continuously neglected in independent India. Agriculture is the sector that provides employment to the largest number of people in our country. Even then sufficient budgetary allocation is not made for this sector. Agriculture has not been provided the kind of protection and promotion that was needed for it in the country.

Most important point is that agriculture input cost is rising farmers have to bear the burnt of increasing cost of diesel as well as fertilizers. He is being subjected to continuous harassment. The Government should find a permanent solution to this problem. A very important issue was raised in the House the day before yesterday. Five farmers were killed in Rajasthan over the issue of water. As Shri Rasa Singh Rawatji was not present in the House, this issue was not paid the requisite attention. I do not want to criticize anybody but I would like to highlight that Rajasthan is a drought prone State and the problem of water is more acute than the other states. There is a need to make available irrigation facilities to the farmers of Rajasthan especially in Hanumangarh, Sriganganagar and Bikaner district. The problem of irrigation facility is not a new but a long pending problem. The problem has assumed more serious dimensions during the last five years. It is not that a single state in the country has been in contention over the sharing of water. Most of the

[Shri Ramjilal Suman]

Indian States are party to water disputes. The Government of India should intervene to resolve their water disputes. The first phase of Indira Gandhi canal cover the supply of water upto Ghadsana, Raewla in Hanumangarh, Bikaner and Sriganganagar districts while the second phase cover the districts of Jaisalmer, Bikaner and Barmer. The issue is that the farmers got agitated when they failed to get the water for irrigation. This did not happen suddenly but the discontent had been brewing for the past 3 months. The Chief Minister of Rajasthan had met the hon. Prime Minister on 3rd December over this issue. They MP's of Rajasthan had also met the hon. Prime Minister and requested him to direct the Government of Punjab to release 1.6 MAF *i.e.* 52.69 percent of water of their share as per Ravi-Vyas accord.

16.28 hrs.

(SHRI DEVENDRA PRASAD YADAV *in the Chair*)

The region has been facing the water problem especially for the last five years. Only in recent part Rajasthan was headed by your party Government. The Government should have made some arrangements but why it was not done? When problem of irrigation worsened the farmers started agitation and also staged a peaceful dharna on 27th September in front of Ghadsana Tehsil. The Government did not talk to the farmers for one month. The situation got tense on 26th October and firing took place on 27th October in which four farmers were killed. Three-four days ago a farmer lost his life in stampede in khajuwala. Kalu Singh, a resident of Rawal and Shri Rajkumar Sindhi of Rawala Mandi also lost their lives while closing their shops, Shri Jetha Lal Meghwal, Shri Mangilal Bishnoi and Shri Hazoor Singh lost their lives in stampede. This way five farmers lost their lives. Cases under various sections (dealing with heinous crimes) have been registered against hundreds of farmers. Hundreds of farmers have been injured and are undergoing treatment. Curfew has been imposed at various place namely Anupgarh, Hanumangarh, Gadhrana, Bikaner, Rawla and Sriganganagar districts and army is doing flag march in these areas. I would like to request my Congress colleagues to pay attention towards the problem as the Congress Government is in power in Punjab and at the center. I would also like to ask my colleagues of the party which is in power in Rajasthan as to what problem can not be resolved through dialogue provided one is honest in his intent. The talks with leaders of the farmers should have been initiated when they started agitation and if there was any compulsion that should have been conveyed. I believe that path of dialogue was not adopted. The BJP president of

Rajasthan Stated that the Government was compelled to open fire on farmers. *..(Interruptions)*

[English]

MR. CHAIRMAN: Nothing except Shri Ramji Lal Suman will go on record.

*..(Interruptions)**

[Translation]

SHRI RAMJI LAL SUMAN: Mr. Chairman, the problem could have only been resolved through dialogue. *..(Interruptions)*

[English]

MR. CHAIRMAN: Please address to the Chair.

[Translation]

SHRI RAMJI LAL SUMAN: Mr. Chairman, Sir, a delegation of the hon. Members of Rajasthan had gone on to visit the site of incident on 26th October. Hon. Minister of Rajasthan Shri Rajendra Singh Rathod is my friend. He was also accompanied by Ministers Shri Mankchand Surana and Sabermal Jat. They said that the Government had not carried out its responsibility properly. I have the newspaper cuttings with me which mentioned that the role of the local administration was dubious. The situation is serious there at present. Hence through you I would like to say that the farmers are agitated in an organised manner as they are perturbed at rising prices, failing to get proper prices for their produce and also due to drought or floods and lack of irrigation facilities. It is another thing that the Government can mitigate their sufferings but at least the path of dialogue should be kept open. It is not right to be reticent in this regard. It is really shameful that instead of listening to their demands we are opening fire at them.

Mr. Chairman, Sir, I am not levelling allegation against anyone. Today who are in the opposition were part of the Government yesterday. If opposition makes any constructive suggestion it should be accepted. The Government can not be run by speeches and statistics alone, it can be run though its accomplishments and actions. The way the Government functions shape public opinion and it is the true yardstick of gauging the popularity of a Government. I would certainly say that the farmers received justice neither from the previous

*Not recorded.

Government nor are they getting it from the present Government. The farmers in the entire country are facing problems, like the increasing prices of fertilizers, diesel and to failure to provide proper remunerative prices for the produce of the farmers and various water disputes that I had mentioned earlier also. We talk about natural calamities. I, being a political activist, do not count floods and drought as natural calamities because they are manmade problems. There are identified pockets in the country which face either the problem of drought or floods. However it is known that Rajasthan faces drought while Cherapunji gets maximum rainfall. We do not have any proper mechanism for water harvesting. If the water of flood prone areas is made to divert towards drought prone areas then neither drought nor the flood can occur.
..(Interruptions)

[English]

MR. CHAIRMAN: Please do not interrupt.

[Translation]

SHRI RAMJI LAL SUMAN: Mr. Chairman, Sir, I am concerned neither about the persons sitting on treasury benches nor about those sitting on opposition benches. My only concern is that the farmers should not have any problems.

The Government should act according to its dignity and capability and hold talks with the farmers and pacify them in the first phase of their agitation itself if they are launching it.

Mr. Chairman, Sir, I support the resolution presented by Shri Vasudevan Nair regarding the problems of the farmers and hope that the Government would definitely take some positive steps for the farmers.

[English]

MR. CHAIRMAN: All the hon. Members are informed that there are 11 more speakers to speak on this Resolution. Therefore, kindly do not speak for more than five to seven minutes.

SHRI S.K. KHARVENTHAN (Palani): Sir, I thank our senior leader, Shri Vasudevan Nair for bringing this important subject before this august House. When this country obtained freedom in 1947, we used to purchase foodgrains from erstwhile Burma and other countries. But now we are exporting foodgrains throughout the world.

The reason behind that is the hard work of the farmers of this country and also the Green Revolution introduced by our former Minister of Agriculture, Shri Subramaniam.

The problems of both the farmers and farm labourers are inter-connected. There are so many reasons for that. The main reason is that in some areas, there is non-availability of water and in some areas there is flood situation. In the areas adjoining Ganga and Brahmaputra rivers, there is more water. If you go down to South, in Tamil Nadu, without water in Caavery and other rivers, there is very meagre successful paddy crop in Thanjavur and other regions because they are not able to get adequate water. But there is monsoon failure for the past three years. There is a famous Thirukkural in Tamil which says;

"Uzhudundu vazhvare vazhvar matrellam Thozhudundu pin selvar."

It means those who are doing farm work, they alone would live peacefully and others have to go behind the farmers. But the pathetic situation in this country is that the farmers and farm labourers are going after the cooperative institutions and nationalised banks for getting loan for cultivation.

