

# **LOK SABHA DEBATES**

## **(English Version)**

**Third Session**  
**(Fourteenth Lok Sabha)**



*(Vol. VI contains Nos. 11 to 17)*

**LOK SABHA SECRETARIAT**  
**NEW DELHI**

Price : Rs. 50.00

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## LOK SABHA

*Friday, December 17, 2004/Agrahayana 26, 1926 (Saka)*

*The Lok Sabha met at Eleven of the Clock.*

[MR. SPEAKER *in the Chair*]

[*English*]

### OBITUARY REFERENCE

MR. SPEAKER: Hon. Members, I have to inform the House of the sad demise of one of our former colleagues, Shri Harihar Soren.

Shri Harihar Soren was a Member of Seventh and Eighth Lok Sabhas from 1980 to 1989 representing the Keonjhar Parliamentary Constituency of Orissa.

A devoted Parliamentarian, Shri Soren was a Member of the Joint Committee on Salaries and Allowances of Members of Parliament from 1985 to 1986.

An agriculturist and advocate by profession and a committed social worker, Shri Soren worked relentlessly for the eradication of untouchability and development of the Adivasi language.

Shri Soren devoted his entire life to the service of the poor and downtrodden sections of the society.

Shri Harihar Soren passed away on 28 November, 2004 at Rourkela, Orissa at the age of 75, after a brief illness.

We deeply mourn the loss of this friend and I am sure the House would join me in conveying our condolences to the bereaved family.

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

11.01 hrs.

*The Members then stood in silence  
for a short while.*

11.02 hrs

### ORAL ANSWERS TO QUESTIONS

[*Translation*]

#### Bank Loan Defaulters

\*243. SHRI TUKARAM GANPAT RAO RENGE PATIL;  
SHRI SURAVARAM SUDHAKAR REDDY:

Will the Minister of FINANCE be pleased to state:

(a) the number of defaulting companies identified by banks and financial institutions having outstanding amount of Rs. 1 crore and above, bank-wise;

(b) whether RBI/Government has detected cases of gross violation of norms by banks when writing off bad loans;

(c) if so, the details thereof alongwith the action taken by the Government against bank employees involved in violation of norms;

(d) the number of defaulters blacklisted as on date;

(e) whether RBI has released report on Trend and Progress of Banking in India - 2003-2004;

(f) if so, the details thereof;

(g) whether there has been a sharp decline of NPA in Agriculture and small scale industries sectors as compared to other priority sectors;

(h) if so, the details thereof; and

(i) further steps taken by the Government for recovery of bad debts?

[*English*]

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

#### *Statement*

(a) The number of suit filed accounts/amount (bank-wise/institution-wise) in which sum to be recovered is Rs. 1 crore and above as on 31.03.2004 is at Annexure.

(b) and (c) Loans are written off as a last resort by banks when all efforts to recover loans fail or as part of

settlement with the borrowers. This technical write off of bad loans from the books of Head Offices helps banks in availing tax benefits. However, Loans continue to remain outstanding in the books of branches and are pursued for recovery. Writing off is done after due consideration at appropriate levels. This also includes the review of the role of officials in this activity. Action against the erring employees is taken as per the norms operative in the banks.

(d) The number of defaulters whose names are appearing in the list published by Reserve Bank of India (RBI)/Credit Information Bureau (India) Limited (CIBIL) in respect of non-payment of loans of Rs. 1 crore and above and wilful default of Rs. 25 lakhs and above as on 31st March 2004 are as under:-

Item	No. of Suit filed accounts
Default of Rs. 1 crore and above	10340
Wilful default of Rs. 25 lakhs and above	2647

(e) and (f) Yes, Sir. RBI has released a report on Trends and Progress of Banking in India-2003-04 and it is available on RBI's website i.e. [www.rbi.org.in](http://www.rbi.org.in). This publication gives a comprehensive review of the performance of commercial banks in India for the financial year 2003-04.

(g) and (h) The details of NPAs of public sector banks in agriculture and small scale sectors as compared to other priority sectors are as under:-

Sector	Percentage of NPAs to gross NPAs		Percentage of NPAs to gross NPAs	
	31.03.2004	31.03.2003	31.03.2004	31.03.2003
Priority Sector	23840	46.82	24938	47.23
Agriculture	7240	14.43	7707	14.60
SSI	8838	17.62	10162	19.24
Others	7762	15.4	7069	13.39

(i) Government of India and Reserve Bank of India have stipulated certain steps for recovery of loans which *inter-alia* include evolving and implementing a recovery policy by banks, filing of suits in civil courts/DRTs, compromise settlement and monitoring and follow up of NPAs at various levels. Credit Information Bureau has been set up to disseminate information on borrowers among the banks. Corporate Debt Restructuring (CDR) scheme has been put in place to provide a transparent

mechanism for restructuring of corporate debts of viable entities facing problems due to internal and external factors. Asset Reconstruction Company (India) Ltd. has been incorporated for the purpose of addressing Non-performing Assets. The recent amendment of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has further strengthened the recovery process of the Banks.

#### Annexure

##### Suit File Accounts Rs. 1 Crore and Above As on 31st March, 2004

S.No.	Nationalised Banks	Number of Records	Rs. in Crores
1	2	3	4
1.	Canara Bank	478	4275.66
2.	Bank of Baroda	547	3856.14
3.	Central Bank of India	618	3288.48



1	2	3	4
4.	Indian Bank	559	3146.69
5.	Bank of Baroda	515	2486.31
6.	Punjab National Bank	346	2193.56
7.	Dena Bank	280	2051.87
8.	Allahabad Bank	146	1285.06
9.	Indian Overseas Bank	163	1103.30
10.	Oriental Bank of Commerce	240	1006.39
11.	Bank of Maharashtra	185	938.36
12.	Vijaya Bank	123	638.98
13.	United Bank of India	116	476.80
14.	Andhra Bank	99	423.62
15.	Uco Bank	113	394.86
16.	Punjab & Sind Bank	166	383.55
17.	Syndicate Bank	125	361.49
18.	Corporation Bank	43	360.09
	Total	4,862	28671.21
	<i>SBI and Its Associate Banks</i>		
1.	State Bank of India	1194	6806.64
2.	State Bank of Travancore	169	1064.56
3.	State Bank of Hyderabad	162	735.69
4.	State Bank of Bikaner & Jaipur	99	580.14
5.	State Bank of Mysore	77	520.09
6.	State Bank of Saurashtra	82	378.66
7.	State Bank of Indore	63	341.04
8.	State Bank of Patiala	105	7.29
	Total	1,951	10434.11
	<i>Financial Institutions</i>		
1.	IFCI Ltd.	668	10778.03
2.	Industrial Investment Bank of India Ltd.	232	1282.72
3.	Export Import Bank of India	28	445.59
4.	Small Industries Development Bank of India	76	296.07

1	2	3	4
5.	Life Insurance Corporation of India	19	170.46
6.	IDBI (As on Sept. 2003)	891	78.91
	Total	1,914	13051.78
	<i>Foreign Banks</i>		
1.	Bank of Tokyo-Mitsubishi Ltd.	31	506.45
2.	Standard Chartered Bank	33	257.43
3.	Hongkong and Shanghai Banking Corporation Ltd.	29	207.48
4.	ABN AMRO Bank N.V.	4	196.05
5.	Credit Agricole Indosuez	14	88.97
6.	Deutsche Bank AG	8	81.07
7.	State Bank of Mauritius Ltd.	7	72.25
8.	Societe Generale	5	40.66
9.	ABU Dhabi Commercial Bank	6	35.56
10.	Citi Bank NA	5	31.85
11.	Bank of Bahrain and Kuwait B.S.C.	3	30.42
12.	Mashreq Bank	7	29.03
13.	Credit Lyonnais	2	10.41
14.	Mizuho Corporate Bank Ltd.	1	6.58
15.	Bank of America	1	1.50
	Total	63	1595.71
	<i>Private Sector Banks</i>		
1.	ICICI Bank Limited	492	3277.65
2.	IndusInd Bank Ltd.	117	1498.51
3.	United Western Bank Ltd.	92	623.61
4.	Federal Bank Ltd.	61	360.48
5.	Karnataka Bank Ltd.	87	333.63
6.	Centurion Bank Ltd.	53	294.58
7.	Bank of Rajasthan Ltd.	81	279.52
8.	South Indian Bank Ltd.	54	251.45
9.	SBI Commercial & International Bank Ltd.	35	201.67
10.	ING Vysya Bank Ltd.	18	197.42

1	2	3	4
11.	Tamilnad Mercantile Bank Ltd.	48	167.02
12.	HDFC Bank Ltd.	23	162.27
13.	Bank of Punjab Ltd.	19	142.43
14.	Catholic Syrian Bank Ltd.	39	133.53
15.	Dhanalakshmi Bank Ltd.	36	111.79
16.	Lakshmi Vilas Bank Ltd.	32	108.82
17.	Karur Vysya Bank	26	102.48
18.	Lord Krishna Bank Ltd.	32	96.23
19.	Development Credit Bank	36	96.22
20.	City Union Bank Ltd.	32	89.03
21.	UTI Bank Ltd.	13	65.59
22.	Bharat Overseas Bank Ltd.	16	53.75
23.	Sangli Bank Ltd.	13	24.29
24.	Kotak Mahindra Bank	1	1.43
25.	Nainital Bank Ltd.	1	1.22
Total		1.457	8674.63
Grand Total		10340	62427.44

[Translation]

SHRI TUKARAM GANPAT RAO RENG PATIL: Mr. Speaker, Sir, this is a very important question. Hon'ble Minister has given the names of the banks and the Account Numbers of defaulters against whom more than one crore rupees are outstanding. However, there are several cooperative banks whose names have not been mentioned in the reply. I would like to know if none of the cooperative banks has defaulters' Accounts with an outstanding amount of more than one crore rupees?

[English]

SHRI P. CHIDAMBARAM: Sir, the question deals with defaulting companies identified by banks and financial institutions and then it talks about RBI and the report of the RBI. We had given information about scheduled commercial banks which fall under the jurisdiction of the RBI, the public sector banks and the private sector banks. We have not dealt with the cooperative banks. This

information has to be collected State-wise, from the State Registrars of Cooperative Societies. We have not given that information. We have given information only for the scheduled commercial banks including the private sector banks.

[Translation]

SHRI TUKARAM GANPAT RAO RENG PATIL: Mr. Speaker, Sir, I had specifically asked in the question

[English]

The number of defaulting companies identified by banks and financial institutions

[Translation]

I had asked the question about all the financial institutions of banking sector, but no reply has been given about cooperative banks.

*[English]*

SHRI P. CHIDAMBARAM: I am trying to answer. Please look at the context of the question. In the context of all the parts, banks and FIs mean banks and FIs which comes under the jurisdiction of the Central Government and the RBI. If you wish me to collect the list of defaulters of each State cooperative bank and other cooperative banks, which is an immense work, I will collect it and give it. But I have not answered that. I have said so. I have only dealt with banks and financial institutions coming under the purview of the Central Government.

MR. SPEAKER: You may please put another specific question on this.

*[Translation]*

SHRI TUKARAM GANPAT RAO RENGE PATIL: Mr. Speaker, Sir, in response to my supplementary question, Mr. Minister has told that we will get the information about cooperative banks. I am thankful to him for that. My another supplementary question is that there exists a provision of taking action as per the prescribed norms by the banks against guilty bank employees, I would like to ask the Finance Minister whether any action has been taken against such guilty bank employees during the last three years? If so, the details thereof.

*[English]*

SHRI P. CHIDAMBARAM: If a bank employee violates any norm, the bank will take disciplinary action against him. How is it possible for me, in answering this question, to collect all the information about all the disciplinary actions taken by the banks? He must understand that in the time given to us we have collected information on the question you have asked. It is impossible to collect information about all the disciplinary action taken. If you ask me about any particular bank, I will collect the information and furnish it to this House.

SHRI SURAVARAM SUDHAKAR REDDY: Sir, the NPA is a huge amount and is supposed to be more than Rs. 1,00,000 crore. I would like to know whether the Government is having any plans to bring a legislation not to allow black-listed defaulters to receive future loans from the nationalised and scheduled banks, to publish their names prominently and to confiscate their properties to recover the loans.

SHRI P. CHIDAMBARAM: In the last few years, stringent laws have been passed to recover loans

especially loans where there are wilful defaults. Hon. Members know that the Debt Recovery Tribunal Act has been passed and then the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act) has been passed. Only last week, this House amended the SARFAESI Act, strengthening some provisions, which have been pointed out by the Supreme Court of India. I think, laws are sufficient. Now, what is required is the will to implement those laws and take action. Now that you have strengthened the SARFAESI Act, I will ensure that banks take action both under the Debt Recovery Tribunal Act and the SARFAESI Act.

As regards publishing the names, as hon. Members know, this has been said several times by successive Finance Ministers. Under the current provisions of the banking laws especially Section 45E of the RBI Act, disclosure of names of borrowers in banks and FIs is not permissible.

SHRI PAWAN KUMAR BANSAL: Sir, I would like to know from the hon. Minister what has been the change in the position regarding NPA after passing of the Securitisation Act. In how many cases banks have been able to recover the loans by taking resort to those provisions?

SHRI P. CHIDAMBARAM: After the SARFAESI Act was passed, as on 31st March, 2003, notices were issued in the case of 61,263 accounts and recovery as effected in 24,092 accounts. A sum of Rs. 1,748 crore was recovered from these accounts. This is as on 31st March, 2003. After that, we know the matters were in the Supreme Court for nearly a year. The use of the Act was, in effect, restrained because of the Court proceedings. Now that you have kindly amended the Act, I am sure, the proceedings will start.

SHRI KHARABELA SWAIN: Sir, with regard to the recovery of loans, the hon. Minister mentioned about the DRT. Is the Government aware that the DRTs do not have the infrastructure to recover loans? That means, even though the banks get a favourable verdict from the DRTs, yet they do not recover the loans. This is to be done by the DRT recovery staff who are not adequate in number. The DRT has also refused to take the help of the bank recovery staff. What is the Government going to do about this? Will the Minister kindly reply to this?

SHRI P. CHIDAMBARAM: I am aware of this problem. At the moment, the recovery is done by the

Recovery Officer of the Tribunal. My assessment of the situation is that it is an unsatisfactory procedure.

I am looking into it, and I am looking into empowering the other categories of officers to be named as Recovery Officers. But this may require either a change in the law or a change in the rule. It is under my active consideration.

SHRIMATI V. RADHIKA SELVI: The RBI had issued guidelines on 29.1.2003 for compromised settlement of NPAs of public sector banks. Does this action of the RBI violate the fundamental right which our citizens have provided to them under the Constitution of India?

What are the remedies to the borrowers of private sector banks who approach their banks as well as the RBI, requesting to settle their NPAs as per the RBI guidelines of 29.1.2003? Does this action of RBI amount to discrimination among our citizens?

SHRI P. CHIDAMBARAM: Sir, I do not think her Supplementary arises under the domain of this Question. The RBI has issued guidelines for one-time settlement. The RBI has issued guidelines for corporate debt restructuring. If the hon. Member is referring to the one-time settlement guidelines, I think, it is much better to reach a one-time settlement rather than chase a recovery for 10 years. You have to balance both. Is it not better to recover one-time 50 percent or 60 percent or 70 percent rather than going into litigation for 10 years?

I think, these guidelines are sound guidelines. They have been improved from time to time. These guidelines, I think, must be followed. As far as possible, we must use these guidelines and settle. There are committees which guide the banks concerned. Many of these committees are headed by a retired Judge who then advises that this is a case for OTS. The Board of the Bank accepts it.

So, I think, these guidelines are good. If these guidelines require any improvement, if the hon. Member wishes to make any suggestion, I would certainly pass it on to the RBI.

SHRI P. KARUNAKARAN: Sir, there are many banks which get a huge amount as deposits from the States, and at the same time, they invest very less. Though the RBI has given strict instructions in this regard, yet as far as Kerala is concerned, the investment from the banks is very less. So, will the hon. Minister consider this point and issue strict directions to these banks to invest?

SHRI P. CHIDAMBARAM: In a large country like ours, the economic activity is not very evenly spread. It is not possible that the credit-deposit ratio is exactly 1:1. That is not possible. I think, all of us agree on that.

The answer is to stimulate the economic activity in the State concerned to promote infrastructure, to promote industry and to promote services. But we are conscious that there is a certain amount of unevenness in the credit-deposit ratio. A Group is looking into this unevenness in the credit-deposit ratio, and I would take corrective action wherever possible.

*[Translation]*

SHRI MOHAN RAWALE: Mr. Speaker, Sir, I would like to ask the hon. Minister through you whether the Ministry has received any complaints about granting loans violating rules by a number of banks due to which several cooperative banks in Maharashtra failed and many nationalized banks have also got affected due to this action? Or if such complaints are received would he take any action on such complaints.

*[English]*

Is the hon. Minister going to take action against those Directors who have violated the norms of RBI guidelines?

*[Translation]*

Because of such violation of norms people lose confidence in banks.

*[English]*

MR. SPEAKER: You have put a very pointed question.

SHRI P. CHIDAMBARAM: I receive complaints virtually everyday about one cooperative bank or another. But please remember, the Government of India cannot bail out every failing cooperative bank. The RBI grants the licences; the RBI cancels the licences where they are in breach.

As I have already said in an answer a few days ago, I think the RBI has cancelled over 90 licences. I know that criminal cases have been filed against many of the Directors in States like Maharashtra, Gujarat and Andhra Pradesh.

But if the thrust of his question is 'will the Government of India bail out every failing cooperative bank', let me say with utmost respect that the answer is 'no'.

SHRI G.V. HARSHA KUMAR: Sir, I would like to ask the hon. Minister about the implementation of RBI guidelines in regard to cooperative banks...*(Interruptions)*

MR. SPEAKER: Again, you are asking about the cooperative banks! He has already said.

SHRI G.V. HARSHA KUMAR: I have the same question.

MR. SPEAKER: In any event, I compliment you that at least you have attempted. Well, you can put another question. Thank you very much.

SHRI B. MAHTAB: I draw the attention of the Minister to part (g) where the question was, 'whether there has been a sharp decline of NPA in Agriculture and small-scale industries sectors as compared to other priority sectors'. Here the answer is, it has increased in other priority sectors from 13.39 to 15.4. My question is, what steps are being taken to minimise or to curtail the percentage of NPA in the other priority sectors.