Another important thing is that the farmers are not able to get appropriate price for their production. Suppose a pen is being sold for Rs. 10 by manufacturer, he is calculating before production. Its manufacturing cost is Rs. 5 plus Rs. 2 for tax. In total, it is costing Rs. 7. But he is selling it at Rs. 10 with a profit of Rs. 3. Is it possible for an agriculturist to fix the price at Rs. 700 per bag of paddy before it is produced? All the sugarcane factories are not giving money to the sugarcane farmers. The sugarcane is lying everywhere. The farmers have been fighting for a number of years for getting good price. Some State Governments had given free electricity to the farmers. The farmers in Tamil Nadu had organised an agitation 20 years ago for supply of free electricity. At that time, 64 persons were died due to police firing and thousands were imprisoned and I was one among them. During 1980, when Shri Kalaighnar Karunanidhi was the Chief Minister, he gave free electricity to the farmers for the first time. But due to a new Act enacted by the previous Government at the Centre, supply of free electricity was stopped by present Government and restore from 13th May this year. The farmers of this country are producing paddy or wheat. They are not producing it for themselves alone, they produce it for others also. But even then they are not able to live happily. For the past

[Shri S.K. Kharventhan]

three years, there is no rain at all in Tamil Nadu. A drinking water pot is costing Rs. 5 and a lorry of water is costing Rs. 450. That is the situation. Only now we had some rains in the last few months. For everything they are begging from the cooperative banks. What are the cooperative people doing? They just say that some previous loan is there, therefore, you first pay that money. Unless that money is paid, they are not giving further loan. Those who paid loan properly were also not provided loan by Co-operative Banks. Even the nationalised banks are not giving any money. Our Finance Minister visited number of banks in Tamil Nadu and instructed all the bank officials to give loan to farmers. But they are not giving loan. They are asking them to get a No Objection Certificate from all the banks. After getting NoC from ten banks, he goes to the same bank. But what do the bank authorities say? They say: 'Rs. 1,000 of IRDP loan is outstanding against you. Therefore, we will not give the loan'.

Then he is compelled to go to the private moneylender. If the private moneylender gives Rs. 5000, he charges Rs. 3 per day as interest. But he is not able to pay either the interest or the principal amount on time. In the end, he has no other option but to commit suicide.

The Government has to take effective steps to see that long-term, interest free loans are made available to poor farmers. Existing loans to be wiped off. Any industrialist could get a loan to the tune of rupees two thousand crore and his loan is waived off because his business did not take off and everything became a Non-Performing Asset. But to recover a loan of just Rs. 5,000 or Rs. 10,000 the bank official visit the house of that poor farmer and snatch away the *mangalsutra* of his wife in the name of attachment and humiliates him. What, other than committing suicide, could the poor farmer do in such an event? About 70 percent of our population comprises of agriculturists. But their condition is very pitiable and pathetic.

Sir, a farm labourer has to die as a farm labourer only. If a farm labourer wants his children to enter the educational arena, it does not become possible for him to do so. I will give an example. In my constituency, the son of a poor farmer scored more than 1000 marks out of a total of 1200. He approached the bank for loan to pursue higher education. The Bank Manager asked him as to which community he belonged to. On knowing his community, that student was denied the loan. This is very unfortunate.

Sir, I am an agriculturist and we are largely an agrarian society. I would like to submit that without inter-

linking of rivers, the problems faced by the farmers cannot be solved. We are getting more waters from rivers like the Ganges and the Brahmaputra but we are not getting any water from rivers like Amravati, Cauvery and other perennial rivers in the South. So, the Government must allocate huge funds for inter-linking of rivers throughout the country and until this is done. The problems faced by the farm sector cannot be solved in this country.

Sir, I once again thank you for giving me this opportunity.

SHRI P. KARUNAKARAN (Kasargod): Sir, I rise to support the Resolution moved by Shri P. K. Vasudevan Nair. I think, this Session is more an appropriate time to bring this Resolution than it was in the last Session because it is in the very recent past that we have come across alarming reports regarding suicides by farmers from different parts of the country. We, the MPs from Kerala, have not only raised this issue in this House, but also have staged a *Satyagraha* before Parliament. I am sorry to say that the Government has not really gone into the depth of the problem. Of course, some of the issues are beyond the control of the Government. Like, for the last three years there was not enough rainfall in our State. If you look at the amount of rain that Kerala received during the last few years, you would notice that in the year 2000 it was-18, in 2001 it was-3, in 2002 it was-17, in 2003 it was-27. As a result of this, there was a drought-like situation in the State.

Sir, due to shortage of time, I would first like to concentrate on the issues relating to our State. On the one hand, there has been drought-like situation and on the other, there is flood. Such a situation has really made the economic scenario of the State very grim. Agricultural crops like paddy, vegetables and other foodgrains have suffered a great deal because of floods and drought. Paddy production was to the tune of 60 percent; coconut production was to the tune of 60-70 percent; vegetable production was to the tune of 60-70 percent; pepper production was to the tune of 80 percent; banana production was to the tune of 60-70 percent; cardamom production was to the tune of 60-70 percent and coffee production was to the tune of 65 percent. The production of all other cash crops also has decreased.

Sir, the unfortunate aspect of the matter is that in spite of our having raised this issue before the hon. Finance Minister and the hon. Agriculture Minister, citing technical reasons, no action was taken. Sometimes the Government does not give appropriate reports on the situation as prevailing. But people are really suffering and it is also resulting in suicide deaths.

Sir, it has been said correctly by Shri Vasudevan Nair that the Government of Kerala has given a report that, the Agriculture Minister made a statement that there were no suicide deaths in the State of Kerala. But we know that there were suicides. In Idukki district alone, the figure goes to about 92. In Kerala, for the last three years, it has come to about 1000, which includes deaths on other issues also.

I am coming from the northern part of Kerala which is near Karnataka and which is specially an arecanut area. The best quality of arecanut is produced in Kerala. But most of the farmers are on the brink of committing suicide in that area. On the one side, there are natural calamities which are becoming national calamities. When we say natural calamities, it includes drought and flood. As regards the national calamity, the policy which the Government is taking is one of the reasons. I raised the same issue in the Standing Committee on Commerce and Industry. We have signed some agreements with other nations. We are proud of having an increase in exports. Of course, we have to increase our exports, but it should not be at the cost of our domestic industry and agricultural sector.

You may find that the Indo-Sri Lankan Agreement has really affected Kerala much. The cost of one tonne of pepper was Rs. 23,000. Now, it has decreased to Rs. 7000. How can the farmer live in such a condition? It is true in the case of arecanut. It was Rs. 16,000 in that case. Now it has become Rs. 7000 or Rs. 8000. It is true in Karnataka and many other districts. The Kasargod Primary Cooperative Rural Development Bank has issued notices to farmers. If you take some measures, they cannot deny it.

Just to make you understand, I would read out some details. Mr. Vittal Naik has taken a loan of Rs. 3 lakh but he has to pay Rs. 5 lakh now. Mr. Bhatt took Rs. 5 lakh from them but now, it has become Rs. 8 lakh. Thousands of notices are being issued to the farmers as they are unable to pay back the money. It is because the import policy which the Government has followed is adversely affecting the farmers. The Government has to understand that it is the result of the action due to anti-farmer measures taken by the previous Government. There were suicides not only now but during that time also. The same situation is continuing.

Sri Lanka is giving us pepper but it is of a more cheaper quality. But our pepper is the famous Malabar

pepper which is known not only in India but in the world as well. We are mixing the cheaper quality and the super quality together and exporting. Thus, our market is really becoming bad.

It is true in the case of cardamom also. As regards rubber, there were some limitations last time as only selected ports were allowed to do it. Now, rubber can be imported through all the ports. As a result, we cannot have any idea on how much rubber we are getting. Production of agricultural crops including cash crops is suffering due to drought on the one side and flood on the other side. At the same time, the policy which the Government has formed is also to be taken into consideration.

I do not blame anybody on this issue. But how can we save the farmers? This is the main question. It is because many farmers are committing suicide. The Government of Kerala has announced a moratorium up to December. After December, notices will again go to the farmers and they will not be able to pay. In this situation, how can we save the farmers? That is the main question.

We, the Members from Kerala, had a meeting yesterday with the Prime Minister to discuss this issue. I thought that when we discuss it, there will be some result which would be declared today by yourself on this issue. But there is no result at all. My suggestion with regard to suicides is that the interest part should be fully met by the Government. It is not possible to be done by the State Government or the co-operative societies alone.

They are demanding the re-scheduling of the principal amount for 10 or 12 year. We have to give fresh loans. The societies have to give fresh loans. Here, I would like to mention one point. Farmers are taking a number of loans. But these loans are not considered as agricultural loans. All the loans that the farmers are taking have to be considered as agricultural loans. When we are giving fresh loans, the interest rates should be lowered. Otherwise, they cannot survive. As far as Kerala is concerned, The situation is very grim, whether it is agricultural crops or cash crops. It is reflected in the economy also. We, the Members of Parliament, have come and met you and the Government of Kerala has given three representations. Of course there were some lapses. We admit that. But I am sorry to say that no decision has been taken. This is high time that the Government should have taken some decisions. That is my only plea.

SHRI SURAVARAM SUDHAKAR REDDY (Nalgonda): Mr. Chairman, Sir, thank you. I support the Resolution of Shri P.K. Vasudevan Nair who explained, though briefly the plight of the farmers due to the agricultural crisis in the country. In spite of industrialisation, very large population in our country is still dependent on agriculture and the crisis in agriculture sector is naturally affecting the entire country. There are several reasons for the present crisis. While the natural calamities and the failure of monsoon have created a big havoc in the agriculture sector, the Government have also played their part in this present crisis. Continuously for the last four or five years, the monsoon has not been regular. Last year more than fourteen States were reeling under the drought situation. Under these types of problems. Large parts of cultivable areas in the country are still dependent on the rains. We are unable to provide irrigation facilities to most of these farmers. Whenever there is failure of monsoon and whenever there is failure of seasonal rains, naturally there is drought and it immediately affects the farmers. Global warming and other problems are adding to this crisis. Only two days before, when we were discussing India's foreign policy, a point was made about great countries like the United States of America refusing to accept international norms on global warming. It is not totally in our hands to solve these problems. But after nearly six decades of Independence, it is very much in our hands to arrange irrigation facilities for our farmers.

The next issue is about the abnormal increase in the prices of inputs, like seeds, chemicals, fertilizers and pesticides. This is definitely a man-made crisis. The cost of agricultural inputs are increasing year after year. But the agricultural products are not getting remunerative prices. On the other side, there is miserable fall in the prices of agricultural products. The present crisis is growing because in the last few years the WTO agreements have come into force. This has created additional burden on us. Huge imports of the food products, like sugar and rice and commercial products, like cotton and edible oil have resulted in the fall of prices in India.

Unfortunately, the NDA Government did not take necessary measures to defend the Indian peasants from this problem. The *Kisan* was looted by the middlemen. It was a very serious crisis. In the last few decades, if you see the position, the cost of the price of cloth is going up but the price of cotton is going down. The price of sugar is increasing but the price of sugarcane is not increasing correspondingly. The cigarette prices have increased probably 300 percent in the last one decade

but the price of tobacco has not increased even by 30 percent. In regard to edible oil, ground-nut and other things also, the corresponding prices are definitely at a loss to the peasants. This is a very unfortunate situation. Even the farmers who are cultivating and producing fruits and vegetable are not getting remunerative prices. In Andhra Pradesh, there is a very large area which is generally a drought area. In Chittoor district, in Madanapalli and in Kamool district, the price of a kilogram of tomato has fallen down to less than 25 paise; lime was not saleable even for ten paise. We have seen how the onion-producing peasants in Maharashtra and Andhra Pradesh have suffered very big losses.

Unfortunately, some of my colleagues are not in a position to understand the demand for the remunerative price in a right spirit, I believe. I remember a story told long back, before the French Revolution. When there was a huge demonstration in the streets of Paris, the Queen of France inquired what for the people were agitating. Somebody said that they did not have bread. So, the Queen was angry and said that they could very well eat cakes if the bread was not available. This is the type of understanding that if remunerative price is given to peasants, the peasants will go on producing the same type of crop and it will be a loss to the Government. It is not a proper understanding of the agricultural situation in our country. Remunerative price is not a favour given to the peasant. It is not a charity. When the price of Agricultural inputs such as fertilizer, pesticides, seeds are being increased abnormally, how can the peasants survive without a remunerative price? A large number of people in our country, 35 to 40 percent of the population of our country are still below the poverty line. Therefore, foodgrains should be available to them at a cheaper price. So, naturally, the cost of the foodgrains is to be put at limited price. Then, the subsidy is necessary for the peasant. If you do not give the remunerative price, if you do not give enough subsidy, there will be a revolt in this country. Naturally, to keep up the balance in this country, agriculture should be given a very big subsidy. Remunerative price is a part of it.

Now, I would like to propose two solutions. The peasants in a very large number are committing suicides particularly in Andhra Pradesh from where I am coming. It is true that the Press reported that more than 1800 *kisans* committed suicide. In spite of the free electricity that was announced for agriculture by the new Government, the suicides are continuing. The main reason is the debt trap. The present crisis is an unprecedented crisis. Then, naturally, the Government should come out

with a very courageous decision like total waiver of all the debts of the poor and marginal farmers of the affected area. The Crop Insurance, which is a very bogus type of insurance today, should be made more useful to the *kisans*.

17.00 hrs.

These are the two most important things that the Government must do. The Central Government has to help those States which are suffering with drought in a big way. These days, along with the peasants, the agricultural labourers and other people, who are earning their livelihood out of agriculture, are also suffering very much and they all need help.

[Translation]

PROF. RASA SINGH RAWAT (Ajmer): Mr. Chairman, Sir, I strongly support the resolution presented by Shri Vasudevan Nairji. India is definitely an agriculture oriented country and agriculture is the backbone of Indian economy. Even the vedas the oldest of the scriptures mention "Akshairmadivya krishimeet krishiswa" *i.e.* O man, involve yourself in agriculture, do not indulge in gambling. Agriculture is mentioned in vedas too. It shows that our country has been agro based since ancient times. Our festivals our culture and our way of life all have been shaped by agriculture. Today the farmers who is also called the 'Annadata' *i.e.* foodgiver is living in pitiable condition. It is said about the farmers "Cold is afraid of him, heat becomes cold, he comes on road with his plough in hand, and is not daunted by rains."

(Sheet kanpta hai jiske bhay se atap thanda pad jata hai, liye fawda wah path par ata, varsha se bhi kya ghabrata hai)

He works day and night be it winter, summer, rain or any season. That is why the poet has written that cold is afraid of the farmers and even the heat of summer fails to stop him from doing hard work. He is not even daunted by rains when he goes towards his fields with his plough. The farmers who work hard day and night, the farmers who produce valuable crops, when we say mere desh ki dharti sona ugale, ugale heere moti" it is the farmers who are responsible for such rich crops and these farmers are compelled to commit suicide. It will not do to blame others. It is a matter of concern for all of us that why is the farmer's condition so pitiable?

Sir, I would like to say that agriculture in India depends on monsoon.

[English]

Indian agriculture is the gambling of the monsoon.