SHRI P. CHIDAMBARAM: Sir, we must compliment our banks that NPAs, both gross and net, are coming down. There has been a significant improvement in the NPA position. Therefore, I think first we must compliment the banks for the action that they have taken in the last five-six-seven years. We have advised a number of steps to be taken on a continuing basis. These include; recovery policy by each bank, filing of suits in civil courts and DRTs and compromise settlement under the OTS guidelines. A Credit Information Bureau has been set up to disseminate information on borrowers among the banks, CDR scheme has been put in place to provide a transparent mechanism for restructuring of corporate debts, Asset Reconstruction Company (India) Ltd. has been incorporated for the purpose of addressing Non-Performing Assets and the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act has been enacted—now amended—to tackle the problem of chronic NPAs. A number of steps have been taken and I am confident that the NPAs would further come down.

SHRI BALASAHEB VIKHE PATIL: Please Minister can tell us—the total NPA amount as far as NPA in agriculture is concerned, it is only 14.43, in 2004 which was 14.60 in 2003. The NPA in the priority sector is more than 46 percent, which is much higher. I would like to know from the Minister the reasons for the sharp decline in agriculture and other SSI sectors in the last two-three years. Secondly, once you go for the compromise or one-time settlement, can the Minister look

into the fact that the banks be friendly with the agriculturists and other small borrowers so that they can repay the amount and for the rest of the amount they are given concession. Lastly, we can have the NPA classification, like Rs. 5 lakh, Rs. 25 lakh, Rs. 5 crore and so on. Though the number of small borrowers amount is less, they are harassed more. How would the hon. Minister deal with the corporate sector which has higher borrowing and more NPAs?

SHRI P. CHIDAMBARAM: I agree with the hon. Member. In fact, I have said this on many occasions. I am glad, there is today a universal recognition. Agriculture is a commercially advantageous lending sector to banks. Farmers are good borrowers. Farmers repay their loans much better than many other sectors. I have said this many-many times and the banks have realised this now. That is why you will find in agriculture sector the NPA is lower than in some other sectors. I think what we are doing now is a correct thing. The classification of NPA is decided by the RBI and we are not going to interfere with that classification. But I will take the hon. Member's advice and pass it on to the banks. 'Farmers are good borrowers. Please be friendly to farmers. Lend more to farmers and help them to carry on agriculture'.

SHRI KINJARAPU YERRANNAIDU: Since the last five years, the NPAs have reduced a lot and we appreciate the banks for that. We know both above and below Rs. 1 crore there are a number of cases but the figure has not been provided. My advice to the Government is that one-time settlement rules are not in favour of the loanees and that is why they are ready to pay the amount. You can recover the amount from the wilful defaulters by imposing Securitisation Act.

There may be some non-wilful defaulters as due to the failure of the industry or some other reasons, they could not pay back the money. For these non-wilful defaulters, you have to give some cushion. Otherwise, you cannot recover the amount. Therefore, you will have to be a little bit liberal with them. Otherwise, you will have to go in for unnecessary litigation. I think, you should issue some guidelines to the banks to be liberal with such borrowers.

MR. SPEAKER: That is a suggestion for action.

SHRI P. CHIDAMBARAM: Sir, it is like Oliver Twist, they ask for more. OTS is today a liberal scheme. It balances the interest of the borrower and the interest of the lender. For example, in fiscal 2003-04, through compromise and write off, the nationalised banks have

settled Rs. 6,329 crore and the SBI group has settled Rs. 4,978 crore. A total of Rs. 11,308 crore has been settled through compromise and write off. I do not think there is scope for further liberalisation. But I will keep your advice in mind.

*[Translation]*

SHRIMATI RANJEET RANJAN: Mr. Speaker, Sir, I would like to inform the hon. Finance Minister through you that although we talk about defaulters' loans, but the officers holding the higher posts in banks, either grant loans to their own companies or to the known companies, and later on they are not able to recover that loan resulting heavy losses to the banks. I would like to ask whether the Government propose to take any action against such officers?

*[English]*

SHRI P. CHIDAMBARAM: Sir, how can I generalise? There are good officers and there are one or two black sheep. If the performance of the banks is improving, it is because of good officers. If there are more NPAs, it is because of bad officers. I am sure, each bank takes disciplinary action. We will follow it up if there is any specific case.

SHRI A.V. BELLARMIN: I want to know from the Minister whether the Government is aware of the mushroom growth of financial institutions and chit funds. After some time, they vanish by swallowing the common man's money. What are the steps taken to control and monitor such companies and also to protect people from such companies?

SHRI P. CHIDAMBARAM: Sir, the question talks about non-banking financial companies. That is not the main Question. Let him put a separate question...*(Interruptions)*

MR. SPEAKER: I have already allowed 11 supplementary questions. Now, I cannot allow more.

**Committee on Regulatory Structure of Gold Industry**

\*244. SHRI UDAY SINGH:

SHRI ADHIR CHOWDHURY:

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

(a) whether the Government has recently decided to set up a committee to examine the regulatory structure of the gold industry;

(b) if so, the details thereof;

(c) whether the gold prices in the country have increased alarmingly during the last few years in the absence of any clear cut policy on gold; and

(d) if so, to what extent the restructuring of gold industry is going to put a check on gold prices?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Yes, Sir. A Committee to examine the regulatory structure of the Gold Industry has been constituted with a view to making India an important centre for gold trading.

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

**Statement**

(b) The Committee has the following terms of references:-

- (i) Improving the scope of measures to be undertaken to facilitate banks to hedge in Future Markets on Gold.
- (ii) Recommend measures to facilitate Mutual Funds to invest in Gold.
- (iii) Recommend measures to improve the ability of the banks to implement Gold-Linked Saving Scheme.
- (iv) Recommend appropriate customs and foreign trade measures that are required to be undertaken to facilitate manufacturing and trading in gold.
- (v) Any other recommendation required to be made to improve trading in gold and also on measures required to ensure quality of the goods being traded.

The committee is expected to submit its report within six weeks from the date of its first meeting. The findings of the Committee are expected to improve the prospects of the Gold Trade in the country.

(c) and (d) Monthly average price of gold per 10 grams. has moved from Rs. 6187 to Rs. 6358 in India during the period January to October 2004. Gold price movements in India are generally in synchronization with

the international prices. Besides, factors such as demand and supply, investor interest, interest rates, movement in the exchange rate of US\$ vis-a-vis other international currencies, etc. affect the gold prices. The findings of the Committee constituted to examine regulatory structure of the gold industry are expected to improve the prospects of gold trade in the country.

SHRI UDAY SINGH: I would like to congratulate the Minister on setting up this Committee. But I am sure, the hon. Minister and the Government are aware of the huge quantities of gold that are locked up as unproductive assets, especially amongst our less upwardly mobile rural population. Even though, there is a mention of a gold-linked saving scheme in the new committee which is being set up, I would submit that most previous gold schemes have failed primarily because they did not address the apprehensions of owners physically parting with their gold.

I would like to know from the Minister whether this Government would think of bringing in an amnesty scheme in which, without going into investment details of how the gold was acquired, the owners could get the nominal interest in lieu of their depositing the gold with the banks. The banks could then leverage this huge amount of gold deposits to raise utilisable long term assets.

SHRI KAMAL NATH: Sir, this is true that there is a large amount of gold in this country. By one estimate, the gold stock is roughly over 9000 tonnes. It is also estimated that it will go up to 15000 tonnes.

Sir, gold is also an instrument of investment. It is true, what the hon. Member is saying, that there is a lot of gold reserve in the form of jewellery and otherwise also in the country.

Sir, the specific question that the hon. Member has asked is about the amnesty scheme and whether that could be used to plough back the returns into the economy. This is a question for my colleague the Finance Minister to answer. I am sure, the hon. Member would like to address this question to him on a subsequent date.

MR. SPEAKER: Not on this occasion.

SHRI UDAY SINGH: Sir, I addressed this question to this Ministry because the subject of gold was being dealt with by this Ministry. I know that this question is probably for the Minister of Finance to reply.

India's insatiable appetite for gold is well-known. India is the largest importer and consumer of gold jewellery. This country has huge stocks of gold. The hon. Minister and the Committee themselves have said that India has the potential to actually influence world gold prices. Now, I would like to ask the hon. Minister if in addition to the terms of Reference of the Committee, the Government will also think of bringing in measures to ensure that no cartels get formed when our trading activities in gold actually expand.

SHRI KAMAL NATH: Sir, the hon. Member is right in saying that India has a large amount of gold. India is the largest importer of gold. India, being the largest stockist of gold, the largest consumer of gold in the world, should be an important hub for gold world-wide. It was precisely for this reason that there was a Gold Conference held and after hearing everybody we thought that we should work towards making— with India's ability, with India's consumption and with India's stocks - India a major gold trading centre. Obviously, it generates more economic activity and thereby more employment. That is precisely the reason as to why this Committee has been formed. We would have to look at this aspect of cartelisation which determines world prices. But world prices, international prices are governed by many factors, like investors' interest, share market and such other things. This Committee will apply its mind to that aspect also.

SHRI ADHIR CHOWDHURY: Sir, India has inherited a huge stock in terms of gold reserves and has the potential to become a gold trading hub in the world. Furthermore, at present, the value of dollar is also under pressure and purchase of commodities through exchange of gold has now gained momentum. It is also attracting investors. But we do not have any comprehensive Gold Policy like the Agriculture Policy or the Industrial Policy.

Sir, the Terms of Reference of this Committee say: 'any other recommendation required to be made to improve the trading in gold and also to ensure quality of the goods being traded'. The World Gold Council has made a survey and revealed in its report that 80 percent gold in Indian market, specially in Delhi and in other cities, are below par in quality. It has also been revealed that 80 percent of gold purchases are of inferior quality.

MR. SPEAKER: What is your question?

SHRI ADHIR CHOWDHURY: Sir, it has also been found that in 40 percent of them, there is lack of purity. I would like to know from the Government whether there is any spectrographic analysis made of gold so that the



purity and quality of gold could have been ascertained. Secondly, is the Government exploring any mechanism to stem the rut of gold in the gold market? It is because we have the potential to become a superpower in gold trade and therefore, the Government must have a road map for this.

MR. SPEAKER: You have made all suggestions for action except that question of spectrographic analysis.

SHRI KAMAL NATH: Sir, it is true that we should become a super-market for gold. It is also true that the value of dollar has gone down and obviously that is affecting the global prices.

Sir, in regard to the question of quality of gold, I would like to submit that it has been the endeavour of the Government to see that there is a hallmarking for gold and this is being encouraged not only for gold but also for jewellery from India. The Ministry of Consumer Affairs and Food and Public Distribution in an order dated 4th August, 2003 has constituted a Committee to examine the ways and means of consumers' interest and all those things.

Broad terms of reference are there. MMTc is doing some hallmarking. There is a micro assaying and hallmarking in Karol Bagh. There is a Gujarat Gold Centre and there are various other labs also.

MR. SPEAKER: What about Kolkata? You are not taking care of this Kolkata boy.

SHRI KAMAL NATH: Government is aware of the interest of the consumers. Sir, there is a JJ Hallmarking Centre in Kolkata also.

SHRIMATI MANEKA GANDHI: Sir, I have to apologise in advance to say that this question is really tangential. I want to bring it in the public domain.

A lot of companies are coming to India to do gold mining specially in the Deccan. Many of these companies have been driven out of their country for bad practices both in human rights and environmental mismanagement. Gold mining involves mercury, arsenic and other heavy metals, all of which affect water. Has any study been done with companies that are being given exploratory licences? What is their track record? How many of them are under legal suits in other countries?

SHRI KAMAL NATH: This question is for the Ministry of Mines to answer. But I would like to tell the hon.

Member, through you, that any kind of mining will lead to environmental degradation. The question is whether environmental degradation is irreversible or not. Stopping mining altogether is one view. Another view is whether environmental degradation is irreversible or not. Environmental degradation is a larger policy which the Ministry of Mines has to look at.

MR. SPEAKER: Your knowledge is of your last portfolio.

SHRI SANAT KUMAR MANDAL: I would like to know from the hon. Minister as to whether the Committee would also look into the plight of the small and poor goldsmiths who are affected by the big and branded gold trade industry. If so, what are the details thereof, and if not, is there any other plan proposed for the welfare of small and poor goldsmiths?

SHRI KAMAL NATH: There is really no branded gold. Gold is really not branded in India. But it is true that an estimated 30 lakh people are involved in gem and jewellery sector, and about ten lakhs are directly and indirectly involved in the diamond business. The whole idea is to make India a trade hub for gold and we are looking into the gem and jewellery sector. The gem and jewellery sector is having a target of 30.3 billion dollars of exports this year out of which we expect just gold jewellery to be two or three billion dollars worth. Gem and jewellery is a very important sector in India both from the point of view of exports and employment. The overall exports come to 17 percent of our total in this sector and it is also a major employment generation sector.

*[Translation]*

CHAUDHARY LAL SINGH: Mr. Speaker, Sir, there are people engaged in business of gold jewellery who buy gold from persons selling gold out of compulsion and sometimes thieves may also sell gold to them. Later on, when the jeweller is apprehended, one can well imagine the humiliating position he has to face. Hence, I would like to know if there is any such policy under consideration of the Government regarding prospective buyers and sellers of gold so that gold industry can be saved.

SHRI KAMAL NATH: Mr. Speaker, Sir, the Government permits transaction of gold to promote this industry. If the transaction is illegal, Hon'ble Finance Minister or Hon'ble Home Minister can give a reply in this regard.

SHRI SHAILENDRA KUMAR: Mr. speaker, Sir, the consumption of gold is highest in India and the domestic consumers use it the most for ornament. I would like to ask the hon. Minister whether the Government have any suggestions or measures to maintain the quality of gold in the world market and check the increasing prices of gold if so, the details thereof?

SHRI KAMAL NATH: Hon. Speaker, Sir, as I have already said that our country has the largest number consumers of gold. India has the biggest number of stocks of gold as well. At international level, gold is not only a commodity but a valued commodity also. The prices of gold gets affected by the interest of the investors value of dollar, share prices, gold prices at global level etc. and our country also gets affected by these factors. All these factors drive the prices of gold at international level.

*[English]*

SHRIMATI TEJASWINI SEERAMESH: Mr. Speaker, Sir, thank you for giving me this golden opportunity.

I know that all my brothers were happy with the rise in the prices of gold. In this Deepavali, all my sisters were complaining that they were unable to exploit their men by purchasing gold. If at all Indian wives get any wages for their services, it is only in the form of making their husbands buy some gold for them. With this rise in the prices of gold, they are unable to do that.

Indian women have weakness for gold. So, I am humbly requesting my Government to reduce the prices of gold. We can preserve the gold for some crisis. My country can pledge this gold. When Mahatma Gandhi led a movement, it was the Indian women who had given their golden ornaments for the country's sake. Even today we will preserve this gold.

MR. SPEAKER: You purchase less, the prices will come down.

SHRI KAMAL NATH: I am sure no man would like to be exploited, much less the male Members of this House.

As regards the gold prices, I am sure, the men would be compassionate enough to ensure and endeavour to make sure, in spite of the internationally high prices driving Indian prices, that women have adequate supply of gold.

MR. SPEAKER: You are a victim.

*[Translation]*

### Export of Coffee

\*245. SHRI ANANT KUMAR HEGDE:  
SHRI KAMLA PRASAD RAWAT:

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

(a) whether there is a sharp decline in the export of coffee during this year;

(b) if so, the reasons therefor and the details of coffee produced/exported country-wise during last three years alongwith its value;

(c) whether instances of coffee growers committing suicide due to opening of international coffee market have come to the notice of the Government;

(d) if so, the details thereof and measures taken to stop such suicides;

(e) whether the Government is aware of the pitiable condition of coffee growers due to fall in price of coffee; and

(f) if so, measures taken to protect the coffee growers?

*[English]*

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) In the period April - October 2004 there was a slight fall in the quantity of coffee exported, that is approximately 1.24 lakh tonnes as compared to 1.30 lakh tonnes for the corresponding period last year. However, the value in US \$ million is higher this year at about US \$ 154 million, as compared to US \$ 148 million last year.

(b) to (f) A Statement is laid on the Table of the House.

### *Statement*

(b) The details of coffee produced and exported country-wise during the last three years is given at Annexure.

(c) and (d) About 80% of the India's coffee is exported. The quantum of coffee imported into India is negligible, so the possibility of problems arising due to

opening of our markets would be remote. However, information regarding suicides, if any, by coffee growers due to the opening of international coffee market is being collected from the State Governments concerned.

(e) and (f) Since domestic prices of coffee tend to move in tandem with international prices, Government of India is aware of the difficulties being faced by the coffee growers due to low prices of coffee and has taken a series of steps for the benefit of coffee growers. The

steps include re-phasing and restructuring of loans taken by the coffee growers from commercial banks by way of Special Coffee Term Loan (SCTL) and interest subsidy to coffee growers on working capital loans. During 2001-02, 2002-03 and 2003-04, Coffee Board implemented a scheme under which financial assistance upto Rs. 500 per tonne was provided to the Indian coffee exporters for reducing handling costs. A package for providing further relief to coffee growers is also under consideration.

*Annexure*  
*Country-wise Exports of Coffee*

Country	2001-02		2002-03		2003-04		2004-05*	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Italy	41899	17402	45612	18471	52197	23179	29501	14217
Russian Fed.	40301	3254	36578	30774	33592	22542	18666	11098
Germany	27589	12628	23344	10260	25680	12346	10595	5796
Belgium	15660	4902	17430	7014	18777	8664	6063	2915
Spain	12209	4458	11142	4246	13898	5392	7699	3023
Slovenia	8933	2618	8698	2832	10795	3806	5794	2044
France	3104	1197	3676	1716	6214	2847	2437	1133
USA	5600	2266	3505	1506	3237	1466	4439	2040
Greece	4443	1409	4936	1837	4224	1533	3662	1423
Japan	4968	2356	4899	2537	3538	1772	4113	2423
Algeria	2055	625	4123	1444	4293	1551	384	124
Others	46825	51921	43390	22508	56239	30747	30620	17756
<b>Total</b>	<b>213586</b>	<b>105036</b>	<b>207333</b>	<b>105145</b>	<b>232684</b>	<b>115845</b>	<b>123973</b>	<b>63992</b>
US\$ Million		216.23		233.89		262.03		154.03

\* Confirmed shipment as on 31.10.2004.

*Coffee Production in Lakh Tonnes*

Year	2001-02	2002-03	2003-04	2004-05*
Qty.	3.00	2.75	2.70	2.90

\*Post Monsoon Estimates.