[Translation]

It is said about the agriculture of India that it is the gambling of monsoon. Good rains mean good yield and scanty, irregular or no rainfall spells trouble for the farmers. Therefore, the prime cause of farmer's committing suicide is the failure of the crop. Excessive rains or no rains spoil the ripening. Rajasthan has been in grip of drought for the last four years. This year the yield was reasonable and had it rained, it would have resulted in bumper crop. However, the total yield was reduced to less than one-fourth the earlier estimate and the crops have been reduced to the fodder. I feel that if the crops of the farmers are insured at the right time then the farmers loss might be compensated. Right now hon. Member was saying something about the Government. I would like to say that NDA Government should be thanked for providing the facility of credit card to the farmers. Rich persons have credit cards for availing loans. Shri Atal Bihari Vajpayee led NDA Government was the first Government to get credit cards made for the farmers.

Sir, the scheme of interlinking of rivers was formulated for the first time by Shri Atal Bihari Vajpayee led NDA Government to solve the problems of excessive rains, lack of rains drought and famine. The proposed Scheme envisages to divert the excessive water of flood prone rivers to the drought prone areas which would solve the problem of flood besides availability of water to the drought prone areas. They had formulated a scheme of interlinking of rivers. Mr. Chairman, Sir, through you I would like to request Shri Bhuraji not to put the scheme formulated by the previous government on a back burner. Instead the scheme of inter-linking of rivers should be implemented so that the farmers might benefit and they do not have to face crop failure.

Sir, it is said about the farmers of India that he is under debt from his birth and goes through his life under that burden.

[English]

Indebtedness of farmers is due to loans taken at high rate of interest.

[Translation]

Due to yield not being good, he cannot repay the loan taken from banks at high rates of interest and as a

[Prof. Rasa Singh Rawat]

result he is compelled to commit suicide. I regret to say that Congress has taken advantage of the unfortunate incidents of suicides by farmers in Andhra Pradesh to win elections. Through you I would like to know whether suicides by the farmers have stopped after their coming to power. Farmers are committing suicide even now. Till 1999, 151 farmers had committed suicide. Similarly, in Andhra Pradesh 34 farmers committed suicide in 2000, 62 in 2001 and 26 in 2002. 100 farmers committed suicide in Orissa from 1.4.99 to 18.10.2003. 3 farmers committed suicide in Punjab. 469 farmers committed suicide in Karnataka from 1.4.99 to 18.10.2003. *...(Interruptions)*

MR. CHAIRMAN: Please conclude now.

...(Interruptions)

PROF. RASA SINGH RAWAT: Sir, I seek your protection. *...(Interruptions)*

MR. CHAIRMAN: Time allotted for this debate is 2 hours. Other hon. Members would also be participating in the debate.

PROF. RASA SINGH RAWAT: We will have to find out reasons due to which they are committing suicide. Farmers should be provided loan at the low rate of interest. Agriculture Credit Cooperative societies existing in villages should be strengthened. Seeds should be made available to farmers at low rates and rate of interest should be reduced. Rate of interest on loans offered by nationalised banks should be reduced. If farmers have not been able to pay interest as there has been famine for four years then compound interest too gets accumulated. Farmers cannot even think of repaying principal amount. We have to think about this too.

We have to think about social and economic security too—service class has been provided a lot of facilities like pension gratuity and leaves too but the farmers are not organised so they can not go on strike and get their demands fulfilled. We have to think about the farmers problems cutting across party lines only then their problems would be solved.

I would like to give two-three more suggestions. Big dams have been built but there is no water in the rivers. Minor irrigation schemes and traditional mediums of irrigation should be promoted. More stress should be laid on the schemes relating to wells, streams, ponds and watershed so that level of ground water might be increased with optimum water utilisation. Watershed

programme should be given a thought too. Simultaneously National Agriculture Commission and National Commission of Agriculture Pricing (NCAP) should be strengthened. Support prices should be declared from time to time for the farmers.

In the end I would say one more thing. Dryland farming is a significant issue. If agricultural operations can be carried out throughout the year in Israel with deficient rains then why cannot the farmers in our country not do so? Today tractors are available and the farmer says the Indian farmer has nothing to do with American tractor and Iranian Oil. Dryland farming and horticulture products should be promoted and additional irrigation facilities should be increased.

Marketing support should be provided to the farmers for their agricultural produces. The rural cold storage should be established in villages so that farmers may store their surplus onion and potato and may sell them during the off season. I feel that special attention should be given to crop insurance scheme. The condition of the farmers is very pathetic. We all will have to work for improving the condition of the farmers.

SHRI SITA RAM SINGH (Sheohar): Mr. Chairman, Sir, first of all I would like to extend my thanks to Nair Saheb who raised the issue of farmers in the House through a resolution. All the hon'ble Members have presented the figures. India is an agriculturist country and more than 80 percent population are farmers. The farmers provide foodgrains to the country. Though foodgrains are not exported but it is also a fact that there is no need of import as well. Not only this all the hon. Members who are present here, whether they belong to ruling party or the opposition, they all have been elected from the farmers votes. I have been elected for the first time in the House. Prior to this I remained Minister for years in the State. However, I would like to submit that the issue of farmers are discussed less in the supreme House of the country. Today, the works that should have been taken up by the Government for the betterment of farmers, are not being done. If the State Government is formulating its policy for the farmers, the Central Government should also do the same. I would like to make it clear that diesel will be costly for the farmers as the Government will not provide subsidy on it. Fertilizers will be costly as subsidy will also not be provided on it. Everything will be costly, seed will be costly and no subsidy will be given by the Government. The farmers will not get water for irrigation and it is also been proposed to provide power at cheaper rate or free of cost. There are many such

States in the country where farmers are completely deprived of power. No policy decision will be taken on that.

I would like to submit that the Government should certainly charge farmers for power, however, it should be provided a little bit at subsidised rate. The Government is not required to provide free power supply to the farmers, however it should be provided at considerable rate so that they may irrigate their fields whenever required. But it will not happen, there will not be clear cut policy of the Government of India. We will form the Government with the support of the farmers and will also remain in opposition and everything under the sun will be discussed in the House except the issues of the farmers. Fortunately, today, I have got opportunity to speak in this regard.

In the light of the views expressed by several hon'ble Members, I would like to submit to the Government that there are certain things for which the Government will have to formulate policy. The power will have to be provided to all the farmers. The Government may charge for power as I am not in favour of freebies. As far the problem of irrigation is concerned, it is existing everywhere in the villages. Some states are water surplus and some states are water deficit. In every state the situation is same. There is no any such state where there is only water or only drought condition. I would like to refer Bihar in this regard. In our Bihar, while on the one hand entire crops were destroyed due to excess water and on the other hand crops were destroyed due to drought condition. The condition of the State is very pathetic. Out of the 38 districts, 11 districts of the State are affected by drought condition. The crops of the flood affected districts were destroyed by the flood. Thereafter, drought condition prevailed there. The farmers are being affected by two extremes. Farmers grow crops with great toil, however, their entire crops are destroyed due to flood or drought condition.

The problem of our State is more peculiar. The State is hit every year by the flood. The crops of crores of farmers of north Bihar are destroyed. It is on account of this that huge Governments properties are also destroyed. I feel that such incidents are incessantly happening in the country since independence. Flood devastations are occurring there. I am not aware of the figures of the State Government however, thousands of crores of rupees were provided as a relief. Thousands of crores of rupees were spent on the construction of those roads. Every year these roads are constructed and are washed away. I would like to submit that many Government stepped in

and stepped out, however, no Government thought it appropriate to talk to the Government of Nepal to find out permanent solution to the flood problem and to protect farmers and common people of the area from the flood devastation. It has been depicted in every road maps that the permanent solution to the devastation occurring in North Bihar lies in dialogue with Nepal.

Our Minister of Agriculture is present in the House. I would like to submit that it is an important question for Bihar. The area of north Bihar along Nepal border from West Champaran, East Champaran, Siwan, Sitamathi, Darbhanga, Madhubani to Purnea Araria etc. Suffer damage every year due to flood. We had requested the Government to hold dialogue with the Government of Nepal. So, steps were also taken in this direction. One office was also set up in Nepal, however, the Government should take up the issue with the Nepal Government. If the Government have to prepare joint project report, it should formulate strategies to arrange meeting of the technical head of the country with its Nepali counterpart but Government have not actively pursued the matter. I would like to submit to the Government that it should do something to check the damage of the farmers. The Government are not going to give anything and every year the flood is going to devastate the region. The Government have failed to checked it. I would like to request the Government to find out a permanent solution to the problem. The Government have set up an office and the proposal for setting up two more offices has been sent. Further 7-8 more offices are to be set up there. The Government may set up as many number of offices as it desire however, I would like to request the Government to take effective steps to find out permanent solution to check the flood. The farmers of Bihar are staging demonstration and their movements are getting violent. The farmers everywhere are getting united. I have no hesitation in submitting that the farmers of the country are not united. If the farmers are united then only the problems of the farmers will be discussed in the Parliament and the issues of welfare of the farmers will be discussed on priority basis. The Members from Rajasthan and Uttar Pradesh have left the House after delivering their speeches. If my words can echo.. outside of the House, I would like to appeal to the farmers of the country that today they should get united. Today the policy should be formulated before it is too late. The Government should find out some permanent solution to check the flood.

Secondly, there is question of irrigation. Today the Government in several States are not in a position to

[Shri Sita Ram Singh]

address the problem on their own. The Government of India will have to provide resources. I want that the Government should ask the State Government to submit report. The Government should discuss the issue with the State Government and should provide them the resources that they do not have and sufficient irrigation facilities should be provided by way of preparing projects. The irrigation facilities can easily be provided in Bihar. The policies are also there. Everything is present there. However, the permanent solution to the flood problem should be found out and sufficient irrigation facilities should be provided. Today, the situation in Bihar is such that after its division it is completely ruined. We do not have any resources. We have good quality agricultural land and sufficient crops can be grown there. Our Bihar can be given the status of industry and we will grow sufficient quantity of foodgrains. We also produce sugarcane.

All the mills in Bihar are closed. The Government of India is not paying attention towards this. We should be given remunerative price of our agricultural produces. Even after that the Government of India fix the price of the sugarcane. The price of the sugar produced by sugar mills have increased. The Government should increase the price of the sugarcane in the same proportion.

MR. CHAIRMAN: Now you please conclude. Now you give your last suggestion.

SHRI SITA RAM SINGH: It is unfortunate that today for the first time I have got opportunity to speak, however there is paucity of time. I will conclude in two minutes.

Today, the sugar mills in Bihar are closed. Opening up of those sugar mills is very essential in the interest of the farmers and my second suggestion is that while fixing the price of the sugarcane it should be taken into consideration that the price of the sugarcane are fixed in proportion to the price of the sugar as sugar is produced from sugarcane. So we should be given the price of our sugarcane in proportion to the price of the sugar. We should be given the remunerative price in the same proportion.

I am giving two-three suggestions. Firstly, I have suggested that remunerative price should be given to the farmers, secondly some permanent solution should be found for checking flood. My third suggestion is that the subsidy on fertilisers should be increased. The subsidy

on fertiliser must be provided to the farmers. Along with this power should also be provided to the farmers at subsidized rates. My third submission is that how the farmers will repay loans if their crops are destroyed.

If he can not waive off their loans then extend the time for repaying, it is as simple as that. The interest should be reduced keeping in view the days he does not have any yield. Interest rates should be lessened particularly for the farmers if he is extending loans through banks.

I want to say one more thing, industry and industrialists get entire amount of loan from banks but the farmers do not even get 10 thousand rupees. This system should be streamlined and farmers should get more amount. He should get money in time before cultivation. I have seen it all and I want to say that Government's policy about crop insurance is not suitable. Insurance is not being offered even when all the crops are ruined, the Government of India should make its policy clear about this and farmers should be given crop insurance.

In the end, I would like to say that a special package should be given for permanent solution of floods in Bihar so that farmers might get some relief. We can create a balance between our several crops like that of bananas and we should do so. I thank you for giving me opportunity to speak.

(English)

PROF. M. RAMADASS (Pondicherry): Hon. Chairman, Sir, I rise to support and endorse the Resolution moved by Shri P.K. Vasudevan Nair. The Resolution symbolises the soul of the Indian farmers. It is fitting that a person, who has toiled and moiled for the betterment of the downtrodden people of this country, has moved this Resolution.

The suicides of the farmers, the continued miseries and the pauperization of the Indian farmers are the concomitant result of our agricultural development in the last 53 years. It only reflects the deep-rooted malaise in which the Indian agriculturists are trapped today. The earlier speakers have dwelt at length the causes for this malaise and malady. I am not going into them, but I would like to stress the period in which these suicides were predominant and prevalent.

According to statistics given by the Parliament Library form 1.4.1999 to 2003, there were a total number of

suicides to the extent of 866. I do not know whether there is a co-relation between that period and the number of suicides because that was the period of economic reforms, and that was more particularly the period of the so-called second generation economic reforms in this country. I do not say that during that period the BJP was in power. That is not my intention, but I only wish to drive home the point that the second generation reforms were responsible for the Indian farmers to commit suicide. There seems to be a grain of truth in that feeling also because with the economic reforms and the openness to trade, the marginalisation of agriculture has taken place in a larger measure in this country. It is because one of the components of the economic reforms was to concentrate more on industry, trade, service sector and commercial sector. We have given the least priority to agriculture hoping that nature will take care of agriculture. You have allowed the exports and imports to be swayed by the whims and fancies of the WTO which could not enact the provision of subsidies, and the developed countries were able to malign the subsidies in the form of green box subsidies and blue box subsidies. Therefore, all these culminated into a crisis as he has rightly said. This crisis has to be probed from the long-term perspective as well as the short-term perspective.

There is no time. I know that. You will not give me the time to deal with it. But I think you would not be unfair as you were yesterday, but you would compensate this by giving me some more time today. You had told us to take seven minutes. I would take, at least, 10 minutes' time because we have a package to be given to the Government to rescue the backbone of this country. We are speaking on behalf of the farmers of this country who are supporting, who are sustaining the Indian economy today.

Now, coming to the long-term aspects, the Government should seriously think of a land use planning, a regional level planning and also a crop planning taking into account the diversities of agricultural conditions and seasonal conditions. This is one thing which is lacking, which is permanently affecting the sustained agricultural growth in this country. Radical land reforms, as Mr. Vasudevan Nair said, motivation of farmers to take up commercial farming, provision of agricultural inputs to the farmers to take up commercial farming, provision of agricultural inputs to the farmers and concentration on dry land farming over a period of time would enable the farmers to come out of the cobwebs of the vicious circle of poverty and unemployment in which they are caught today.

Now, coming to the very pertinent question of suicides, according to the data, from 1999 to 2003, 866 families have been ruined.

What rehabilitation measures are we thinking of? I feel, the Government of India should emulate the model of Andhra Pradesh and try to give a compensation package of Rs. 2 lakh to every family which has been driven to the level of suicide.

Secondly, each family must be assured of a breadwinner. Suppose a farmer has committed suicide in a particular family, it loses the breadwinner. So, we should provide a job to that family. If his son or daughter is an educated person and qualified for a job, he or she should be given a job at the local level, the State level or at the Central level so that the family gets a breadwinner. If nothing is possible, we should be able to cover that family under the Employment Guarantee Scheme, which the Government of India is now implementing in 150 districts. I would request the Government to implement it in other districts where suicides have been committed. Concessional loans should also be given to these people.

Coming to the other question of debt redemption. I feel that the Government of India should come out with a radical proposal of writing off of all the debts of those farmers who are not below the poverty line but below the ultra poverty line. I think, now, the Government must be knowing the distinction between poverty line and ultra poverty line. The people who are in the destitution line are called as people below ultra poverty line. They should be given the benefit of waiver of loans.