*[Translation]*

SHRI ANANT KUMAR HEGDE: Mr Speaker, Sir, I have not got the proper reply of my question from the hon. Minister. I had asked, if there have been instances of committing suicides, were these suicides committed due to decline in production and rate of coffee? But no information was furnished in this regard? I have got copies of FIRs and full details which denote the number of people who have committed suicide. It seems that the Government do not have complete information. I would like to know the time by which the Ministry will be able to collect complete information? Secondly, the hon. Minister has stated the restructuring and re-phasing of loans granted to coffee growers as is done under SCTL, so far as I know, if a loanee is under crisis, his loan is waived off. But the loan amount has been capitalized. Whether the Government is aware that the SCTL package is becoming a burden on coffee growers? If so, the alternative steps to be taken by the Government?

*[English]*

MR. SPEAKER: Let the Minister reply. Thank you.

*[Translation]*

SHRI KAMAL NATH: Mr. Speaker, Sir, according to the information and details received from the Government of Karnataka in the year 2003-04, the number of coffee growers who committed suicide is five...*(Interruptions)*

MR. SPEAKER: Please sit down, you will get another chance to ask question.

SHRI KAMAL NATH: If he had the answer, why did he ask the question?

*[English]*

MR. SPEAKER: It is a very serious matter.

SHRI KAMAL NATH: I am saying that.

MR. SPEAKER: The hon. Member may have information about this.

*[Translation]*

SHRI KAMAL NATH: After the hon. Member's question, in reply to our letter sent two months back, the Government of Karnataka informed that five cases of suicide were reported in Karnataka last year. Two cases of suicide were reported in the year 2004-05. The

Government of Kerala have not replied so far in this regard. As far as the special coffee term loan package is concerned, it is not ready yet. This scheme was framed in 2000-2001 and it was finalized in consultation with coffee growers and the whole coffee industry. But as regards coffee, it has been very unfortunate for coffee growers as the prices of coffee have kept declining. Though the prices today have shown some improvement, yet are on the lower side as compared to the last five years.

SHRI ANANT KUMAR HEGDE: Mr. Speaker, Sir, I want to know as I am not aware is whatever information the Government has regarding suicide.

MR. SPEAKER: You are right.

SHRI ANANT KUMAR HEGDE: The information given by the Government regarding suicide is totally wrong. I have information that in Chikmagloor district, there have been 12 cases of suicide, in Hassan district, 20 suicide cases and in Coorg district, 22 suicide cases. I want to submit that when TDP was in power in Andhra Pradesh a statement had been given that if any farmer commits suicide anywhere then the Government of that State has no right to stay in power. Such type of statement was given by those who are in power today. When suicide cases have taken place during the tenure of the previous Chief Minister, let us know the reaction of the party in power today...*(Interruptions)*

*[English]*

MR. SPEAKER: The names should be deleted.

...*(Interruptions)*

MR. SPEAKER: It is all right. I am regulating it.

...*(Interruptions)*

*[Translation]*

SHRI ANANT KUMAR HEGDE: The previous Government ...*(Interruptions)*

MR. SPEAKER: Please call them the then Government.

SHRI ANANT KUMAR HEGDE: They gave such type of statement during that period. Let us know the stand of this Government...*(Interruptions)*

*[English]*

MR. SPEAKER: He is a young Member. I should encourage him.

SHRI ANANT KUMAR HEGDE: Besides this, regarding restructuring package it was told that the Central Government has referred all the cases to DRT. I want to know whether this package is for coffee growers? The Government must clarify this.

Mr. Speaker, Sir, the last thing I would like to submit is that this is not a subject of lesser importance. This case is not confined to only questions and answers. Sir, you have been the leader who has always protected the interests of employees and you are holding that chair. Today more than 15 lakh employees...*(Interruptions)*

MR. SPEAKER: I have made a mistake, you please continue.

SHRI ANANT KUMAR HEGDE: Today more than 50 lakh employees are in trouble.

MR. SPEAKER: What can be done for them?

SHRI ANANT KUMAR HEGDE: There is revenue loss also. I would like to have a serious discussion in the House on this subject.

MR. SPEAKER: What are you doing for them?

SHRI KAMAL NATH: As I have submitted earlier, a special term loan package was made available during that period. But when prices kept on declining then it was understood after two years that this was not providing full relief to them. We discussed the matter with the coffee growers and the coffee industry and now we are trying to formulate a new plan to provide relief to the farmers. This subject needs to be debated upon and at present discussion is going on.

SHRI ANANT KUMAR HEGDE: This is totally wrong. He is trying to mislead the House. I have the report of Coffee Board...*(Interruptions)*

*[English]*

MR. SPEAKER: You also collect it. I am trying to help you.

...*(Interruptions)*

MR. SPEAKER: Do not record it. Shrimati Tejaswini, it is not being recorded.

...*(Interruptions)\**

MR. SPEAKER: Shri Anant Kumar Hegde, you should also find out the number of suicide cases.

...*(Interruptions)*

SHRI KAMAL NATH: We have got some information from Karnataka Government. ...*(Interruptions)* We have not got any reply from the Kerala Government as yet. If the hon. Member has more information than what the Karnataka Government has given us, I will be happy if he forwards it to me or if he takes it up with the State Government.

MR. SPEAKER: Shri Kamla Prasad Rawat—absent.

Shri M.P. Veerendra Kumar.

SHRI M.P. VEERENDRA KUMAR: Mr. Speaker, Sir, I am unhappy to note that the Government of Kerala has not reported any suicide deaths. In my own district of Waynad, 168 farmers have committed suicide. They are all coffee planters and they are all small growers.

The scheme that has been announced to help coffee growers is not helping them and absolutely there is no plan at all. I would like to know whether it has come to the notice of the hon. Minister that the coffee growing countries like Mexico and Venezuela etc. who are members of WTO, have a comprehensive package to help their farmers when prices are coming down, including waiving of loans and giving subsidies etc. Can the Government come out with such a package to help farmers, after studying those plans and schemes envisaged by the coffee growing countries, because 53 percent of the farmers are robusta growing farmers and for the last four years the entire coffee growing area is in a bad state?

SHRI KAMAL NATH: Sir, it is true that coffee farmers had been under great plight and this had happened not only because of drought conditions, but also because our yields are poor even when there is no drought. Then, our plant population per acre can be improved upon. So, the hon. Member is very right when he says that coffee farmers have had a very difficult time. The prices had peaked and now they are almost half that level. The fall

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\*Not recorded.

in international prices coupled with drought led to this situation.

There was a Special Coffee Term Loan package which was announced earlier. That was announced in 2000-01, but again there was a drought after that. So, that package did not give relief as envisaged. The Government is now working actively to see as to what kind of support we can give to farmers. We are having discussions and we are seized of the matter. We are seeing as to what we can do about the interest on SCTL, and we are also seeing as to what we can do about the reduction in interest payment. I am sure the Finance Minister is listening to this very carefully because this is an area which involves a large number of farmers who have been in distress because of drought coupled with falling international prices.

The supply of coffee world-wide is increasing. It is increasing at the rate of three percent whereas the demand is only increasing at the rate of one-and-a-half percent. So, this supply-demand dynamics is driving down prices coupled with drought. We are seized of this matter. Whether it is a question of interest subsidy, whether it is a question of waiver of old Coffee Board Development loan, whether it is a question of waiver of interest, these are issues which are under active consideration of the Government and we will try and find some solution to this so that some relief could be given to farmers.

SHRI K. FRANCIS GEORGE: Mr. Speaker, Sir, in the answer given by the Minister, the measures taken to help the coffee growers have been elucidated, like re-phasing and restructuring of loans taken by farmers, interest subsidy scheme, etc. But the fact of the matter is, they are all small growers and they just cannot absorb any more loss. It is beyond them now. They have reached such a position. The package is still being considered. That is what the Minister says. This crisis has been there for quite a few years now, for about three or four years.

MR. SPEAKER: Please come to the question.

SHRI K. FRANCIS GEORGE: All these packages, whether in the case of tea or coffee, are still under consideration.

MR. SPEAKER: What do you want to know?

SHRI K. FRANCIS GEORGE: What exactly is the Government planning to help the small growers?

MR. SPEAKER: Is there any package for small growers?

SHRI KAMAL NATH: Sir, we must recognise that there was a package in 2000-01. That package had not helped farmers in the way it should have because the prices went down and also there as a drought. So, we are now looking at a package for that package. We are examining the matter.

SHRI P. KARUNAKARAN: Will you give a new package.

SHRI KAMAL NATH: I am sorry, Sir, I cannot give an assurance on the floor of the House. But as the Member knows, this Government is a Government committed to the upliftment of our agricultural sector. Coffee farmers are going to receive consideration in this. We are looking at a possible package which not only gives them relief from the past but also looks at a long-term plan because we have had one package which did not work and what will happen if we have another package which also does not work. Coupled with that, we have to look at other aspects of improving yield, creating a bigger market for Indian coffee, creating a world-wide awareness of the standard of Indian coffee, etc. All these must move in tandem.

SHRI J.M. AARON RASHID: Mr. Speaker Sir, in my constituency Periyakulam, in Kodaikanal, a lot of coffee growers are in loss because of low price fixed by the erstwhile Government. Now after the new Government has come and there are good rains also, the rate has increased to Rs. 90. I would like to know whether the Government would give any support price for them. I would also like to know whether the Government would ban the import of coffee from South American countries. A lot of coffee supply is entering via SAARC countries through back-door methods. Will the government levy any anti-dumping duty to ban this?

The farmers are at a great loss due to less torrential rains and crop disease. Will the Government give fertilizer and electricity subsidy and will the Government encourage local sale of coffee in the whole of India? Will the Government open Indian Coffee Bars in the Country?

MR. SPEAKER: You should frame your question in a proper manner. You cannot ask eight questions like this.

SHRI KAMAL NATH: Sir, out of total coffee production in our country—it was last year 2.7 lakh tonnes and this year it is estimated to be 2.9 lakh tonnes—80 percent is exported. There is negligible import. Really, import is not there. So, import is not the issue. There is no coffee.

which is coming in from SAARC countries clandestinely because we are against this. As I told you, the import is only 3000 tonnes and there has been no reports of coffee coming in because of trade agreements with the SAARC countries, which is a matter of concern. We have not looked at any anti-dumping duty. The problem lies elsewhere. As I have said, I would not be repetitive about it ...(*Interruptions*)

MR. SPEAKER: No please.

SHRI D.C. SRIKANTAPPA: Sir, thank you for giving me the opportunity to ask this question. I am from Chikmagalur constituency. It is a major coffee growing area.

With regard to downfall of rates in the international market and suffering of coffee industry, I, along with a delegation, had met the hon. Prime Minister, the hon. Finance Minister as well as the hon. Commerce Minister. So far no package has been given. What the previous Government has done is that it has announced SCTL. SCTL is a sort of security for the banks only and not to the farmers. When they are making SCTL with a higher rate of interest, they are adding interest amount to the principal and with the result, a heavy burden has been put on the farmers.

It is one of the most important foreign exchange earning industry. In a year, a sum of more than Rs. 2000 crore has been added to the Government Exchequer by this industry. It is a labour oriented industry as well.

MR. SPEAKER: What is your question?

SHRI D.C. SRIKANTAPPA: Sir, the coffee plantation is suffering because of borer, stem borer and peri borer. So much of coffee-growing area is vanishing by these pests. So far the Government has not taken any interest in this. Nothing has been given except that a package has been promised by the hon. Commerce Minister. The labour does not have work for all days of the week.

MR. SPEAKER: I understand your agony, but put the question.

SHRI D.C. SRIKANTAPPA: Sir immediate package and relief measures for the farmers should be assured by the Government.

MR. SPEAKER: What is your response?

SHRI KAMAL NATH: I have said and I will repeat that I have met several delegations from Karnataka and

from coffee-growing areas. We have inputs. As I said, there was a coffee package before, but it did not work. We should not have another package like that. The hon. Member says that last time it was more for bankers than for growers. Maybe he is right. I do not know. This time, I thought it fit to have as wide-ranging a discussion as possible so that we can look at waiver of interest. We are looking at this. We would look at reduction of interest during repayment.

We can look at extending of interest subsidy, and we can look at waiver of the Coffee Board developmental loan. Simultaneously, there is the financial package. But, if this has got to be the farmer's prosperity, if this has got to be sustainable, we have to not look at only the aspect of his banking problems, of his loans, but also we have to look at whether the yields are adequate, and whether the irrigation is adequate. So, we have to look at it holistically so that it is more viable for the farmer, whatever package you give. At the end of the day, it has to be viable in the long term. It is not just a one short relief package and that is the end of the matter. So, we are looking at all these aspects, and will take a decision on this shortly...(*Interruptions*)

MR. SPEAKER: Srikantappa ji you have given your valuable suggestions. I am sure, they will be considered.

SHRI KAMAL NATH: The hon. Member can also sent me his suggestions separately, and we will look into it. It is a very valid point. There is no question of any problem in this.

SHRI P.C. THOMAS: It is really alarming that the Government of Kerala has not given you the required details with regard to suicides. Earlier also, in one of the questions it was wrongly stated by the Kerala Government that no suicide has taken place.

MR. SPEAKER: Forget that. Come to this question.

SHRI P.C. THOMAS: We are now told that a scheme has been forwarded by the Kerala Government. I would like to know whether it is true that a scheme has been obtained from the Kerala Government. I would also like to know whether the Government can think of declaring a Minimum Support Price and taking the coffee at that price from the farmers.

SHRI KAMAL NATH: Previously, the coffee trade was by pooling. In fact, when this pooling was terminated a

couple of years ago, its beneficiaries, the farmers, got a higher price. So, the concept of a Minimum Support Price, need not necessarily be the right concept. It is because, as I said, one is the question of debt burden and the other is the question of yield. Yield competitiveness and international prices have to be looked at altogether.

As far as the Kerala Government is concerned, as I said, the Kerala Government has not sent any reply. We will take this up again with the Kerala Government. We will be happy to receive any suggestions that the Government or the hon. Member may have.

MAJ. GEN. (RETD.) B.C. KHANDURI: Sir, my question pertains to the response that he has given about two aspects. One aspect has just now been raised by Shri P.C. Thomas. We normally get 21 days' notice or 10 days' notice to get response from the State Governments. You have given responses of the two States. One is entirely and totally wrong, which has been pointed out by Mr. Hegde as well as Shri M.P. Veerendra Kumar. Second is about Kerala Government not giving response. In both the States, Congress Governments are there. I would like to know whether you are going to do anything about this. Why this response is not being given, and why totally wrong response is being given?...(Interruptions)

MR. SPEAKER: Please sit down. The hon. Minister is competent to deal with it.

SHRI KAMAL NATH: I do not think, we should politicise such a serious issue. This is an issue of farmers' plight, and saying Congress Government etc. only demeans and minimises the issue.

MAJ. GEN. (RETD.) B.C. KHANDURI: Are you going to advise the Government to give you information?...(Interruptions)

[Translation]

#### Debt Burden of States

\*246. SHRI SHIVRAJ SINGH CHOUHAN:  
SHRI JASHUBHAI DHANABHAI BARAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the Finance Ministers of various States met the Prime Minister and Union Finance Minister recently to impress upon the Centre the need to bail the States out of debt crisis faced by them; and

(b) if so, the details of demand made by them as also the response of the Union Government?

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) A statement is laid on the Table of the House.

#### Statement

(a) and (b) Apart from occasional, one-to-one meetings which the Chief Ministers and State Finance Ministers had with the Prime Minister and the Union Finance Minister, no formal meeting has been held either with the Prime Minister or the Finance Minister in this regard. The issue will be considered on receipt of recommendations of the Twelfth Finance Commission.

[Translation]

SHRI SHIVRAJ SINGH CHOUHAN: Mr. Speaker, Sir, most of the State Governments are in serious trouble today and somewhere situation has come to such a pass that they do not have enough money to pay their employees. Today, State Governments are under a loan burden to the tune of Rs. 800 thousand crores and out of which Rs. 300 thousand crore is due to the Central Government.

Sir, I would like to know, through you, from the Hon'ble Minister that whether the Central Government is considering to waive off the loans granted to the State Governments to free the State Governments of the loans sanctioned to them by the Central Government? Whether he has considered to lessen the interest burden on loans?...(Interruptions)

MR. SPEAKER: Chouhanji, please see the time. It is 12 O'clock now.

[English]

Mr. Minister, with your articulation, you can briefly answer all the issues.

12.00 hrs.

SHRI P. CHIDAMBARAM: Sir, in the last Budget I reduced the interest rate from 10.5 to 9 per cent. In regard to any further relief to the State Governments, let us await the Report of the Twelfth Finance Commission which is being presented today to the hon. President.



MR. SPEAKER: Now, Short Notice Question No. 1—  
Shri Adhir Chowdhury.

12.01 hours

### SHORT NOTICE QUESTION

*(English)*

#### Threat to Indian Cricket Team in Bangladesh

1. SHRI<sup>†</sup> ADHIR CHOWDHURY:  
SHRI UDAY SINGH:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the Indian High Commission at Dhaka had received a threat letter from the Harkat-ul-Jehad-Al-Islami terrorist group about killing of the Indian cricket team if they visited Bangladesh;

(b) if so, whether the Government had already sent a security team to Bangladesh to assess the situation; and

(c) if so, the facts and outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMED): (a) Yes. The Indian High Commission in Dhaka received a threat letter from an organization calling itself "Harkatul Jahad". The letter was faxed to the High Commission on 4th December 2004. It contained a threat to kill the whole Indian cricket team.

(b) The Government immediately deputed a multi-departmental security delegation on 6.12.2004 to make an on-the-spot assessment of the situation in Dhaka and Chittagong and liaise with the Bangladesh government for any special additional measures that may be required.

(c) The Indian security officials and their Bangladesh counterparts carried out a thorough joint on site inspection of the venues of the matches, the hotels where the players will be accommodated, as also the routes which will be used for travel by the team in Dhaka and Chittagong where the matches are to be played. Our officials made a number of recommendations for strengthening the security arrangements for the team. They were accepted in their entirety by the Bangladesh authorities. Bangladesh Home Secretary assured the implementation of all the additional measures requested by the Indian side.

The first test match, which started on 10.12.2004 at Dhaka and ended on 13.12.2004 passed off peacefully.

MR. SPEAKER: We should congratulate our team, Sachin Tendulkar and Pathan also.

SHRI ADHIR CHOWDHURY: Sir, from the reply to the Short Notice Question, we do not know what were the contents of the letter sent to the Indian Embassy in Dhaka. As you know, Bangladesh has been fast degenerating into a hub of militants of Islamism. Sir, Indian insurgents are being nurtured and patronised in Bangladesh. *(Interruptions)*

MR. SPEAKER: It is not related to the Indian cricket. Let us hope that the next match will be over peacefully.

SHRI ADHIR CHOWDHURY: Sir, our Government is vigorously pursuing to normalise our relationship with Bangladesh.

A few days earlier also, the fundamentalists had made an assassination bid on Haseena Wajid and persecution has been carried out against...*(Interruptions)*

MR. SPEAKER: No, we are not concerned with their internal matters. These are internal matters of a friendly State. You cannot just go into them.

Mr. Minister, you do not have to reply to that.

SHRI ADHIR CHOWDHURY: Sir, I am putting a pointed question.

In anticipation of the religious extremism in Bangladesh and their disruptive activities, why did the Indian Government not take any preemptive measures to ensure the safety and security of the visiting Indian cricket team in Dhaka?

MR. SPEAKER: Mr. Minister, please do not go into their internal affairs.

SHRI E. AHAMED: Sir, I have already answered it. The Bangladesh Government has assured clearly and unambiguously, ...*(Interruptions)*

MR. SPEAKER: I believe, they have also assisted us in this matter.

SHRI E. AHAMED: Yes, Sir. They assured the Government of India very clearly, unambiguously and emphatically that the best and the highest security would be ensured for the Indian cricket team at all the places

of their stay, during movement, in different venues, in different parts of the country, as well as in all places of their visit. Further, Mr. Speaker, Sir, there is going to be a SAARC summit on the 9th, 10th and 11th January in Dhaka, and our hon. Prime Minister will be attending it. Therefore, why should we just anticipate it? We expect there will be dialogue on matters of common interest.

SHRI ADHIR CHOWDHURY: Sir, the contents of the letter were known. They were intending to avenge the killings of innocent Muslim people in Gujarat.  
*...(Interruptions)*

MR. SPEAKER: No, it has nothing to do with this Question. Come to the cricketers' visit.

SHRI ADHIR CHOWDHURY: Sir, it is also related to cricket.

MR. SPEAKER: It is not related to cricket.

SHRI ADHIR CHOWDHURY: The content of the letter was to avenge the killings of the innocent Muslim people.

MR. SPEAKER: We do not know. How do you know?

*...(Interruptions)*

MR. SPEAKER: No, I am not permitting that question.

SHRI ADHIR CHOWDHURY: Sir, in order to assuage the feelings of the Bangladesh people and to normalize the relation with Bangladesh, I would like to know whether the Government is considering a cricket match to be played in Gujarat, which may be called as 'cricket diplomacy'.

MR. SPEAKER: It is a suggestion for action. You need not reply.

Why do we not consider a match between the MPs?

SHRI UDAY SINGH: Sir, we are all very happy that our cricket team is safe, and the tour is going well. However, the threat received from HUJI is an open manifestation of the kind of outfits inimical to our interests, which are flourishing in the neighbouring countries. My question to the hon. Minister is this. Is India receiving the required level of co-operation from the friendly Government of Bangladesh in trying to rein in these terrorist outfits so that this menace of terrorism can actually be eradicated?

SHRI E. AHAMED: So far as the matter of cricket team is concerned, the Bangladesh Government has been co-operating in response to our concern. Though the Bangladesh authorities questioned the genuineness of even the threat to Indian cricket team as a hoax, they accepted the visit by the Indian security team to Dhaka and Chittagong for an on-the-spot assessment and also accepted the recommendation made by the Indian team regarding the additional security measures in its entirety.

Further, in regard to the general security matters, whenever we have any concern, we take up the matter with the Foreign Minister. Even in the BIMSTEC Meet, the hon. Prime Minister has also had a talk with the Bangladesh Prime Minister. He also expressed our concern. Further meeting is going to be held again during the SAARC meeting in Dhaka. So, let us hope for the best. So far they have assured that they will co-operate with us.

*[Translation]*

MD. SALIM: Mr. Speaker, Sir, during the period when game is being played in the name of war and war is going on in the name of the game, I would like to thank both the Government of India as well as Indian Cricket Team that they have neither pushed the panic button nor highlighted the threat factor. We thank them for the way they handled the situation. Yesterday was the 'Vijay Diwas' (Victory day) of the Bangladesh Liberation. The people of India, the Government of India and the army of India have rendered a great help for the liberation of Bangladesh. So I understand that the people of Bangladesh are not against India. But in every country including ours, there are certain elements; who do not want any exchange between these two countries either be it sports or cultural. I would like to know whether for Bangladesh, with whom we share traditional relation and have cultural exchange, is our Government ready to fight against such elements. Likewise not to let the extremism proliferate and terrorist organisations grow, which will give a fillip to Anti India campaign for which the efforts are going on at the diplomatic level, will you and the Government also make an effort even at parliamentary level, so we can coordinate more evenly by sitting together?

*[English]*

MR. SPEAKER: Bangladesh delegation is coming.

*[Translation]*

PROF. VIJAY KUMAR MALHOTRA: Mr. Speaker, Sir, there are so many terrorist organisations in Bangladesh. It is not proper to give them clean chit...*(Interruptions)*

*[English]*

MR. SPEAKER: It has been explained.

PROF. VIJAY KUMAR MALHOTRA: It is not a proper ethic.

MR. SPEAKER: It is his personal view.

SHRI E. AHAMED: I share the sentiments expressed by the hon. Member in our bilateral relationship with Bangladesh. I am sure the people of Bangladesh will also keep in mind whatever sentiments we have expressed at this juncture.

So far as the Indian insurgent groups in Bangladesh are concerned, the matter has been taken up with the Bangladesh authorities all the time. I am sure the Bangladesh authorities will definitely give due consideration to the concern and anxiety of this country.

*[Translation]*

MR. SPEAKER: Shri Ram Swaroop Koli, do you want to ask question?

SHRI RAMSWAROOP KOLI: No Sir.

MR. SPEAKER: Okay, you may ask later on.

*[English]*

SHRI GURUDAS DASGUPTA: We have seen the atmosphere in which the games have been played and everything was done by the Government of Bangladesh to ensure proper safety and security of the players. The people, in thousands and millions, also have contributed to ensure proper climate and atmosphere for the game. Therefore, there is no use talking about the fundamentalism. It is prevailing everywhere in the world.

My question is, was the letter a false alarm or was it a genuine threat letter because this news is also appearing that it was just a false alarm and not a real threat? What is the Government of India's perception?

MR. SPEAKER: Let us also hope so because our players are still there.

SHRI E. AHAMED: The genuineness of this letter is being doubted by the Bangladesh. But we have taken proper and prompt action on the basis of this letter...*(Interruptions)*

MR. SPEAKER: It should not have been ignored.

Now, Papers to be laid on the Table.

## WRITTEN ANSWERS TO QUESTIONS

*[Translation]*

### Revival of Jute Mills

\*247. PROF. MAHADEORAO SHIWANKAR:  
SHRI DEVIDAS PINGLE:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has declared a new policy-based scheme for the technology mission of jute industry;

(b) if so, the amount likely to be spent on jute industry under this scheme;

(c) the States in which jute industries are functioning or have been closed down;

(d) whether the private sector jute industry will also get monetary assistance under this scheme;

(e) whether the Planning Commission has also sanctioned funds for this scheme;

(f) if so, the details thereof;

(g) whether jute industry is proposed to be revived with the help of private sector; and

(h) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Although the Government of India has not sanctioned any new scheme for the jute industry, there are several schemes like the Technology Upgradation Fund Scheme (TUFS), the Jute Manufactures Development Council Incentive Scheme for Modernisation of the Jute Industry, the Jute Entrepreneurs' Assistance Scheme (JEAS), and the External Market Assistance (EMA) Scheme, aimed at modernization and market development in the jute sector, are part of the 10th Five Year Plan.

(b) In view of (a), does not arise.

(c) The jute mills in the country are located and functioning in States of West Bengal, Bihar, Uttar Pradesh, Andhra Pradesh, Assam, Tripura, Chattisgarh and Orissa. Some of the jute mills are lying closed for varying periods, and these are located in States of West Bengal, Uttar Pradesh, Bihar and Andhra Pradesh.

(d) to (f) Does not arise.

(g) and (h) The Government is committed to giving a fresh impetus in all respects to the jute industry given its special ecological importance, world wide and within the country.

*[English]*

**Funds from Foreign Financial Institutions**

\*248. SHRI MANJUNATH KUNNUR: Will the Minister of FINANCE be pleased to state:

(a) the details of the assistance received by the

Government from International Financial Institutions like IMF, World Bank, etc., during each of the last three years;

(b) whether the Government has fully utilised such funds;

(c) if so, the details thereof; and

(d) steps being taken for optimum utilization of funds received?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Details of assistance provided by Foreign Financial Institutions to the Government during the last three Financial Years are as under:

Assistance Received (currency in millions)

International Financial Institution	Currency	FY 2001-02	FY 2002-03	FY 2003-04
World Bank	US \$	2131.692	1458.927	1661.983
Asian Development Bank	US \$	276.359	311.027	454.300
International Fund for Agriculture Development	SDR	13.525	10.895	9.812

India has not borrowed from IMF since 1993.

(b) and (c) Yes, Sir. The amount of assistance received is based on Statement of Expenditure based reimbursement claimed from the World Bank by the Government. Insofar as project-wise utilization of assistance is concerned, there would be some unutilized amount at any point of time of implementation of a project, which, on average, is five years. The unutilized amount in a year is carried forward for utilization in the subsequent years, so long as this is within the overall project cycle or in the extended project cycle.

(d) The Government closely monitors the projects in consultation with the concerned State Governments, Line Ministries, project authorities and the external agencies to improve the disbursement. Projects having slow disbursement are given special attention. Some of the steps taken by the Government for optimum utilization of external aid are ensuring adequate provisioning for externally aided projects in the budgets of State and Central Government, Streamlining of procurement procedures, strengthening of Project Monitoring Units in some States and Central Ministries, appointment of Nodal Officers for the States and regular review of projects.

*[Translation]*

**Irregularities in Poverty Alleviation Schemes**

\*249. SHRI HEMMAL MURMU: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has developed any effective mechanism to look into the complaints received regarding irregularities and poor performance in Poverty Alleviation Programmes and other development schemes of the Government in the country;

(b) if so, the details thereof; and

(c) the State-wise details of complaints and the action taken thereon especially in Jharkhand and Bihar during the last three years and as on date?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) to (c) With a view to ensuring that the benefits of the rural development schemes reach the targeted persons, the Ministry of Rural Development has put in place a comprehensive system of monitoring the implementation of the programmes,

including utilization of funds, through mechanisms such as periodic review meetings by the Minister of Rural Development with the State Governments and visits to the field by Officers of the Ministry of Rural Development (Area Officers Scheme), Vigilance & Monitoring Committees at State and District levels have been reconstituted with crucial role for Members of Parliament. Other monitoring initiative includes District Level Monitoring for verification of assets and verification of programme implementation by National Level Monitors, meetings of the Performance Review Committee, Periodic Progress Reports from State Government, Concurrent and Quick Evaluation of Programmes etc.

For Strict monitoring of wage-employment programmes, village level monitoring Committees have also been constituted, having wider representation of beneficiaries. This will ensure transparency, accountability and social control. In order to improve the system of Social Audit, by the Gram Sabha, it has been made more participatory by involvement of the beneficiaries.

Some complaints regarding misappropriation/mis-utilization of funds including irregularities have been received under Sampooma Gramin Rozgar Yojana (SGRY) from the States of Assam, Kerala, Chhattisgarh, Maharashtra, Gujarat, Rajasthan, Uttar Pradesh and Madhya Pradesh. The complaints about irregularities have been received from the States of Andhra Pradesh, Bihar, Orissa and Uttar Pradesh. Such complaints have been referred to the concerned State Governments for corrective actions. Some complaints regarding mis-utilisation/irregularities under the Indira Awaas Yojana (IAY) have been received from the States of Bihar, UP and Orissa. Such complaints have been referred to the concerned State Governments for corrective actions.

*[English]*

#### **Loan Under Poverty Alleviation Programme**

\*250. SHRI G. KARUNAKARA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has directed the private banks to provide loan under poverty alleviation programmes of the Union Government;

(b) if so, the details thereof;

(c) the reaction of the private banks thereto; and

(d) the extent to which the loans have been provided by the private banks in the States under poverty alleviation programme of the Union Government with State-wise break-up?

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

(b) The Reserve Bank of India (RBI) has directed all the Scheduled Commercial Banks including Private Sector Banks to implement all Poverty Alleviation Programmes of the Government. RBI has advised Chief Executives of all banks to play a pro-active role in implementation and ensure the achievement of targets set under the two major poverty alleviation programmes, namely Swarnjayanti Gram Swarozgar Yojana (SGSY) and Swarna Jayanti Shahari Rozgar Yojana (SJSRY).

(c) On RBI's directions all the Scheduled Private Sector Commercial Banks are participating in the Government's Poverty Alleviation programmes.

(d) The State-wise details of loans provided under Poverty Alleviation Programme by Private Sector Banks are not available separately. However, as on 31st March, 2004 private sector banks provided Rs. 9.43 crores under SGSY Scheme and Rs. 8.32 crores under SJSRY Scheme.

#### **Import of Scrap Metals**

\*251. SHRI ARJUN SETHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the country is being made a dumping ground for all kinds of scrap metals which are imported freely;

(b) if so, the details of various scrap metals being imported and names of countries from where these are imported;

(c) whether the Government will reconsider and restrict such import to the minimum; and

(d) if so, the action taken thereon?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) No Sir. Since there is a huge domestic shortage of scrap, the Indian Industry imports large quantities of scrap to meet its requirements. This includes both ferrous and non-ferrous scrap.

(b) The details of scrap imported into the country during the last three years, year-wise and country-wise, is available in the publication 'Monthly Statistics of Foreign Trade of India, Vol.II (Imports)- Annual Number' published by the Directorate General of Commercial Intelligence & Statistics, which is available in the Parliament Library.

(c) and (d) After a series of Inter-Ministerial consultations the Government has laid down certain new guidelines and procedures for import of metallic scrap and waste. According to these procedures import of all kinds of metallic scrap and waste in unshredded, compressed or loose form will be accompanied by a pre-inspection certificate to the effect that the imported consignment does not contain any ammunition, or other explosive material or radio-active material irrespective of the source of such imports. Such imports will also be subject to stringent examination as per the procedures laid down by the Customs. Imports have also been restricted through 15 ports, only.

#### **Black Money in Economy**

\*252. SHRI GURUDAS DASGUPTA:  
SHRI SITA RAM SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Board of Direct Taxes (CBDT) has set up an Expert Committee to recommend special schemes to unearth black money and hidden assets;

(b) if so, the details thereof and the time by which the report is expected to be submitted;

(c) whether no authentic estimate of the black money in circulation has been made in the recent past;

(d) if so, the reasons therefor;

(e) the latest available estimates of the black money in the economy;

(f) whether the Government has any proposal to conduct a study of the black money in circulation by the authentic agency;

(g) if so, the details thereof;

(h) whether CBI has recently made any assessment in this regard;

(i) if so, details of estimate made by CBI in regard to black money, fake currency, excise duty evasion and bank frauds; and

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

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

(b) The Central Board of Direct Taxes (CBDT) has constituted an Expert Group on 10.11.2004 to recommend special schemes to unearth black money and assets. The Group consists of two Directors General of Income Tax (Investigation) and one Chief Commissioner of Income Tax.

The Group is expected to submit its report by end of December, 2004.

(c) At the instance of the Government, the National Institute of Public Finance and Policy (NIPFP) had in 1985 attempted an estimate of black money in the country. According to the Report of the National Institute of Public Finance and Policy "Aspects of Black Money in India" (1985), the total amount of black money in the country during F.Y. 1983-84 was estimated at between Rs. 31,584/- crores and Rs. 36,786/- crores. The Ministry of Finance has not undertaken any study to estimate the black money in the country thereafter.

(d) Most of the transactions generating black money are unrecorded making the credibility of any estimate doubtful. In such estimates, reliance is on indirect methods and circumstantial evidence. Even the authors of the Report of NIPFP (1985) had admitted that their estimate was based on numerous assumptions and approximations, each of which could be challenged. Therefore, no fresh study has been conducted.

(e) At present, the Government has no formal estimate of the amount of black money in the country.

(f) Presently, there is no such proposal by the Ministry of Finance.

(g) Not applicable in view of (f) above.

(h) The CBI has not made any such assessment in the recent past.

(i) and (j) Not applicable, in view of (h) above.

#### **Share in Central Tax**

\*253. SHRI PARSURAM MAJHI: Will the Minister of FINANCE be pleased to state:

(a) the share in Central Taxes and Grant-in-aid provided to each State during the last three years;

(b) whether the shares of some States are being reduced every year despite the fact that those States are experiencing some kind of natural calamity of the other every year;

(c) if so, the names of such States and the reasons therefor; and

(d) the steps being taken to increase the share of such States from the Centre in 2004-05?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) A statement giving States share in Central Taxes and grants in aid during the last three years is enclosed. The share of States in Central Taxes has progressively increased during this period. Release of grants is dependent upon satisfaction of certain conditions.