An hon. Member who spoke earlier said that the NPAs of the industrial and commercial sector to the tune of thousands and thousands of crores of rupees have been written off. Therefore, we should be able to estimate it and do it in the case of agricultural workers also. We should be able to cover all the dues of farmers who are in debt. There should be rescheduling of loans from three years to five years. The short-term loans should be converted into medium-term loans; and medium-term loans should be converted into long-term loans. The interest commitments of all the farmers who are indebted must be written off, lock, stock and barrel. We should not charge any penal interest from these farmers.

The last word is about the additional measures which the Government of India would have to take. Coming to the scheme of agricultural insurance, a large number of farmers have paid the first and second instalments of

[Prof. M. Ramadass]

premium but because of natural calamities or some other reasons they were not able to pay the third instalment. As a result of this, a number of policies have lapsed. It is estimated that an amount of Rs. 1,000 crore of the farmers are lying with the LIC because they were not able to pay the last installment. Therefore, the Government of India and the State Governments must have a discussion with LIC and see that some kind of an arrangement is made to repay the amount to the farmers. The Government of India should also take steps to provide free power to farmers. They should also be given remunerative prices, as I have stated earlier.

The hon. Minister of Finance has assured of a credit to the extent of Rs. 1,05,000 crore. It is a big talk and all of us enjoyed it but where is the equity? What is the equity in the distribution of the loan? It has to be timely, adequate, and at a cheaper rate of interest.

We should be able to implement the Minimum Wages Act in all parts of the country assiduously. Any lapse in the implementation of the Minimum Wages Act should be viewed seriously. I urge upon the Government that we have to implement it throughout the country. Otherwise, the country would be flooded with a large number of problems which we would not be able to face in the future. Therefore, serious attention must be paid to these problems and long-term, short-term and most short-term measures must be taken to relieve the distress of the farmers who constitute the backbone of this country.

SHRIMATI C. S. SUJATHA (Mavelikara): Thank you, Sir. I support the Resolution moved by Mr. P. K. Vasudevan Nairji. This is to bring to the attention of the Government a very serious problem confronting the agriculturists of Kerala for the last several years. Agriculture was once a means of livelihood for the farmers who dedicated their life and blood to cultivate their fields and land and make a life of their own. But the life of the agriculturists and agricultural workers has become so alarmingly difficult that they have begun to run away from their traditional jobs. If the present situation continues for another ten years, there shall not be any agriculturist or agricultural worker. The Governments, both at the Centre and in the State, turn a deaf ear to the crisis of the poor farmers.

Some of them end their lives as they are not in a position to repay the loans that they have taken from the banks. Kuttanad in Alappuzha district and Palakkad are said to be the 'rice bowls' of Kerala. Paddy cultivators of Kuttanad have begun to give up their farming simply

because they are subjected to great harassment by the Government and the nature as well. Flow of saline water into the paddy fields destroys the plants and this menace has to be tackled by repairing of the shutters of Thottappally spillway in Alappuzha district. The Government is not seriously handling this grave situation. There are two crops in Kuttanad paddy fields, but both the crops are left at the mercy of nature. Twenty-two percent of the paddy was produced at Kuttanad to feed the people of Kerala. But this percentage diminishes every year and in the near future there shall not be any paddy cultivation. The proposed project 'Vypar-Link Project' if implemented will sound the death knell of various agricultural areas of Southern Kerala, particularly Kuttanad and Kumarakom. So, I request the authorities concerned to desist from such ill-conceived ideas. If the Central Government do not bestow their earnest calculated efforts to revive paddy cultivation by enhancing subsidies and other kinds of assistance, the situation will become very grave. This kind of situation prevails in other parts of the State and the country as a whole. So, in order to save the farmers from this crisis, the Central Government should evolve concrete plans and developmental activities.

[Translation]

SHRI BHANWAR SINGH DANGAWAS (Nagaur): Mr. Chairman, Sir, I support the resolution presented by Shri Vasudevan Nairji. India is an agrobased nation and its economy would always depend on agriculture and it generates biggest number of employment opportunities. But it is an unprofitable occupation. The farmers have to depend on agriculture for livelihood only out of compulsion. Agriculture is unprofitable as the inputs involved in producing crops are expensive and the price that yield of crop fetches from the market is less. The Government should give proper support price. With the increase in the index price for the consumers, the price of crop of the farmers should also increase. It is unfortunate that since Independence every year some region is either in the grip of floods or drought. The erstwhile government tried to find its solution and made efforts to link the rivers. The linking of rivers would make the condition of the farmers better. It would prevent floods and drought and that water would enable the farmer to produce profit earning yield.

The main reason for giving low rates is that we should change the crops that we produce. Like we produce oilseeds and the Government imports oil and our seeds and oil are disposed at low rates. Similarly due to import of other things we do not get food price

for our crops. The farmers get worried for not being able to repay their loans and they are compelled to commit suicide. The solution is that we should take three steps. Support price should be increased and the entire crop should be insured. At several places, insurance is being done at tehsil level which is considered as a unit while it should be done by considering each field as a unit. Entire crops should be insured.

My latest demand is that Punjab is not releasing 5.6 MAF water. It should be released in Rajasthan Canal so that farmers' agitation might be stopped and they get benefited. The Government should consider the points I have raised in favour of the farmers.

[English]

SHRI P. C. THOMAS (Muvattupuzha): Sir, at the outset I thank and congratulate hon. Shri P.K. Vasudevan Nair, who is a mammeted personality who had been the Chief Minister of Kerala and who also had wide experience in political as well as social life. Now he has had the opportunity to express his full and emotional feelings about the farmers and the toiling masses.

This issue is a wide issue. We cannot discuss it in a very short time. I would like to limit myself to some of the salient issues of our State, Kerala. At the outset, whenever discussions with regard to agriculture take place, Kerala is always at a loss because the major crops in Kerala are cash crops. Of course, we have paddy and we have some other crops, foodgrains also. But it is a major State producing rubber, coffee, tea, spices, vanilla and so many crops which come under Ministry of Commerce. The hon. Minister of Commerce does not come. The Ministry does not involve at all in any discussion which takes place with regard to agriculture. This State of Kerala is probably the only State which is totally at a blank with regard to this aspect.

For example, take the price of rubber which went steeply down.

MR. CHAIRMAN: Shri Thomas, please wait for a minute.

Hon. Members, the time allotted for discussion of this Resolution is over. There are five more speakers to speak on the Resolution. If the House agrees, the time for discussion on the Resolution may be increased by one hour.

[Translation]

PROF. RASA SINGH RAWAT: Mr. Chairman, Sir, the time for discussion on this Resolution should be extended.

[English]

SEVERAL HON. MEMBERS: Yes.

[Translation]

MR. CHAIRMAN : I am extending the time by one hour as all the hon. Members agree to this.

[English]

Shri Thomas, Please continue.

SHRI P. C. THOMAS: Sir, The price of rubber which was Rs. 50 to Rs. 60 per kilo came down steeply to Rs. 20 to Rs. 22. There was no go because the cost of production itself was more than Rs. 30 to Rs. 35 and, therefore, we insisted and the NDA Government had done something in this regard and a subsidy was given. The Subsidy for export was given and on that basis the extra production in our country was sent out to other countries, by purely giving a subsidy. This is something which can be given. The NDA Government has proved that it can be given. The WTO is not against that. If the WTO is not against France and some countries giving subsidy of this nature, then why not for Indian cultivators?

If this could be done for rubber, why it could not be done for tea for which price is so low? The plantation workers are in real difficulties. The farmers, especially the small farmers are in great difficulties.

The price of pepper has come down to as low as Rs. 50 a kilo which was about Rs. 200 earlier. How can the farmers sustain? this is something which is being exported. India has exported pepper to the tune of 21,609 quintals in 2002-2003 and earned about Rs. 178 crore. We are producing best pepper. That is also coming down because the production itself has gone down.

So, we must encourage the farmers by giving some subsidy. This can be done. It has been proved. Then, why do we not do it? Though the present Government has withdrawn the subsidy with regard to rubber, I think, this is something which can be taken up by the Government. I hope the Agriculture Minister will take up this matter of

[Shri P.C. Thomas]

subsidy for exports before the Commerce Ministry and also the Finance Ministry. Of course, involving the Agriculture Ministry, something could be done.

Sir, the other aspect of import of some of the goods, especially the agricultural goods produced in Sri Lanka, has caused a great concern. I think, that is also something on which the Government should do something immediately; otherwise, the import for zero duty on various types of agriculture produces like tea, coffee etc. is pouring down to India. For cardamom, the Spices Board has made a new recommendation. The Spices Board has made a recommendation. I do not know whether the Boards are making such recommendations now-a-days. This is an official document and there, the proposal for fixing of import duty on cardamom is stated. We are producing the best cardamom in the world and we have got exports also. But import is coming from Guatemala where a large amount of low quality cardamom is being produced. The Cardamom Board has now made a proposal to the Government of India. It says:

"We propose that the import duty on cardamom be fixed on per kilogram basis instead of the prevailing 70 percent import duty on the import value. It is suggested that the duty be fixed at 70 percent of the average auction during the current season, which is Rs. 327."

It is given on the basis of the auction. Suppose, the auction price today is Rs 500. It may crash down to Rs. 100 or Rs. 200 also. It may go up to Rs. 600 or Rs. 700 sometimes, but it crashes generally. So, the whole cardamom is lost and our cultivators are in real doldrums. So, this principle may be accepted. Though I do not agree with the quantum stated because the quantum is too low, but the principle of fixing of import duty on the basis of the price prevalent in India, which the farmer gets, is something, which we have to think of. I have spoken this about cardamom only, but this is something which we can think of in the cases of other produces also.

We are a federal country. Federalism is stated in our Constitution, but I think, we have to insist on more of federalism because if by one natural calamity one acre is flowed off from Kerala, the amount of loss which is sustained by that State or the farmer is so high because cash crops are produced there. Due to the nature of the crops, because of the houses, because of the village system so much of difference is there from one State to the other State. So, I think, when we think of

federalism, The planning and implementation on the basis of difference on account of geography as well as other aspects of each State, each area or ground realities of each area must be considered. This is something which the Government of India should do.

Take the example of Crop insurance. Crop insurance is available for many crops, but not for many of the crops, which Kerala is having. Since there is no crop insurance, if one rubber tree is gone, the compensation which is obtained is very low. May be, it is Rs. 100 whereas the farmer loses Rs. 20,000 or even much more. So, crop insurance is something which has to be given for other crops also.

I finish my speech because of the paucity of time.

[Translation]

SHRI RAMDAS ATHAWALE (Pandharpur): Mr. Chairman, Sir, I support the resolution presented by Shri P. K. Vasudevan Nair.

Mr. Chairman, Sir, the farmers of our country face the problems of unemployment and starvation as their problems are not solved. They are not offered loans on time due to which they get less yield and they are compelled to commit suicide. *...(Interruptions)*

MR. CHAIRMAN: Athawaleji, at least you can give suggestions in lucid language.

SHRI RAMDAS ATHAWALE: Mr. Chairman, Sir, I am giving suggestions. We have discussed the problems of the farmers several times. Today the UPA Government is in power. When they were in power, we used to talk of big things now we have come down a little bit. But we should consider farmers' problems. My demand to the Government is that the families of farmers who have committed suicide should be given at least rupees five lakh as compensation. The Government need to make a provision in this regard.

Mr. Chairman, Sir, the arrangement for irrigation are very good in India but alongwith this unirrigated area is also quite large in our country. The Government need to take the programme of linking rivers seriously so as to irrigate the unirrigated land.

The Arabian sea shore falls in Mumbai and Konkan. This area gets excessive rains but all the water flows back to sea. If we are able to harvest this water then it could be used in western Maharashtra, Marathwada and

Vidrabha where there is shortage of water. It is my demand from the Government of India that the water that flows back to sea should be harvested. There is a need to collect this water. The Government of India should at least make a provision of Rs. 25 thousand crore for this purpose. Through you, I would like to inform Shri Kanti Lal Bhuraji that we need Rs. 25 thousand crore for the development of this project on Mumbai sea shore. That is why I suggest that Government should consider it seriously.

Further interest rate should be reduced on the loans offered to farmers. That interest rate should be 2-3 percent and the time for repayment of loans should also be extended. Apart from this arrangements should be made to see that crops are not damaged in areas which are flood prone like Bihar or the areas which are given to excessive rains. I request the Government to plan in such a way that flood waters can be taken to drought affected areas like Uttar Pradesh and West Bengal.

Mr. Chairman, Sir, I suggest that as per the price index landless labourers should be given daily wage of Rs. 200 but no farmer can pay a labourer 200 rupees per day. That is why I suggest that if labourers are to be paid 200 rupees as minimum wages then 25 percent of it should be paid by the Government 25 percent by State Government and 50 percent by the farmers. We need to formulate a scheme for this. The Government should give every landless labourer at least 5 acres of land out of the surplus land which includes the land of forest department and other agricultural land, to make them self reliant. The Government should initiate such a programme.

Mr. Chairman, Sir, Maharashtra was hit by severe drought a few years ago. Shri Atal Bihari Vajpayee visited my constituency, Pandharpur when NDA was in power. We have been demanding for 1700 crore rupees for 2-3 years. Atalji made an announcement of releasing 50 crore rupees. When UPA Government came to power, it gave 500 crore rupees to Maharashtra. But the Government of India should give 50 thousand crore rupees to face the drought. We are ready to make our demand less by 150 crore rupees. But Maharashtra needs to be given 1 thousand crore rupees. Shri Sharad Pawarji is Agriculture Minister. Shri Kanti Lal Bhuraji is a very good friend of mine. I request him that there is a need to make all these provisions.

Too many sugar industries are suck in Maharashtra. Maharashtra is a big sugar producing state. Sugarcane is produced at a very large scale there. The Government

need to consider about giving financial help to sugar industries. I think that the Government would consider all these suggestions because if we do not improve the condition of the farmers then our country also would not be strong. That is why there is a need to improve the condition of the farmers and the agriculture labourers too. There is NCDC. It receives proposals for loans but very few proposals are approved. The people have to face problem. I want to say that the Government need to think that proper loan facilities should be provided by NCDC. It is the responsibility of UPA Government to help the farmers. We have assured help to farmers in the Common Minimum Programme but actually the Government must do something towards providing them with those funds and help.

In the end, I support the Resolution and hope that the farmers of the country get justice one day. The day should arrive early when no farmer will commit suicide. We will need the support of NDA to bring such situation in five year. I conclude and thank you for giving me time to speak.

DR. RAMKRISHNA KUSMARIA (Khajuraho): Mr. Chairman, Sir, I would like to thank hon'ble Nairji for raising a very sensitive issue in the House. It is a fact that we use many adjectives for farmer, like we call them foodgiver, God, etc., but actually no justice is done to them. In my opinion 60 percent persons having background of farming are elected in Lok Sabha but they hesitate in talking about rights of farmers because of their own bond with their parties.

Sir, I want that a farmers cell should be constituted in Lok Sabha to look into the problems of farmers. There is no farmers cell inside Lok Sabha like there are Chamber of Commerce and other bodies, therefore it should be set up and the farmer's condition should be reviewed sincerely. The unemployment and deteriorating financial situation of the country can be solved itself, if this cell is formed. Agriculture is the biggest industry and largest employment generator in our country but justice is not being done to it. Hon'ble Nairji has raise this issue that the farmer who feeds everybody is committing suicide. They should be helped and taken care of.