*Statement*

*Releases made to States on account of share in central taxes and Grants-in Aid under Finance Commission Recommendations during the last three years*

(Rs in crore)

S.No.	State	Share in Central Taxes			Grants under EFC		
		2001-02	2002-03	2003-04	2001-02	2002-03	2003-04
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	4061.50	4315.81	5068.52	552.57	417.31	878.28
2.	Arunachal Pradesh	113.62	121.68	160.60	267.78	282.30	267.24
3.	Assam	1705.89	1814.36	2162.07	152.85	150.87	182.73
4.	Bihar	6176.67	6559.38	7627.47	193.95	323.31	157.72
5.	Chhattisgarh	1271.15	1349.91	1569.72	153.48	239.08	74.03
6.	Goa	107.80	114.62	135.59	9.77	4.04	4.06
7.	Gujarat	1503.53	1596.69	1856.69	1226.19	324.38	182.80
8.	Haryana	503.13	534.30	621.31	161.79	104.94	126.07
9.	Himachal Pradesh	325.07	347.63	449.54	1143.00	867.87	794.33
10.	Jammu & Kashmir	609.61	646.80	817.05	2263.41	2311.66	2323.43
11.	Jharkhand	1603.18	1702.52	1979.73	59.54	32.00	71.49
12.	Karnataka	2623.38	2786.20	3244.73	278.57	374.44	524.26
13.	Kerala	1614.26	1715.21	2012.00	274.39	182.21	183.46
14.	Madhya Pradesh	3439.30	3652.43	4247.14	312.46	419.81	367.44
15.	Maharashtra	2468.76	2621.72	3048.64	520.59	308.16	343.60
16.	Manipur	176.03	188.12	240.89	365.95	376.82	358.29
17.	Meghalaya	164.83	176.11	225.08	302.55	388.27	317.90
18.	Mizoram	88.04	94.59	130.33	297.97	297.26	303.25
19.	Nagaland	90.79	98.07	144.80	689.11	733.51	746.42

1	2	3	4	5	6	7	8
20.	Orissa	2638.62	2805.58	3327.68	460.60	408.25	443.55
21.	Punjab	611.31	649.21	754.91	130.56	272.36	106.55
22.	Rajasthan	2882.36	3063.10	3602.14	884.16	764.46	696.69
23.	Sikkim	90.05	97.11	121.08	153.97	205.52	157.16
24.	Tamil Nadu	2870.07	3047.91	3544.20	349.69	442.46	714.25
25.	Tripura	233.63	249.71	320.52	512.65	444.41	494.20
26.	Uttar Pradesh	10199.59	10831.55	12595.30	719.61	665.61	960.17
27.	Uttaranchal	352.29	374.11	435.03	82.97	58.66	86.82
28.	West Bengal	4318.71	4586.74	5341.65	1511.86	908.91	328.85
Total		52844.17	56141.17	65784.41	14031.99	12308.88	12195.04

#### Chief Ministers' Conference

\*254. SHRI DHARMENDRA PRADHAN:  
SHRIMATI KALPNA RAMESH NARHIRE:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the issues discussed in the two days' conference of Chief Ministers and State Ministers of Rural Development held in New Delhi in the month of June, 2004;

(b) the outcome of the discussions; and

(c) the issues on which there was broad consensus amongst the Chief Ministers?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) to (c) The Conference of Chief Ministers was organized on 29th & 30th June, 2004 in New Delhi primarily to focus attention on certain important areas of concern in implementation of various rural development programmes in order to achieve the objectives stated in the NCMP in regard to widening and deepening of rural prosperity. The agenda items were formulated in accordance with the thrust areas contained in NCMP. The strategy of rural development has to be through a set of programmes for poverty alleviation, massive employment generation, area development and infrastructure development. The major programmes of the Ministry, which were deliberated in

the Conference were wage-employment programme, self-employment programme, area development programmes, infrastructure development programmes-rural housing, rural connectivity, rural drinking water supply, rural sanitation and devolution of power to Panchayati Raj Institutions (PRIs). Some of the general issues emerged during the Conference are given below:

1. The North Eastern Chief Ministers observed that as the financial position of the States are very weak, it will not be possible for them to contribute the present State share of 25% of the total Plan funds, and therefore, they have pleaded for funding pattern of 90:10.
2. Several States pleaded for a change in the allocation criteria. They were of the view that fund allocation should be progress and performance of the schemes rather than on a single criterion of poverty ratio. This is particularly important because official estimates of poverty ratios of many States have come down substantially and they stand to loose substantial funds on account of this.
3. The present methodology of estimating poverty at the national level should undergo a change. The methodology used for estimating poverty is not based on realistic considerations.
4. The West Bengal Minister raised the issue of chairmanship of District Level Vigilance &



Monitoring Committees. According to him instead of the Members of Parliament, these Committees should be chaired by the Zila Panchayat Chairman who is constitutionally elected representative.

5. Some of the States argued for more flexibility for better spending on need based schemes rather than adopting uniformly formulated schemes which may not be suitable for local conditions and requirements.

Besides, detailed discussions on State specific issues relating to the implementation of various rural development programmes, there was a consensus that keeping in view the magnitude of the rural poverty and also the need for rural infrastructure the allocation under various rural development programmes should be enhanced considerably to achieve the visible results within a given period of time. Further, it was also agreed to strengthen the mechanism for effective implementation of the rural development programmes through active involvement of the Panchayati Raj Institutions who are to be empowered as per the provisions of the Constitution (73rd Amendment Act).

#### Revision of Import Duty

\*255. SHRI KIRTI VARDHAN SINGH:  
SHRI LONAPPAN NAMBADAN:

Will the Minister of FINANCE be pleased to State:

(a) whether the Union Government has announced new rates for levy of import duty on edible oils including coconut oil;

(b) if so, the details in this regard, edible oil-wise;

(c) the criteria fixed for announcing new rates for levying import duty on edible oil; and

(d) steps taken by the Government to safeguard the economy of various States from the likely adverse effects of import duty on edible oil?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir. The Government has not announced any new rates of levy of import duty on edible oils including coconut oil recently. However, customs duty on palm oils other than crude palm oil was increased from 70% to 75% in the Union Budget announced on 8th July, 2004. Similarly, tariff values for levy of import

duty on edible oils have been revised downwards vide Notification no. 105/2004-Cus. (N.T.), dated 15th September 2004, in view of fall in international prices.

(b) and (c) The revised rates of Tariff Value issued vide Notification No. 105/2004- Cus. (N.T.), dated 15th September 2004, is as under:-

(i) Crude Palm Oil	454 US \$ PMT
(ii) RBD Palm Oil	489 US \$ PMT
(iii) Other -Palm Oil	471 US \$ PMT
(iv) Crude Palmolein	479 US \$ PMT
(v) RBD Palmolein	497 US \$ PMT
(vi) Other - Palmolein	488 US \$ PMT
(vii) Crude Soyabean Oil	565 US \$ PMT

The Tariff Value is in line with the international prices of these oils. The criteria adopted for changes in Tariff Value is that whenever there is a deviation of more than 10% of the fixed Tariff Value, necessary changes are effected.

(d) Import duty/countervailing duty are levied to protect domestic industries in various States.

#### Banning on Strikes and Bandhs

\*256. SHRI MOHAN RAWALE: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Supreme Court has recently given a ruling regarding banning of strikes and bandhs;

(b) if so, the details thereof;

(c) whether the Government is seized of the situation arising out of Mumbai High Court's recent judgment imposing punitive fines on sponsors of bandhs;

(d) if so, whether the Government proposes to initiate moves to resolve this issue; and

(e) if so, the details thereof?

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) Yes, sir

(b) The Hon'ble Supreme Court of India in the case of T.K. Rangarajan Versus Government of Tamil Nadu and Others, Civil Appeal No. 5556 of 2003 order dated 06.08.2003 reported in 2003 (6) Scale 84 has observed

that no fundamental statutory or equitable or moral rights exists for Government employees to go on strike.

(c) to (e) Information is being collected and will be laid on the Table of the House.

#### SAARC Countries to Meet Regional Requirements

\*257. SHRI ASADUDDIN OWAIISI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether 90 percent of economic requirements of South Asian countries are met from outside the region;

(b) if so, the details thereof;

(c) whether India has asked SAARC nations to build strong framework of regional economic cooperation to meet their requirements from within the region;

(d) whether this issue was discussed in the SAARC Commerce Ministers Conference; and

(e) if so, the progress made in this regard and future strategy chalked out for this purpose?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Yes, Sir. This is true in terms of trade data available. The details are given in the enclosed statement.

(c) and (d) Yes, Sir. At the SAARC Commerce Ministers Meeting in Islamabad in November, 2004, India underscored the need to have a positive agenda centering around economic cooperation to make SAARC a more effective instrument for enhancing trade and commerce in the region.

(e) There was a consensus in the meeting that negotiations on the South Asian Free Trade Area (SAFTA) must proceed as per schedule so that it comes into force on 1st January 2006. A road map was accordingly drawn up to complete the pending issues pertaining to SAFTA, as also for signing of four trade facilitation agreements so that these come into force along with the SAFTA Agreement. These Agreements are on (i) Mutual Administrative Assistance on Customs Matters (ii) Promotion and Protection of Investments (iii) SAARC Arbitration Council & Arbitration Rules and (iv) Limited Multilateral Tax Treaty/Agreement on Avoidance of Double Taxation. Other facilitation measures which are presently under consideration are regional recognition arrangements in standards, testing facilities and conformity assessment,

cooperation in the field of statistics, and cooperation in the transport sector in the region.

#### *Statement* *Intra-SAARC Trade*

Year	Intra-SAARC Trade (US \$ mn)	World trade of SAARC countries (US \$ mn)	Share of Intra SAARC trade in world trade of SAARC countries (%)
1995	4228	104159	4.1
1996	4914	111479	4.4
1997	4390	115961	3.8
1998	6073	121331	5.0
1999	5640	129738	4.4
2000	5884	141978	4.1
2001	6537	139585	4.7
2002	6250	182540	3.8

\*Data for Bhutan upto 2001 not available.

\*\*Source: IMF, *Direction of Trade Statistics*, various issues.

[Translation]

#### Stock Investment Scheme

\*258. SHRI GIRIDHARI YADAV: Will the Minister of FINANCE be pleased to state:

(a) the directions issued by Reserve Bank of India to Nationalised Banks in regard to the Stock Investment Scheme;

(b) whether some nationalised banks have violated the directions issued by the Reserve Bank of India in regard to Stock Investment Scheme during the last two years;

(c) if so, the details thereof alongwith the names of the banks, State-wise; and

(d) steps being taken to ensure compliance of directions?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) The Stock Invest Scheme was introduced by the Reserve Bank of India (RBI) on

1st February, 1992. Under the scheme, banks intending to issue stock invests were required to refer to/inform RBI at least a fortnight before actually launching the scheme. However, in June, 1998, banks were advised that they could introduce the Stock Invest Scheme with the approval of their Board without reference to the RBI. The Stock Invest Scheme was reviewed by RBI in 2003. It was observed that the use of Stock invests as a mode of payment for application for allotment of shares/debentures in the primary market had declined substantially. Moreover, several measures were taken by Securities Exchange Board of India (SEBI) for bringing down the allotment period under primary issues. In view of these reasons, it was decided by the RBI that the scheme need not continue and it was withdrawn and discontinued with effect from 5th November, 2003.

#### **Funds for Modernisation of Courts**

\*259. SHRI BRAJESH PATHAK:  
SHRI KINJARAPU YERRANNAIDU:

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

(a) the details of funds sanctioned for modernisation and infrastructural expansion of courts of the country during the last three years;

(b) whether State Governments have sought Rs. 1500 crore for modernization of judicial infrastructure of courts;

(c) if so, whether the Government has accepted the suggestions of helping and assisting the State Governments to improve the courts in various States;

(d) if so, the total amount the Union Government has agreed to provide to the State Governments to improve the court functioning;

(e) whether any modernization plans of the States have been received by the Government; and

(f) if so, the details of the same and the extent to which the Government has agreed to provide the funds for modernizing the courts in the States?

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) During the last three years, under Centrally Sponsored Scheme relating to development of infrastructure facilities for the judiciary, year-wise funds released were as below:

(Rs. in crore)

Year	2001-02	2002-03	2003-04
Funds released	73.69	105.38	71.86

(b) No, Sir.

(c) and (d) Does not arise.

(e) and (f) Department of Justice has already funded the computerisation of 700 subordinate courts in four metropolitan cities of Delhi, Kolkata, Mumbai and Chennai. Besides, funds have been allocated for computerization of another 900 courts in the capital cities of States and Union Territories. These allocations have been made in pursuit of the objective of comprehensive computerization of judicial courts in the country. Several State governments, from time to time, have kept the Central Government informed of their initiatives in computerizing judicial courts, and have also asked for central support in this matter.

*(English)*

#### **Loan by Banks**

\*260. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) whether some Banks like Citi Bank, ICICI Bank, etc., are luring common people by offering loans without interests in the beginning, but later on charge huge interests;

(b) if so, the reasons therefor;

(c) whether thousands of innocent people get trapped by the false promises of these banks;

(d) if so, whether the Government has no control over these banks;

(e) if so, the reasons therefor; and

(f) the steps taken by the Government to check these malpractices?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (f) It was brought to the notice of the Reserve Bank of India (RBI) that some banks had been providing low/zero percent interest rates on advances for consumer durables to borrowers through adjustment of discounts available from manufactures/dealers of

consumer goods. RBI had examined the issue and conveyed its advice to the banks that such loan schemes lacked transparency in operations and distorted the pricing of loan products. These products also did not give an accurate picture to the customers regarding the applicable interest rates. Banks were, therefore, advised to refrain from offering such products vide RBI circular dated 19th August, 2002. The banks have also been cautioned to refrain from linking their names in any form/manner with any incentive based advertisements where transparency regarding interest rates is lacking. All scheduled commercial banks including private sector banks are required to follow the guidelines and directions by the regulator, i.e. the Reserve Bank of India, on all aspects of operations including loans to borrowers for various purposes.

[Translation]

#### Constitution Review Committee

\*261. SHRI HARIKEWAL PRASAD: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government has received the recommendations made by the Constitution Review Committee set up during the tenure of Thirteenth Lok Sabha; and

(b) if so, the follow-up action being taken thereon?

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) Yes, Sir. The National Commission to Review the Working of the Constitution submitted its report to the Government on 31st March 2002.

(b) The full text of the report of the Commission has been put on the Internet and the report has also been forwarded to all Ministries/Departments. Action on the recommendations lies with the Ministries/Departments of the Government of India, which are administratively concerned with the subject matter of the recommendations.

[English]

#### World Bank Loan for Water Supply Projects

\*262. SHRI S.D. MANDLIK:  
SHRI ANIRUDH PRASAD *Alias* SADHU YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has provided any loan for the project related to water supply and environmental cleanliness during each of the last three years, till date;

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

(c) the projects sanctioned and the project-wise allocations likely to be made out of the funds provided by the World Bank; and

(d) the details of agencies which are implementing the projects, State-wise?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) The details of two drinking water supply and environmental cleanliness projects signed with the World Bank during the last three years are as follows:-

Name of the project	State	Implementing Agency	Date of signing/ effectiveness/ closing	Loan amount (Rs. Crores)	Cumulative disbursement upto 14-12-04 (Rs. Crores)
Second Karnataka Rural Water Supply and Sanitation Project	Karnataka	Karnataka Rural Water Supply and Sanitation Agency and Department of Rural Development and Panchayati Raj	8-3-02/ 19-4-02/ 31-12-07	716.37  (US \$ 151.60 Million)	71.03
Maharashtra Rural Water Supply and Sanitation Project	Maharashtra	Department of Water Supply and Sanitation, Government of Maharashtra	30-9-03/ 29-10-03/ 31-3-09	846.06 (US \$ 181.00 Million)	47.35

*[English]***Directions From Supreme Court**

2734. SHRI VIKRAMBHAI ARJANBHAI MADAM: Will the Minister of TEXTILES be pleased to state:

(a) the details of NTC's All India MVRS package made by the Government on the basis of Gujarat State Textile Corporation Limited;

(b) the provisions made by the Government for the employees who are not interested to opt the MVRS;

(c) whether Supreme Court/High Court has given any direction to the Government;

(d) if so, the details thereof; and

(e) the action taken by the Government on such direction?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The present Modified Voluntary Retirement Scheme (MVRS) has been implemented in NTC w.e.f. 1st January, 2002.

The Scheme is applicable to all regular/permanent employees/badlis/substitutes/temporary casual workers, whose names appear on the muster roll of the NTC mills. The benefits of the Scheme are as follows:-

- (i) Ex-gratia payment equivalent to 35 days for every completed year of service and 25 days of ex-gratia for the remaining service left until superannuation, with a condition that the compensation shall not exceed the sum of salary that the employee would have drawn at the prevailing level for the balance period of service left before superannuation.
- (ii) In addition to the above, there is an additional ex-gratia compensation of 100% of the eligible ex-gratia as above provided there was no wage revision after 1-1-1987 or 50% of the eligible ex-gratia amount as additional compensation in case there was no wage revision after 1-1-1992. Salary for the purpose will consist of Basic Pay + DA + HRA.

The above benefits are in addition to the normal eligible EPF benefits, cash equivalent to the accumulated eligible Earned Leave, Gratuity, etc.

(b) The mills which are proposed to be closed under ID Act, employees who have not opted for MVRS are eligible for compensation under the I.D. Act or as per terms and conditions of their service.

(c) and (d) High Court of Gujarat has given a direction to the Government to approach BIFR for its concurrence before implementing MVRS in two mills of NTC (Gujarat) Ltd. which were originally proposed for revival.

(e) Government filed its submission before BIFR as directed by the Hon. High Court.

*[Translation]***Falling Prices of Cash Crops**

2735. SHRI M. SREENIVASULU REDDY:  
SHRI K.C. PALANISAMY:

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

(a) whether Government of India is aware that the each of the cash crop are not purchased by Government organisation when the prices fall less than the supportive prices;

(b) if so, action taken by Government to avoid such instances; and

(c) details of the expenditure incurred by the Government on the development of each crop industry in the respective States during last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Government intervenes in Flue Cured Virginia (FCV) tobacco market if the prices of the crop fall below the Minimum Support Price (MSP). Its prices have been ruling above the MSP during the last 3 years. For certain varieties of natural rubber a minimum price is fixed, which is not for market intervention.

(b) Does not arise.

(c) Expenditure incurred/Funds released for development of various cash crops during last three years is given below.

*Expenditure incurred by Spices Board and Tobacco Board on spices and tobacco.*

(Rupees in lakhs)

Name of the State	Spices			Flue Cured Virginia Tobacco		
	2001-02	2002-03	2003-04	2001-02	2002-03	2003-04
Kerala	135.01	115.86	199.38	-	-	-
Tamil Nadu	34.98	31.58	30.34	-	-	-
Karnataka	94.21	69.71	109.50	10.76	27.01	31.89
Andhra Pradesh	48.55	119.16	220.70	29.00	53.11	48.35
Orissa	0.10	3.92	9.53	-	-	-
Madhya Pradesh	-	18.30	-	-	-	-
Gujarat	43.17	53.67	55.12	-	-	-
Rajasthan	43.25	63.67	51.83	-	-	-
Tripura	-	-	1.00	-	-	-
Mizoram	-	2.01	26.66	-	-	-
Meghalaya	-	0.28	7.34	-	-	-
Assam	55.00	-	2.49	-	-	-
Nagaland	-	2.74	1.09	-	-	-
Sikkim	30.88	23.80	28.67	-	-	-
West Bengal	-	6.14	9.44	-	-	-
Other North East States	3.98	14.47	31.34	-	-	-
<b>Total</b>	<b>489.13</b>	<b>625.31</b>	<b>784.43</b>	<b>39.76</b>	<b>80.12</b>	<b>80.24</b>

Source: Spices Board and Tobacco Board.

*Expenditure incurred by Tea Board, Coffee Board and Rubber Board*

(Rupees in lakhs)

Name of the Commodity	2001-02	2002-03	2003-04
Tea	4697	6506	4745
Coffee	3190	3468	4684
Rubber	6164	8408	9005
<b>Total</b>	<b>14051</b>	<b>18382</b>	<b>18434</b>

State-wise details of expenditure are not readily available.

*Funds released under the scheme on Macro-management in Agriculture for agricultural crops*

Name of the State	2001-02	2002-03	2003-04
1	2	3	4
Andhra Pradesh	2250.00	1900.00	3800.00
Arunachal Pradesh	219.50	463.20	317.28
Assam	523.50	350.00	350.00
Bihar	1800.00	1250.00	900.00
Jharkhand	1095.00	600.00	1200.00
Goa	200.00	162.20	131.04
Gujarat	1900.00	1600.00	1150.00
Haryana	1620.00	1600.00	1585.15
Himachal Pradesh	1800.00	1600.00	1585.15
Jammu & Kashmir	900.00	1932.00	1680.00
Karnataka	5850.00	5338.00	5580.00
Kerala	2313.54	2762.00	2348.00
Madhya Pradesh	5000.00	4350.00	4400.00
Chhattisgarh	1339.02	1138.00	1600.00
Maharashtra	9000.00	7612.00	8400.00
Manipur	345.00	300.00	300.00
Meghalaya	202.74	700.66	427.25
Mizoram	720.00	810.00	820.00
Nagaland	776.80	660.00	880.00
Orissa	1485.00	1250.00	1967.31
Punjab	1035.00	850.00	—
Rajasthan	5250.00	6700.00	6571.00
Sikkim	422.00	330.00	500.00
Tamil Nadu	4500.00	3360.00	4275.00
Tripura	630.00	900.00	715.34
Uttar Pradesh	7500.00	6885.00	7375.00
Uttaranchal	1400.00	1290.00	1600.00
West Bengal	2500.00	1427.47	1920.00
Delhi	—	80.00	50.00

1	2	3	4
Pondicherry	135.00	100.00	—
A & N Islands	90.00	100.00	100.00
Chandigarh	50.00	—	—
Dadra & Nagar Haveli	135.00	100.00	10.00
Daman & Diu	45.00	—	—
Lakshadweep	90.00	100.00	50.00
<b>Total</b>	<b>63122.20</b>	<b>58600.76</b>	<b>62664.56</b>

Cash crop-wise details are not available.

Source – Department of Agriculture & Cooperation.

#### **Ban on Onion Export**

\*2736. SHRI RATILAL KALIDAS VARMA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government intends to lift ban on the export of onion;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) There is no ban on export of onion. Export of onion is allowed without any quantitative ceiling through designated State Trading Enterprises (STEs). These State Trading Enterprises are:-

- (i) National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED)
- (ii) Maharashtra State Agricultural Marketing Board (MSAMB)
- (iii) Gujarat Agro Industries Corporation Ltd. (GALC)
- (iv) The Spices Trading Corporation Ltd. (STCL)
- (v) The A.P. State Trading Corporation
- (vi) The Karnataka State Co-operative Marketing Federation Ltd. (KSCMF)
- (vii) The National Co-operative Consumers Federation of India Ltd. (NCCF)

(viii) The North Karnataka Onion Growers Co-operative Society (NKOCS)

(ix) West Bengal Essential Commodities Supply Corporation (WBECSC) Ltd., Kolkata

(x) M.P. State Agro Industries Development Corporation (MPSAIDC), Bhopal

(xi) Karnataka State Produce Processing and Export Corporation (KAPPEC), Bangalore

(xii) Madhya Pradesh State Co-operative Oil Seeds Growers Federation Ltd.

(xiii) The Andhra Pradesh Marketing Federation (AP MARKFED).

(b) and (c) Does not arise.

#### **Revival of Industry**

2737. SHRI MANSUKHBHAI D. VASAVA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have conducted any survey to identify the number of closed small, medium and large industries in Gujarat and Uttar Pradesh during the last one year;

(b) if so, the details thereof;

(c) the closed textiles engineering goods producing industries in the States;

(d) the steps being taken by the Union Government to revive such industries within the time frame; and



(e) the success achieved by the initiatives of 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) 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\* units were closed during the period from January to September 2004. Out of these, 16 units were closed in Gujarat and 11 in Uttar Pradesh which included 2 textiles engineering industries in Gujarat and 5 textiles engineering industries in Uttar Pradesh. During 2003, 5 textiles engineering industries in Gujarat were reported closed and no textile engineering industry was reported closed in Uttar Pradesh.

As per the Third All India Census of Small Scale Industrial (SSI) units for the reference year 2001-02 conducted during November 2002 to June 2003, 887427 units were found closed which were registered in the SSI sector. Of these, the number of units closed in Gujarat and Uttar Pradesh were 39,159 and 1,22,282 respectively. The industry-wise closure data is not available in the Third All India Census.

(d) and (e) 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 Government in the form of rescheduling of dues.

Data on sick industrial units, assisted by banks in the country is compiled by the Reserve Bank of India (RBI). As per RBI report, 3396 non-SSI sick/weak units were in the country as on 31.3.2003, out of which 157 potential viable units were put under nursing which included 26 units belonging to Textile industry and 10

units from Engineering industry. 11 non-SSI sick/weak units from Gujarat and 5 non-SSI sick/weak units from Uttar Pradesh were put under nursing as at the end of March, 2003.

\* = Provisional.

[English]

#### Debt Recovery Tribunals

2738. SHRI KULDEEP BISHNOI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to enlarge the scope of Debt Recovery Tribunals (DRTs) so that the NBFCs are placed under the jurisdiction of it;

(b) if so, the details thereof; and

(c) the steps taken by the Government to extend the provision of recent Securitisation Ordinance to authorise the NBFCs to enable them to realise their outstanding from their customers as in case of banks?

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

(b) Does not arise.

(c) At present, there is no proposal under consideration of the Government to extend the provision of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act/Ordinance to NBFCs.

#### Agriculture Loan

2739. SHRI JUAL ORAM: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of State Bank of India (SBI) in Orissa;

(b) whether SBI has been extending agricultural loan to farmers in that States; and

(c) if so, the amount of agricultural loan granted by SBI directly to the individual farmers, Self Help Group and through Kisan Credit Cards during the current financial year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) There are

480 branches of State Bank of India (SBI) in the State of Orissa.

(b) Yes, Sir.

(c) The amount of agricultural loan disbursed during current financial year (from 1st April 2004 to 30th September, 2004) to individual farmers, Self Help Group (SHG) and through Kisan Credit Cards (KCC) amounts to Rs. 79.41 crores, Rs. 10.40 crores and Rs. 38.00 crores respectively.

**Pending Cases of Employees of Allahabad Bank**

2740. PROF. RASA SINGH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the details of criminal/civil cases pending trial against the employees of Allahabad Bank during the last three years with nature of offence and authority that registered the case;

(b) the details of the employees, present place of their postings and period thereto;

(c) whether the accused persons have been arrested by the police or they are on bail from the court;

(d) if so, the details thereof and present status of each case; and

(e) if not, the action proposed/likely to be taken against such guilty employees under service and conduct rules?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) Allahabad Bank has reported 40, 7 and 6 criminal cases pending during the year 2002, 2003 and 2004 respectively. Out of these 53 cases, 22 related to frauds, 1 to cheating, 3 to misappropriation and 27 related to advances irregularities. Details regarding the employees, present place of their postings, present status of the cases and the authority that registered the case etc. are given in the enclosed Statement. In addition, eight suo-moto traps were laid against eight employees.

**Statement**

*Criminal cases pending against the employees of Allahabad Bank*

Sl. No.	Authority which registered the case	Nature of offence	Name of Employees/ Designation/present place of posting and period	Whether arrested by Police and are on Bail from Court	Action Taken/proposed to be taken against such employees under service/conduct rules	Present status of police/CBI case
1	2	3	4	5	6	7
<i>Year 2002</i>						
1.	CBI, ACB, Mumbai	Advances irregularities	Shri P.M. Sethia, Ex-Assst. Manager, Pune, Presently posted under Z.O. Mumbai since 1990	No	No accountability as per internal investigation report.	Criminal case is pending.
2.	CBI, ACB, Jabalpur	Advances irregularities	Shri P.K. Arora, Manager, Katni, Jabalpur, Presently posted at Currency Chest, Bhopal since September 2003.	No	Disciplinary action initiated and he was "Censured".	Acquitted by Court vide its Order dated 28.1.2003.
3.	CBI, ACB, Jabalpur	Advances Irregularities	Shri T.K. Boro, Manager, Katni, Jabalpur. Presently posted at ZO Jabalpur since April 2003	No	Disciplinary action initiated and he was "Censured".	Acquitted by Court vide its Order dated 28.1.2003.
4.	CBI, ACB, Kolkata	Fraud	Shri Abhijit Roy, Ex-Assst. Manager, Gariahat Branch, Presently posted under ZO Behala since July 2002	No	Disciplinary action initiated and a penalty of lowering down of grade from Scale II to Scale I was imposed.	Criminal case is pending at evidence stage.

1	2	3	4	5	6	7
5.	CBI, BS & FC Mumbai	Fraud	Shri N.K. Pal, Ex-Chief Manager Pedder Road Branch, Mumbai, Presently posted at Head Office Central Accounts Department since February 2002	No	No accountability as per internal investigation report.	Criminal case is pending.
6.	CBI, BS & FC, New Delhi	Fraud	Shri G.N. Tandon, Special Assistant, Pheelkhana, Kanpur, Presently posted at Chakeri Branch under Z.O. Kanpur since 2003	No	Disciplinary action initiated and a penalty of withdrawal of Special Allowance was imposed	Criminal case is pending
7.	CBI, BS & FC, New Delhi	Fraud	Shri Jagmohan Sharma, Special Assistant, Pheelkhana, Kanpur Presently posted at Swarup Nagar Branch under Z.O. Kanpur Since 2002	No	Disciplinary action initiated and a penalty of stoppage of 1 increment was imposed.	Criminal case is pending
8.	CBI, BS & FC, New Delhi.	Fraud	Shri K.I. Choudhary, CCC, Pheelkhana, Kanpur, Presently posted at Chakeri Branch under Z.O. Kanpur since 2003.	No	Disciplinary action initiated a penalty of stoppage of 4 increments was imposed.	Criminal case is pending
9.	Kotwali P.S. Patna	Fraud	Shri Janardan das Khanna, Ex Special Assistant, Patna Main Branch, Presently posted at P.P. Colony Branch under Z.O. Patna since 2003	No	Disciplinary action pending till disposal of the court case.	Criminal case is pending.
10.	CBI, ACB, Dhanbad	Fraud	Shri Pranab Kumar Saha, Ex- Asstt. Manager, Hirapur Branch, Dhanbad, Presently posted Under ZO Ranchi since May 2004	No	Disciplinary action will be initiated, if found guilty by the Hon'ble Court	Criminal case is pending.
11.	CBI, SPE, Bhopal	Fraud	Shri S.R. Sisodia, Ex-CIC, M.P. H.B. Extn. Counter, Bhopal, Presently posted under ZO Bhopal since July 1997	No	Disciplinary action initiated and a penalty of withdrawal of Special Allowance for 3 years was imposed.	Criminal case is pending
12.	CBI, SPE, Bhopal	Fraud	Shri Nitin Pathak, Ex-CCC, M.P. H.B. Extn. Counter Bhopal, Presently posted at Misrod, Bhopal under ZO Bhopal since February 2002	No	Disciplinary action initiated and he was "Censured".	Criminal case is pending
13.	CBI, EOW, Kolkata	Fraud	Shri Ranjit Kumar Singha Roy, Ex-Special Assistant, Harish Mukherjee Road, Kolkata, Presently posted under ZO Kolkata Urban since December 2004	Yes and Yes	Disciplinary action initiated and a penalty of withdrawal of Special Pay for 3 years was imposed	Criminal case is pending
14.	CBI, SPE, Lucknow	Fraud	Shri R.K. Kaushal, Ex-Managar, Lajpat Nagar, Kanpur, Presently posted at Lead Bank Cell under ZO Hamirpur since September 2003	Yes and Yes	Disciplinary action initiated and a penalty of reduction of Grade from MMG Scale II to JMG Scale I was imposed.	Criminal case is pending

1	2	3	4	5	6	7
15.	CBI, BS & FC New Delhi	Fraud	Shri R.K. Kaushal, Ex-Manager, Lajpat Nagar, Kanpur, Presently posted at Lead Bank Cell under ZO Hamirpur since Sept. 2003	Yes and Yes	Disciplinary proceedings stayed by Hon'ble Court	Criminal case is pending.
16.	CBI, BS & FC, New Delhi	Fraud	Shri G.K. Bhargava, Ex-Senior Manager, Manipur, Presently posted under Z.O. New Delhi since September, 2003.	Yes and Yes	Disciplinary proceedings stayed by Hon'ble Court.	Criminal case is pending.
7.	CBI, SPE, Patna	Advances Irregularities	Shri Bindeshwari Singh, Officer, Exhibition Road, Patna, Presently posted at Patna ZO Patna since May 2004.	Yes and Yes	Disciplinary action initiated and a penalty of reduction of Basic Pay by 2 stages for 2 years was imposed.	Criminal case is pending.
18.	CBI, EOW, Mumbai	Advances irregularities	Shri B.S. Sathe, Asstt. Manager, Bhandup, Presently posted at Z.O. since March, 2004	No	Disciplinary action initiated and a penalty of lowering down of Basic Pay by 11 stages with cumulative effect was imposed.	Criminal Case is pending.
19.	CBI, EOW, Mumbai	Fraud	Shri V.S. Edgaonkar, Manager, Bhandup, Presently, posted at Parel Stationary Depot under ZO Mumbai since September 2004	No	Disciplinary action initiated and a penalty of reduction of Basic Pay by 2 stages for 2 years was imposed.	Criminal case is pending
20.	CBI, ACB, Calcutta	Advances irregularities	Shri Asit Kumar Adak, Ex-AGM, Red Cross Place, Calcutta, Presently posted at Staff College, Lucknow since May 2003	No	Disciplinary action initiated and he was "Censured".	Criminal case is pending.
21.	CBI, ACB, Calcutta	Advances irregularities	Shri Swarup Chakraborty, Ex-Senior Manager, Red Cross Place, Calcutta, Presently posted at Alipore Branch, Kolkata under Z.O. Kolkata Metro since September, 2003	No	Disciplinary action initiated and he was "Censured".	Criminal case is pending.
22.	CBI, ACB, Kolkata	Advances irregularities	Shri Biman Bhattacharya, CCC, Chinsurah Branch, Presently posted at Purbasthali Branch under ZO Asansol since September 2003	No	Disciplinary action will be initiated only on disposal of the court case, if necessary	Criminal case is pending.
23.	CBI, ACB, Kolkata	Advances irregularities	Shri Subir Guin, Clerk, Chinsurah Branch, Presently posted at Adiseptagram Branch under ZO Chinsurah since February, 2003	No	Disciplinary action will be initiated only on disposal of the court case, if necessary.	Criminal case is pending
24.	CBI, ACB, Kolkata	Advances irregularities	Shri Biman Bhattacharya, CCC, Chinsurah Branch, Presently posted at Purbasthali Branch under Z.O. Asansol since September, 2003	No	Disciplinary action will be initiated only on disposal of the court case, if necessary.	Criminal case is pending.

1	2	3	4	5	6	7
25.	CBI, ACB Kolkata	Advances irregularities	Shri Kamal Kumar Sen, Clerk, Chinsurah Branch, Presently posted at Saradapally Branch under Z.O. Chinsurah since February 2003	No	Disciplinary action will be initiated only on disposal of the court case, if necessary	Criminal case is pending.
26.	CBI, ACB, Kolkata	Advances irregularities	Shri Sudhir Kanti Ghosh, Clerk Chinsurah Branch Presently posted at Pipulpati branch under Z.O. Chinsurah since May 2003	No	Disciplinary action will be initiated only on disposal of the court case, if necessary	Criminal case is pending.
27.	CBI, ACB, Kolkata	Advances irregularities	Shri Biman Bhattacharya, CCC, Chinsurah Branch, Presently posted at Purbasthali branch under Z.O. Asansol since September, 2003	No	Disciplinary action will be initiated only on disposal of the court case, if necessary	Criminal case is pending
28.	CBI, ACB, Kolkata	Advances irregularities	Shri Subir Guin, Clerk Chinsurah branch, Presently posted at Adisaptagram Branch under Z.O. Chinsurah since February, 2003	No.	Disciplinary action will be initiated only on disposal of the court case, if necessary	Criminal case is pending.
29.	CBI, ACB, Kolkata	Advances irregularities	Shri Gopal Chandra Banerjee, Clerk Chinsurah Branch, Presently posted at Saradapally Branch under ZO Chinsurah since January 2004	No.	Disciplinary action will be initiated only on disposal of the court case, if necessary	Criminal case is pending.
30.	Ghaziabad P.S.	Fraud	Shri N.P. Gupta, Senior Manager, Delhi Gate Branch, Ghaziabad, Presently posted under Z.O. Meerut	Yes and Yes	Disciplinary action pending till disposal of the court case.	Criminal case is pending.
31.	Ghaziabad P.S.	Fraud	Shri Dalbir Singh Cashier, Delhi Gate Branch, Ghaziabad, Presently posted under Z.O. Meerut	Yes and Yes	Disciplinary action pending till disposal of the court case.	Criminal case is pending.
32.	CBI, ACB, Guwahati	Advances irregularities	Shri Bijoy Chandra Thakur Ex-Manager, Dhekorgorah Branch, Presently posted under Z.O. Guwahati since November, 2001	No	Disciplinary action initiated and a penalty of reduction of Basic Pay by 5 stages for 3 years with cumulative effect was imposed.	Criminal case is pending.
33.	CBI, ACB, Guwahati	Advances irregularities	Shri Bimal Krishna Debnath, Ex-Manager, Dhekorgorah Branch, Presently posted under Z.O. Dibrugarh since October 2001	No	Disciplinary action initiated and a penalty of reduction of Basic Pay by 9 stages for 3 years with cumulative effect was imposed.	Criminal case is pending
34.	CBI, SPE EOW-II.	Fraud	Shri S.K. Aggarwal, Ex- Manager, RBB Branch,	Yes and Yes	Disciplinary action initiated and a penalty of reduction of	Criminal case is pending.