Sir, farmers are facing two kinds of problems, one is natural calamity and the other is policy formulating. Natural calamity comes in the form of hailstorm, rain, flood and in front of these calamities all other factors like good crop, best of inputs, the best fertilizers, proper irrigation

[Dr. Ramkrishna Kusmaria]

etc. Become immaterial for if there is a hailstorm it will destroy the crop completely and their technology will also fail. Which is why we must act well in advance to face the situation of flood, famine and natural calamity. I will appreciate if they continue with hon'ble Atalji's proposals of inter-linking of the rivers to save us from flood and famine.

Sir, I will talk about the administrative problems. There are some laws which create problems for the farmer. Just now our former speaker were telling that the farmers have got the insurance done, they have Paid the premium also but if the crop is destroyed then he is not given the insurance because he fails to pay the next instalment of premium. This is open loot. After promising and giving them big dreams they were duped of their money and were not given any insurance cover also. I would like to say that both the Government and State Government should talk to the insurance companies and help the farmers get their money back. Similarly, you know that the NDA Government had reduced the interest rates on loan. It was brought to 9 percent from 14 to 18 percent. Even today the interest rates have not been reduced in the Co-operative sector and no credit cards are being issued to farmers.

Sir, this matter needs to be looked into. Recently the interest rates have been reduced to 7.30 percent by the Reserve Bank, they should implement this. They are not able to execute this. If they implement it, the farmers will be able to grow things at low cost. This will reduce their burden as well as cost. This step will be beneficial to the farmers, so please implement it.

Sir, the second thing I want to say is that the NDA Government had started the work of constructing Cold storages, which has been stopped by them. Under this programme Cold Storages were being constructed in rural areas so that the farmers could avail the facility of storing their perishable items in Cold Storages. They were availing the facility of storing their items to fetch good price at a later stage but they have closed down the programme. To provide with storing facility in villages itself, they should keep the programme running.

Sir, I would like to say one more thing that hon'ble Minister is himself aware about Madhya Pradesh. The state is not provided with its full quota of electricity due to which the farmers there are in big problem. First of all there was no rain in regions of Teekamgarh, Chhattarpur etc. as a result of this there is no water in pond for irrigation and as there is no water, irrigation is getting

adversely affected and those who have their own sources like tubewells, the ground water level has gone down a lot over there and electricity is required to pump the water but they are not giving electricity also. They have cut the electricity in our region. Please do not do so much of injustice to the farmers.

Sir, I would like to draw the attention of the Government towards one more thing. In my constituency Teekamgarh, Panna and Damoh regions there is acute shortage of fertilizers. We are not aware of why the DAP fertilizer is not reaching there? Through you, I request the Government to make immediate arrangement for supplying fertilizers to this region. These small issues raise the burden on farmer, his crop is affected and as a result he is under heavy debt. Sir, there is a small saying—"Indian Farmer is born in debt, lives in debt and dies in debt."

The Government need to work for farmers. They have got the chance. Mr. Chairman, Sir, with these words, I thank Shri P.K. Vasudevan Nairji's for raising this issue in the House, understanding the pains of farmers and for making effort to mitigate there Problems. Mr. Chairman, Sir, I thank you for giving me an opportunity to speak.

[English]

DR. K. S. MANOJ (Alleppey): Mr. Chairman, Sir at the outset, I must congratulate Shri P. K. Vasudevan Nair for bringing this Private Member's Resolution on a very vital issue of farmers in this country. At the same time, the tragic situation is that when a matter which is very important to the farmers of the country is discussed, most of the Members as well as Ministers are absent from here.

18.00 hrs.

I would not go into the details of various factors that lead to the said plight of the farmers. I would like to point out some of the important factors that lead to the innumerable suicides of the farmers.

Even though he had moved the Private Member's Resolution two months back during the last Session, it is still relevant because everyday newspapers report about the suicides of farmers. They are still continuing. In spite of the various measures being taken by the Government, still farmers are committing suicides. So, we must again and again think about why these farmers are committing suicides.

There are many factors. More than 70 to 80 percent of the India's population is dependent on agriculture and India is an agricultural country. So, we must give prime importance to the problems of farmers. Most of the agriculture sector depends on climatic conditions, monsoon, and so on and so forth. But some of the problems are still existing, out of which, the paramount importance is the emerging new policies, as Shri Nair has correctly pointed out. He has abbreviated it as LPG—Liberalisation, Privatisation and Globalisation. In our mother country, India, we have got a value system in which human values are given more importance. That is replaced by the new policies, that is of the global value. In that system, they are not giving attention to the problems of the vulnerable groups. So, the farmers are denied their rights. A very important factor is the attitude of the Government.

Formerly, farmers were given subsidies and extended other supportive measures. They were getting subsidies for their seeds, fertilizers and pesticides. Now, all these things are withdrawn. So, this new trend is creating many problems. We are spending a lot of money for research activities. ICMR and agricultural universities are spending a lot of money for research activities, but the findings of these research activities are not reaching the farmers. We are talking of diversification of agriculture. Many researchers are there. But the finding on diversifying activities of agriculture are not actually reaching the farmers. Hence, many problems are existing. Also, the farmers are not able to control the market.

Today morning also, the hon. Finance Minister has said that when there is a demand, we have to import things from abroad. That is right. But at the same time, the right thing is to encourage production. That is not happening here. We have to encourage the production of agricultural materials whilst importing things.

One hon. Member has also pointed out about the linking of the rivers. As far as Kerala is concerned, this is detrimental to the farming condition of Kerala. When it is considered, we should think about the regional aspects—whether it is beneficial to that particular area or not.

I hereby support, Shri Vasudevan Nair. As he has pointed out, we should bring a legislation. I want to emphasise that we should bring a legislation to support the farmers. The legislation should include various aspects concerning the farmers.

MR. CHAIRMAN: Shri Shallendra Kumar—not present.

DR. CHINTA MOHAN (Tirupati): Sir, today, we are discussing about the problems of agriculture sector. I also thank Shri Vasudevan Nair who has brought this Private Members' Resolution before the House.

When we look at the rural economy today, the picture is not very rosy, maybe because of lack of rains or lack of crops. Many factors are there. When we look at the farmer today, though he is producing his rice or wheat or anything else, he is not able to sell this directly to the Food Corporation. The Food Corporation wanted to help the farmers. But they are not able to come to their rescue because in between the miller, the middleman is coming. The advantage is not going to the farmer. The advantage is going to the middleman who is a miller and who is exploiting the interests of the farmer and getting the advantage. Hon. Minister, sitting here, can go to the farmer and purchase his yield which can go a long way in definitely helping the farmer. Unless we help the farmer, the agricultural labour cannot also get the benefit. The agricultural labourers today are not having work. Even if they work, they are not able to get more than Rs. 30 per day. With this Rs. 30 per day, they are not able to get more than one meal a day. This is the problem of the agricultural labour and more particularly in a drought-affected area.

I strongly believe that there is a need for an agrarian reform. We are going in for industrial reforms only. The industrial reforms alone will not have a positive result. Look at other countries like China and Japan. They went in for agrarian reforms first. After that, they have come to the industrial reforms. In our country, we are first looking up for industrial reforms. There is a definite need for agrarian reforms. We must definitely bring, if not in this Session at least in the next session, a Bill on agrarian reforms.

[Translation]

MR. CHAIRMAN: Shri Chinta Mohanji, you can continue your speech at the time of next Private Member's Resolution.

[English]

The House stands adjourned to meet on Monday, the 13th December, 2004 at 11.00 a.m.

18.08 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, December 13, 2004/Agrahayana 22., 1926 (Saka).

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Published under Rules 379 and 382 of the Rules of Procedure and Conduct of Business in Lok Sabha
(Eleventh Edition) and Printed by M/s. Shree Enterprises, New Delhi.