1	2	3	4	5	6	7
	New Delhi		Sector 10, Noida, Presently posted under Z.O. Meerut since 2003		Basic Pay by 4 stages with cumulative effect was imposed.	
35.	CBI, ACB Ranchi	Irregularities in connection of accounts	Shri Devendra Kumar Singh, Ex-Manager, Doranda Branch, presently posted under ZO Ranchi since January 1998	No	Disciplinary action initiated and a penalty of lowering down of Basic Pay by 2 stages was imposed.	Criminal case is pending.
36.	Varacha P.S. Surat	Fraud	Shri C.R. Sepat, Ex-Manager, Nana Varacha Branch, Presently posted under ZO Ahmedabad since December 2002	Yes and Yes	Disciplinary action initiated and he was "Censured"	Criminal case is pending.
37.	Jiawan P.S.	Misappropriation	Shri R.K. Mishra, Ex-CIC, Jiawan Branch, Presently under Suspension	Yes and Yes	Disciplinary Proceedings in progress.	Criminal case is pending.
38.	CBI, EOW -1, New Delhi.	Advances irregularities	Shri S.C. Sachdeva, Ex-Senior Manager, Okhla Branch, New Delhi, Presently posted under ZO New Delhi since March 2004	No	Disciplinary action initiated and a penalty of reduction of Basic Pay by 2 stages with cumulative effect was imposed.	Criminal case is pending.
39.	CBI, EOW-1, New Delhi.	Advances irregularities	Shri Kamala Rai, Ex-Senior Manager, Ghazipur Branch Presently posted at Dulhapur Branch since December 2002	No	Disciplinary action initiated and a penalty of reduction of Basic Pay by 1 stage for 1 year without cumulative effect was imposed.	Criminal case is pending
40.	Haldia P.S.	Fraud	Shri R.N. Chowdhury, Ex-Manager, Basudevpur Branch, presently posted at K.K.T. Street, Kolkata since June 2004	No	Disciplinary action initiated and a penalty of lowering down of Basic Pay by 4 stages without cumulative effect was imposed.	Criminal case is pending
<b>Year 2003</b>						
41.	CBI/SPE/ Dhanbad	Fraud	Shri Vinod Gulab Rao Kohale, EDP Officer, Dhanbad Branch, Presently under suspension	No	Disciplinary proceedings in progress	Criminal case is pending.
42.	Bowbazar P.S.	Misappropriation	Shri Prem Shankar Tiwari, Ex-head Cashier, B.B Ganguly Street, Kolkata Presently posted at Bowbazar Branch since August 2004	No	Disciplinary proceedings in progress.	Criminal case is pending.
43.	Manuti-nagar P.S.	Misappropriation	Shri V.C. Rao, Computer Operator, Marutinagar Branch, Hyderabad, Presently posted at the same branch	No	Disciplinary proceedings in progress.	Criminal case is pending.

1	2	3	4	5	6	7
44.	CBI/ACB/ Kolkata	Advances irregularities	Shri Ravi Makkar, Ex-Chief Manager, Park Street Branch, Kolkata, Presently posted at HO since November 2001.	No	Disciplinary proceedings in progress	Investigation Report pending with CBI.
45.	CBI/ACB/ Kolkata	Advances irregularities	Shri Dipak Kumar Mukherjee, Ex-Sr. Mgr (Adv), Park Street Branch, Presently posted at FIO, Kolkata since January, 2004	No	Disciplinary proceedings in progress.	Investigation Report pending with CBI.
46.	Nalhati P.S.	Fraud	Shri Ajay Kumar Khanna, Ex- Manager Noapara Branch, Presently posted under ZO Barasat since June 2004.	No	Disciplinary action initiated and a penalty of lowering down of Basic Pay by 2 stages for 2 years with cumulative lative effect was imposed.	Criminal case is pending.
47.	Nimta P.S.	Fraud	Shri Dilip Kumar Roy, CIC, Durganagar Branch, Presently posted at Kumarapukur Branch under ZO Barasat since January 2004	No	Disciplinary Proceedings in progress.	Criminal case is pending.
Year 2004						
48.	CBI/EOW/ Chennai	Advances Irregularities	Shri Sadhan Kumar Banerjee, Ex-Chief Manager, International Branch, Chennai, Presently posted at ZO, Chennai since May 2003.	No.	Disciplinary Proceedings in Progress.	Criminal case is pending
49.	CBI/EOW/ Chennai	Advances irregularities	Shri S. Sreedharan, Ex-Senior Manager, International Branch, Chennai, Presently posted at ZO, Chennai since Sept. 2003	No	Disciplinary Proceedings in Progress	Criminal case is pending.
50.	CBI/EOW/ Chennai	Advances irregularities	Shri M. Gowthaman, Ex- Manager (Advances) International Branch, Chennai, Presently posted at ZO, Chennai since Sept. 2003	No	Disciplinary Proceedings in progress	Criminal case is pending.
51.	Govindpur P.S.	Cheating	Shri Munna Ram Lal Begi, Ex-PTS, Govindpur Branch Presently under suspension	Yes and Yes	Disciplinary Proceedings in progress.	Criminal case is pending.
52.	CBI, BSFC, New Delhi	Advances irregularities	Shri V.K. Chibber, Ex- Manager, RBB, Wazirpur, Presently posted at Dharamashala Branch since Dec. 2003	No	Disciplinary Proceedings in progress	Investigation Report pending with CBI.
53.	CBI, BSFC, New Delhi	Advances irregularities	Shri Binod Kumar Sood, Ex- Senior Manager, RBB, Rajouri Garden Presently under suspension	No	Disciplinary Proceedings in progress.	Investigation Report pending with CBI.

[Translation]

### **Ban on Import of Indian Attire**

2741. SHRI BHUPENDRASINH SOLANKI: Will the Minister of TEXTILES be pleased to state:

(a) whether the export of Indian attires has been adversely affected following the short term ban imposed by America on the import of Indian items of Textile, Handloom and Handicrafts;

(b) if so, whether the exporters have sought Government's assistance in this regard;

(c) if so, whether the Government has considered of their demands; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (d) The consignments of some exporters of categories 340/640, 369 (S) and Group-II are held up in US ports due to excess shipments over the 2004 quota limits prescribed under the India-US Textile Agreement. The Government has been making efforts to get the held up consignments cleared and has requested the US authorities to grant a special dispensation of one time inter-category swing of 5% for the three categories for getting the held up goods cleared. However, the US has expressed that they will be unable to effect any additional flexibility since all had been exhausted; and have indicated that these goods would be cleared in February 2005.

### **Impact of Value of Dollar on Economy**

2742. SHRI BALESHWAR YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have studied adverse impact on India as a result of value of Dollar touch lowest level in comparison to Euro recently;

(b) if so, the details of adverse impacts which may adversely affect our economy; and

(c) the details of preventive measures likely to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) During April-November 2004, the US Dollar depreciated by 5.4 percent against the Euro. During this period, the

Indian Rupee depreciated by 0.24 percent against the Dollar and by 5.6 percent against the Euro. Indian exports and imports (in Dollar terms), grew by 24.0 percent and 34.5 percent respectively, during April-November 2004. Other external sector indicators, like foreign direct investment (FDI) and foreign portfolio investment, have also been buoyant during the current year. These positive developments have resulted in India's total foreign exchange reserves rising to more than US \$ 130 billion on December 3, 2004.

### **Insurance Coverage**

2743. SHRIMATI JAYABEN B. THAKKAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Gujarat has requested for enhancing the Insurance Coverage from 1,00,000/- to Rs. 5,00,000/- with corresponding increase in the programme; and

(b) if so, the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government has not received such a proposal.

(b) Does not arise.

### **External Commercial Borrowings**

2744. SHRI A.K. MOORTHY: Will the Minister of FINANCE be pleased to state:

(a) whether Association of Chamber of Commerce has sought 100% tax exemption in interest payment on external commercial borrowing; and

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

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

### **External Debt**

2745. SHRI MILIND DEORA: Will the Minister of FINANCE be pleased to state:

(a) whether the internal and external debt has been increasing since 1999-2000;



(b) if so, the details thereof and its effect on the Indian economy;

(c) the percentage of this debt to the GDP during the above years;

(d) whether the Government by taking advantage of low interest rate of market loan pre-paid some of high interest bearing external loan and if so, the details thereof;

(e) whether some loan is being taken to check fiscal deficit and rising inflation; and

(f) if so, the results achieved therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Details of public debt including internal debt, and India's total external debt since 1999-2000 along with their ratios to GDP are given in the following Table. The high magnitude of debt preempts resources away from investment in the private sector. It also increases the interest burden, leading to an increase in revenue deficit and also fiscal deficit, thereby resulting in higher debt.

*Public Debt of Central Government and India's total External Debt*

(Rs. in crore)

	1999-2000	2000-01	2001-02	2002-03	2003-04
1. Public debt of Central Government (i +ii)	772691	869643	984607	1080301	1181428
(i) Internal debt	714254	803698	913061	1020689	1134021 (RE)
(ii) External debt*	58437	65945	71546	59612	47407 (P)
2. India's Total external debt	428550 (98263)	471724 (101132)	481908 (98757)	498593 (104870)	488829 (112515)
3. Public debt to GDP ratio	38.0	41.3	42.0	42.1	42.0
4. India's external debt-to-GDP ratio	22.1	22.6	21.1	20.2	17.6

\*At historic exchange rate P: Provisional; RE: Revised Estimate.

Note: Figures in brackets indicate US \$ million.

(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 external loans during 2002-03 and 2003-04 amounting to US \$ 2.9 billion and US \$ 3.8 billion respectively.

(e) and (f) The Government borrowings are undertaken to finance fiscal deficit.

**Employees of Handloom and Jute Industry**

2746. SHRI ASHOK KUMAR RAWAT: Will the Minister of TEXTILES be pleased to state:

(a) the number of employees of categories A, B, C, D in the National Handloom Corporation, Jute Corporation of India Limited (Kolkata), National Jute Manufacturing

Corporation Limited, Kolkata, National Textile Corporation Limited and its subsidiary companies and Cotton Corporation of India Limited, Mumbai category-wise;

(b) the number of SC/ST and OBC employees among the employees of categories A, B, C, D in all the above mentioned undertakings, category-wise;

(c) whether reservation quota in above mentioned undertakings has been completed; and

(d) if not, the reasons therefor and the time by when the reservation quota will be completed?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Number of employees in category A, B, C, D and category-wise number of SC/ST and OBC employees as are under:

Category	Number of employees	SC	ST	OBC
A	810	52	6	40
B	1662	148	16	138
C	8304	1155	93	672
D	37114	6379	595	4984

(c) No.

(d) There has been a ban on fresh recruitment in the NJMC, JCI and NTC. There is some backlog in the CCI, according to the policy and guidelines issued by the Govt. of India, action will be taken to fill up the posts. Recruitment is almost nil in the NHDC.

#### **Non Banking Finance Company**

2747. SHRI P.S. GADHAVI: Will the Minister of FINANCE be pleased to state:

(a) whether there is any shortage of low interest long term funds for infrastructure projects in the country;

(b) whether any restrictions have been in force against non-banking financial institutions, funding such projects;

(c) if so, the details of the regulations;

(d) whether a number of infrastructure projects are held up for want of financing;

(e) whether low interest funds are available through NBF;

(f) whether any application for permission by NBFs for infrastructure projects are pending with the Government; and

(g) if so, the present status thereof?

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

(b) and (c) The Reserve Bank of India (RBI) has prescribed prudential exposure norms, which limit exposure to a project company/group and are applicable to non-banking financial institutions also. For infrastructure projects, RBI prudential exposure norm for a company is 20% of total regulatory capital and for a group it is 50% of total regulatory capital. In the context of IDFC, total regulatory capital includes net-worth and sub-debt.

(d) and (e) No, Sir. No case has so far come to the notice of Government which is held up for want of funds which are available in the market at competitive rates.

(f) The RBI has no specific information in this regard.

(g) Does not arise.

#### **Funds under PMGY**

2748. SHRI HANSRAJ G. AHIR: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the State-wise funds allocated to various States during the last two years under the Pradhan Mantri Gramodaya Yojana; and

(b) the details of allocation and utilization thereof, State-wise?

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) The State-wise details of allocation and release of Additional Central Assistance (ACA) for Pradhan Mantri Gramodaya Yojana during the last two years (i.e. 2002-03 and 2003-04) is given in enclosed Statement.

**Statement***Allocation and release of Additional Central Assistance (ACA) under PMGY for the year 2002-03 and 2003-04*

(Rs. in lakhs)

S.No.	States	ACA Allocation 2002-03	Release	ACA Allocation 2003-04	Release
1	2	3	4	5	6
1.	Andhra Pradesh	15644.00	15644.00	15644.00	15644.00
2.	Arunachal Pradesh	6500.00	6500.00	6500.00	6500.00
3.	Assam	19000.00	19000.00	19000.00	19000.00
4.	Bihar	24173.00	24173.00	24173.00	24173.00
5.	Chhattisgarh	3435.00	3435.00	3435.00	3435.00
6.	Goa	72.00	72.00	72.00	36.00
7.	Gujarat	7122.00	7122.00	7122.00	7122.00
8.	Haryana	1834.00	917.00	1834.00	1834.00
9.	Himachal Pradesh	7000.00	7000.00	7000.00	7000.00
10.	Jammu and Kashmir	18000.00	18000.00	18000.00	18000.00
11.	Jharkhand	7446.00	3723.00	7446.00	7446.00
12.	Karnataka	8273.00	8273.00	8273.00	8273.00
13.	Kerala	7608.00	7608.00	7608.00	7608.00
14.	Madhya Pradesh	8500.00	8500.00	8500.00	4250.00
15.	Maharashtra	10917.00	10917.00	10917.00	5458.50
16.	Manipur	4800.00	2400.00	4800.00	2400.00
17.	Meghalaya	4112.00	4112.00	4112.00	4112.00
18.	Mizoram	4300.00	4300.00	4300.00	4300.00
19.	Nagaland	4526.00	2263.00	4526.00	4526.00
20.	Orissa	10863.00	5431.50	10863.00	10863.00
21.	Punjab	4442.00	4442.00	4442.00	2221.00
22.	Rajasthan	10611.00	10611.00	10611.00	10611.00
23.	Sikkim	3000.00	3000.00	3000.00	3000.00

1	2	3	4	5	6
24.	Tamil Nadu	11547.00	11547.00	11547.00	11547.00
25.	Tripura	5000.00	5000.00	5000.00	5000.00
26.	Uttar Pradesh	37087.00	37087.00	37087.00	37087.00
27.	Uttaranchal	7000.00	7000.00	7000.00	7000.00
28.	West Bengal	18490.00	18490.00	18490.00	18490.00
Total		271302.00	256567.50	271302.00	256936.50

### World Bank Loan

2749. SHRI SURESH ANGADI: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has advanced a loan of approximately 120 million US dollars for development of India's Small and Medium Enterprises (SMEs) sector;

(b) if so, the details thereof; and

(c) the multi-progded approached with which the Government propose to foster the growth competitiveness and employment creation in the Small and Medium Enterprises?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The World Bank has approved a loan of US dollars 120 million. The loan will be administered by Small Industries Development Bank of India (SIDBI).

(c) The Government proposes to foster the growth competitiveness and employment creation in the Small and Medium Enterprises through a number of measures including providing them access to adequate credit, facilitating capital formation and their technological upgradation and creating a better enabling environment.

### Lok Adalats in Rural Areas

2750. SHRI DALPAT SINGH PARSTE: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of Lok Adalats started in rural areas, State-wise and location-wise particularly in the State of Madhya Pradesh (tribal areas);

(b) whether any directive has been issued by the Government for starting more Lok Adalats in the State of Madhya Pradesh; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Lok Adalats in rural/tribal areas are organized on need basis. In Madhya Pradesh, 1805 Lok Adalats have been organized in rural areas as detailed in the enclosed statement. Information in respect of other States is being collected and will be laid on the Table of the House.

(b) and (c) Madhya Pradesh State Legal Services Authority has been directed by National Legal Services Authority to hold more and more Lok Adalats, throughout the State, especially in rural areas.

### Statement

*Number of Lok Adalats held in rural areas (location wise) of Madhya Pradesh*

S.No.	Name of location	No. of Lok Adalats held
1	2	3
1.	Ambah	43
2.	Gohad	40
3.	Kolaras	42
4.	Sevra	30
5.	Bhander	42
6.	Sonkachh	17
7.	Salana	29

1	2	3
8.	Alot	30
9.	Agar	30
10.	Ghatia	11
11.	Tarana	29
12.	Savir	17
13.	Sardaspur	51
14.	Manavar	62
15.	Dharampur	71
16.	Kukshi	66
17.	Ali Rajpur	69
18.	Jobat	82
19.	Petlavad	76
20.	Thavala	63
21.	Bhikan Gaon	51
22.	Maheshwar	61
23.	Barvani	55
24.	Rajpur	47
25.	Sendhva	43
26.	Anjar	46
27.	Harsood	33
28.	Ashta	56
29.	Kurvai	38
30.	Bhansdhei	04
31.	Surai	77
32.	Amarvara	46
33.	Lakhnadaun	34
34.	Niwas	57
35.	Dindaori	53

1	2	3
36.	Bahar	46
37.	Anup Pur	30
38.	Kotma	59
39.	Rajender Gram	39
40.	Devsar	30
Total		1805

#### External Aid to Tamil Nadu Projects

2751. SHRI K.C. PALANISAMY: Will the Minister of FINANCE be pleased to state:

(a) the on-going various projects of Tamil Nadu with the help of various International Financial Agencies;

(b) whether the Union Government has recently received any request from Tamil Nadu Government for more financial support to its development;

(c) if so, the details thereof; and

(d) the response of the Union Government towards this requests ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) There is one State Sector World Bank aided Project presently being implemented in Tamil Nadu—the Tamil Nadu Road Sector Project.

(b) to (d) Government of India has posed the 3rd Tamil Nadu Urban Development Project, Tamil Nadu Rural Water Supply and Sanitation Project and Tamil Nadu Empowerment and Poverty Reduction Project for World Bank assistance on the request of Government of Tamil Nadu.

*[English]*

#### Duty Evasion by Manufacturers

2752. SHRI KAILASH BAITHA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that there is evasion of central excise duty by the manufacturers of plastic and articles in Daman and Diu Central Excise Commissionerate;

(b) if so, the details thereof;

(c) whether these manufacturers pasted lower MRP stickers over higher MRP stickers without changing the issue price; and

(d) if so, whether the manufacturers required to reduce their prices on reducing MRP?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Some cases of evasion have been detected.

(b) The details of cases are given in the Table given below:

(Rs. in lakhs)

S.No.	Name of the Unit	Evasion Value	Duty	Spot Recovery
1.	M/s. Thermoplast Industries Pvt. Ltd., Daman.	185.71	29.71	29.71
2.	M/s. Laditya Lamintaors Pvt. Ltd., Daman	254.49	43.53	0.00
3.	M/s. Narendra Poly Prints Ltd., Daman	101.99	16.32	16.32
4.	M/s. Jesons Industries, Daman	121.22	19.39	0.00
Total		662.31	108.95	46.03

(c) No such instances have been noticed.

(d) Nil in view of 'c' above.

Class-II- Development Officer- 1995-96, 1996-97, 1998-99 and 2001-02,

In these recruitment exercises, reservation for OBC as per Government directives was ensured.

(c) No, Sir.

(d) Does not arise.

(e) LIC has appointed separate Liaison Officers for SCs/STs and OBCs at Central/Zonal level for looking after work relating to matters of reservation for the respective categories, Liaison Officers while conducting annual inspection of rosters of SCs/STs also verify reservation for OBC.

#### Industrial Revival of Jammu and Kashmir

2754. SHRI MADAN LAL SHARMA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware that due to terrorism, industries in Jammu and Kashmir have been badly effected;

(b) if so, whether the Government is considering any scheme for revival of the industries in Jammu and Kashmir;

(c) if so, the details thereof; and

[Translation]

#### Backlog of OBCs in LIC

2753. DR. R. SENTHIL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that the Life Insurance Corporation of India has not filled backlog vacancies in OBC categories since 1995;

(b) if so, the details thereof;

(c) whether there is any plan to review the implementation of guidelines for reservation;

(d) if so, the details thereof; and

(e) the steps taken/proposed to be taken to monitor strict implementation of reservation for OBCs in the LIC?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) LIC of India has informed that they have conducted recruitment exercises, in the following years;

Class-I -Direct Recruit Assistant Administrative Officer (Generalist/Chartered Accountant/Actuarial) - 1995-96, 1996-97, 1997-98, 1999-2000, 2000-2001 and 2002-03,

(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) The Government has announced a new Industrial Policy and other concessions for the State of Jammu and Kashmir on 14th June, 2002 to accelerate industrial development of the State and boost investor confidence. The industrial package provides to the industrial units various fiscal incentives/concessions like Central Capital Investment Subsidy Scheme, Central Interest Subsidy Scheme, Central Comprehensive Scheme, Schemes for Infrastructure Development, excise and income tax exemption.

The above schemes are also applicable to existing units on their substantial expansion which has been specifically defined for industrial units only in the State of Jammu and Kashmir, according to which concessions for substantial expansion will extend to include all new investment by entrepreneurs which leads to substantial additional employment creation by an existing entrepreneur without insisting on major expansion in capacity.

#### **NABARD Loan for Cold Storages**

2755. SHRI AVINASH RAI KHANNA: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government has given any instructions to the nationalized banks through the NABARD that the proposals for granting loans for the setting up of cold storages recovered by these banks should be forwarded to NABARD;

(b) if so, the number of proposals sent by the nationalized banks to NABARD, State-wise;

(c) the action being taken by Government in case any bank does not forward such proposals to the NABARD; and

(d) whether different rate of interest is charged or any different policy of subsidy for cold storages is followed by NABARD and various nationalized banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) As per the operational guidelines of the centrally sponsored "Capital Investment Subsidy Scheme for Cold Storage" circulated by National Horticulture Board (NHB) the

participating banks include Nationalised Banks and other Commercial Banks, Co-operative Banks, Regional Rural Banks (RRBs), State Cooperative banks, etc. NABARD is the implementing agency for disbursement of subsidy among the participating banks. The participating banks after sanctioning the term loan for construction of cold storage are required to submit the proposal to NABARD for release of subsidy.

(b) The State-wise position of cold storage proposal received by NABARD from the participating banks are as under:

S.No.	State	No. of Schemes
1.	Punjab	45
2.	Haryana	25
3.	Tamil Nadu	29
4.	Himachal Pradesh	1
5.	Uttar Pradesh	388
6.	Maharashtra	52
7.	Uttaranchal	2
8.	Goa	1
9.	Rajasthan	34
10.	Karnataka	18
11.	Gujarat	68
12.	Orissa	9
13.	Madhya Pradesh	37
14.	Chhattisgarh	18
15.	West Bengal	18
16.	Andhra Pradesh	29
17.	Assam	7
18.	Bihar	27
19.	Jharkhand	13
20.	Arunachal Pradesh	1
Total		822

(c) In the proposals where no bank loan is involved National Horticulture Board (NHB) is directly releasing the subsidy to the promoter.

(d) Yes. As per the scheme guidelines the financing banks have to extend bank loan at a rate of interest not exceeding Prime Lending Rate (PLR) plus 1% to the beneficiary. The rate of interest varies from bank to bank.

#### World Bank Loan to West Bengal

2756. SHRI D. NARBULA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of West Bengal have

recently received financial assistance from World Bank for development of social infrastructure like health, education and construction of road etc.;

(b) if so, the details thereof; and

(c) the areas where this assistance is likely to be utilized, district-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) A statement showing details of World Bank assisted projects being implemented in various districts of West Bengal is enclosed.

#### *Statement*

#### *World Bank aided Projects being implemented in West Bengal*

S.No.	Name of the Project	Date of Signing/ Effective- ness	Date of closing	Area of Implemen- tation.	Credit amount in US \$ million	Disbursement upto 31-10-04 US \$ million
1.	Tuberculosis Control Project	14.3.97 8.5.97	30.9.05	Nationwide	142.40	76.53
2.	II National HIV/AIDS Control Project	14.9.99 9.11.99	31.3.06	Nationwide	194.75	141.19
3.	Food & Capacity Building Project	29.9.03 17.10.03	31.7.08	Nationwide	54.03	2.50
4.	Immunisation Strengthening Project	19.5.00 18.8.00	31.12.05	Nationwide	227.10	220.00
5.	II National Leprosy Elimination Project	19.7.01 28.8.01	31.12.04	Nationwide	30.00	29.60
6.	Integrated Disease Control Programme	23.9.04 28.10.04	30.9.09	Nationwide	68.00	0.00
7.	Women and Child Development Project	6.7.99 4.10.99	30.6.05	Nationwide	300.00	131.89
8.	Sarva Siksha Abhiyan	3.6.04 26.6.04	30.6.07	Nationwide	500.00	75.00
9.	Technical Education Quality Improvement Programme	4.2.03 12.3.03	30.6.08	Multi state project including West Bengal	250.00	6.50



**SAFTA**

2757. PROF. M. RAMADASS: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the volume of trade with SAARC countries during last five years and trade expected to improve in the next two years;

(b) whether there has been any obstacle in the implementation of the South Asian Free Trade Agreement (SAFTA) to promote the intra regional trade between SAARC countries;

(c) the number of countries with which India has signed bilateral Free Trade Agreements (FTAs) and success of implementation; and

(d) will the Government consider the formation of trade cartels and joint marketing in third world countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) A statement showing India's trade with SAARC countries during 1999-2000 to 2003-2004 is enclosed. During April-July 2004-2005, our total trade with the SAARC member countries amounted to Rs. 6894.96 crores against Rs. 6281.70 crores in the same period

during the previous year registering an increase of 9.76%. This trend is expected to continue.

(b) No Sir. Agreement on South Asian Free Trade Agreement (SAFTA) was signed during the Twelfth SAARC Summit held at Islamabad in January 2004 and the SAFTA is scheduled to come into force with effect from 1st January, 2006. Necessary action to complete the outstanding issues to ensure the implementation of SAFTA with effect from 1 January 2006 is being taken as per the road map drawn up during the 4th Meeting of the Commerce Ministers held at Islamabad on 22-23 November, 2004, and no obstacle is foreseen in this regard. SAFTA will take the region to a much higher level of trade and economic cooperation by removing barriers to cross-border flow of goods by reducing/eliminating tariffs and removing impediments to trade by way of non-tariff restrictions, etc.

(c) In the SAARC Nations, India has bilateral Free Trade Arrangements with Bhutan as per the Agreement between India and Bhutan on Trade & Commerce signed for a period of ten years with effect from 2nd March 1995 and with Sri Lanka as per Indo-Sri Lanka Free Trade Agreement signed on 28th December, 1998. India's bilateral trade with Bhutan and Sri Lanka has been going on smoothly.

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

**Statement***India's Trade with SAARC Countries  
Export/Import*

(Figure Rs. in crores)

Country	1999-2000		2000-2001		2001-2002		2002-2003		2003-2004		2003-2004 (Apr to Jul)		2004-2005 (Apr to Jul)	
	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
Bangladesh	2756.57	338.66	3988.18	337.49	4779.58	281.94	5691.29	300.29	7563.93	285.99	2440.08	119.65	1993.16	63.81
Sri Lanka	2163.05	191.67	2875.63	204.52	3008.85	321.34	4457.12	439.55	6067.35	893.54	1799.56	199.78	1844.68	312.49
Nepal	655.29	817.33	643.40	1053.97	1022.80	1697.56	1695.56	1363.59	2956.21	1249.87	863.78	280.23	1109.28	447.73
Pakistan	402.76	295.59	851.19	292.50	686.79	308.83	997.73	217.05	1316.75	265.32	183.16	118.56	756.24	85.76
Bhutan	32.82	78.06	4.78	95.59	36.24	114.09	188.96	155.61	399.08	240.66	156.96	77.92	146.33	80.88
Maldives	31.64	1.74	111.77	0.40	128.18	1.89	152.86	1.61	194.35	1.72	41.72	0.30	53.98	0.62
Total	6042.13	1723.05	8474.95	1984.47	9662.44	2725.65	13183.52	2477.70	18497.67	2937.10	5485.26	796.44	5903.67	991.29
Total (World)	159095	215528	201356	228306	209018	245200	255137	297206	291582	353976	82827	107005	107016	139892
% Share	3.80	0.80	4.20	0.87	4.62	1.11	5.16	0.83	6.34	0.83	6.62	0.74	5.51	0.70

Data Source: DGCI & S. Kolkata (Supplied by NIC, DOC)

**Credit Cards Without PAN**

2758. SHRI PRABHUNATH SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it has been made mandatory to quote PAN number to get a credit card from banks and similarly PAN number has to be quoted for certain other transactions;

(b) if so, is there any proposal to ask banks to cancel the credit cards issued so far without PAN numbers; and

(c) the details of other transactions on which Income Tax will keep an eye?

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 issued any instructions to banks to quote PAN for issue of credit cards. However, banks have been instructed to be selective in issuing credit cards and make a proper appraisal taking into account the income repaying capacity of the applicant and other relevant criteria before issuing credit cards. Banks have also been advised to clearly spell out fees/charges (membership, renewal, service charges, penal charges, etc.) to the cardholders at the time of their applying for credit cards.

**Rajasthan Against Gadgil-Mukherjee Formula**

2759. SHRI RAGHUVVEER SINGH KOSHAL: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Rajasthan has suggested any amendment to the Union Government with regard to the assistance amount to be given on the basis of scheme size opposing the Gadgil-Mukherjee formula in this regard;

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

(c) whether assistance amount to be given to States has been curtailed; and

(d) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. Government of Rajasthan has suggested for transfer of Central Plan assistance to States on a 50:50 loan/grant basis as against 30:70 at present.

(b) The existing pattern of loan grant ratio for Plan assistance is based on the Gadgil-Mukherjee formula as approved by the National Development Council (NDC). Any change in the formula therefore, requires the approval of the NDC. The State has been accordingly informed.

(c) No, Sir.

(d) Does not arise.

**World Bank Warning**

2760. SHRI RAJESH KUMAR MANJHI: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank warned the Government for not adopting any further Pay Commission;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

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

(b) and (c) Do not arise.

**Deliberations of 20th India Economic Summit**

2761. SHRI K.S. RAO: Will the Minister of FINANCE be pleased to state:

(a) whether the 20th India Economic Summit was held recently in Delhi;

(b) if so, the details in this regard with the details of participants; and

(c) the issues discussed and decision taken during the summit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The 20th India Economic Summit organized jointly by the World Economic Forum and Confederation of Indian Industry was held in New Delhi from December 5 to December 7, 2004. It was attended by senior officials from Indian Government, Indian companies, multinational banks and organizations, consultancy firms, financial institutions, diplomatic personnel and media. The issues which came up for discussion, *inter alia*, included India and the World. The New Dynamics of India, India and China, Global Competitiveness, Foreign Investment in India, Agriculture and Creating a dynamic South Asian

region by 2020. The recommendations of the Summit were grouped under the following three heads:

1. Policy and Initiatives
  - (a) Macro
  - (b) Sectoral
2. Social Issues
3. India and the World

These recommendations would provide valuable inputs into the policy making process.

**Powers of Chairman/Vice-Chairman of Export Promotion Council**

2762. SHRI A.F.G. OSMANI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any instance that members of Committee of Administration after having completed their elected term kept on discharging their functions in Export Promotion Council;

(b) if so, provisions relating thereto; and

(c) administrative and financial powers that are vested in the Chairman and Vice Chairman of an Export Promotion Council and constitutional and legal position for not being member of the Committee of Administration?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes, Sir.

(b) Though there are no provisions under Model Articles/ Bylaws circulated by the Government to the Export Promotion Council (EPCs) for adoption, under certain circumstances like, court injunction orders against conducting election etc., the members of the Committee of Administration had to discharge their functions after having completed their elected term.

(c) The Chairman and Vice-Chairman of the Council are vested with the powers by virtue of Articles 24.1 and 31.1 of the Model Articles/Bylaws. As regards constitutional and legal position, with regard to the Chairman and Vice-Chairman, for not being the members of the Committee of Administration, there are separate provisions under Articles 27.1, 27.2 and 27.7 of the Model Articles/Bylaws for the term of the Chairman, Vice-Chairman and the member of the Committee of Administration respectively.

**Issue of Advance Licence**

2763. SHRI NIKHIL KUMAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the customs department at ICD Patparganj, Delhi has requested Joint Director General of Foreign Trade, Delhi, for issue of advance licenses prior to registration;

(b) if, so, current status of the request and details thereon;

(c) the details regarding delay in registration with ICD, Patparganj and issue of advance licence/DEPB by DGFT;

(d) how many days have been lost as a result of this cumbersome procedure and whether Government will make some relaxation for genuine and regular manufacture exporters; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) No, Sir.

(b) to (e) Do not arise in view of (a) above.

**Tulsi Grameen Bank**

2764. SHRI SHYAMA CHARAN GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Allahabad Bank is a leading bank in the rural area of Banda (Chhatisgarh) and that the Tulsi Grameen Bank also has its branches in this area;

(b) if so, the details thereof;

(c) whether the said bank grants money to the poor farmers under various schemes like Kisan Credit Card Scheme etc.;

(d) if so, the details thereof;

(e) whether the Government is aware about the irregularities and corruption prevailing in the said banks;

(f) if so, the details thereof; and

(g) the action taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. Allahabad Bank is the lead Bank of Banda District and has 18 branches out of 28 branches of commercial banks operating in the District. Tulsi Grameen Bank sponsored by the Allahabad Bank also has its 49 branches and 4 extension counters in Banda District.

(c) and (d) Allahabad Bank & Tulsi Grameen Bank provide loans to the poor farmers under various schemes including under KCC scheme. Details of fresh loans provided by Allahabad Bank and Tulsi Grameen Bank in Banda and Chitrakoot Districts during the first six months of the current financial year are as under :

(Rs. in crore)

Name of the Bank	Fresh Loan disbursed	Of which to small & marginal farmers	Fresh KCC issued	Of which to small & Marginal farmers
Allahabad Bank	21.27	12.76	3065	1839
Tulsi Grameen Bank	27.12	17.62	6521	4238

(e) to (g) National Bank for Agriculture and Rural Development (NABARD) has reported that during the statutory inspection of the Bank, three fraud cases involving more than 1 lakh has been detected and the total amount outstanding under the fraud cases as on 30 September 2004 was at Rs. 47.88 lakh. All the three cases are sub-judice. Actions against the concerned officials have been initiated and insurance claims have been lodged by the Bank.

reform which was since an attempt by the previous Government;

(b) if so, please state whether this system is investment centric; and

(c) if so, the details thereof?

*[English]*

#### Private Pension Scheme for Central Government Employees

2765. SHRI S.P.Y. REDDY:  
SHRI SUKDEO PASWAN:  
SHRI GURUDAS KAMAT:  
SHRI ALOK KUMAR MEHTA:  
SHRI MAHBOOB ZAHEDI:  
SHRI RAM KRIPAL YADAV:  
SHRI KAILASH MEGHWAL:  
SHRI MILIND DEORA:  
SHRI BRAJA KISHORE TRIPATHY:  
SHRI TATHAGATA SATPATHY:  
SHRI GANESH PRASAD SINGH:  
SHRI MOHAN SINGH :

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Government proposes to have a legislative framework providing, *inter alia*, for a statutory Pension Fund Regulatory and Development Authority having, *inter alia*, the responsibility of promoting and ensuring the orderly growth of the pension sector and regulating the New Pension System (NPS) which is mandatory for all new Central Government recruits (excluding Armed Forces, in the first stage) with effect from 1st January, 2004. The NPS envisages that contributions will be invested by pension funds in accordance with investment guidelines specified by the regulator.

#### Flow of Credit to Agriculture Sector

2766. SHRI RAYAPATI SAMBASIVA RAO:  
SHRI IQBAL AHMED SARADGI:

Will the Minister of FINANCE be pleased to state:

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Cabinet has approved the proposal to introduce a Bill to establish an independent Pension Fund Regulatory and Development Authority (PFRDA), paving the way for the long awaited pension

(a) whether a map prepared recently by the Reserve Bank of India's advisory committee on flow of credit to agriculture has identified the tribal belt in Orissa and Madhya Pradesh, Andhra Pradesh, Western Rajasthan and all North Eastern States as the regions where the credit institutions are the weakest;

(b) if so, whether the Government has received the recommendations of the committee; and

(c) if so, the steps the Government proposes to take to implement the suggestions made in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The map prepared by the Advisory Committee on Flow of Credit to Agriculture and the Related Activities from the Banking System (Vyas Committee) has identified parts of Orissa, Madhya Pradesh, Rajasthan, Chattisgarh, Jharkhand, Bihar, Jammu and Kashmir, West Bengal and the North East as areas where both Regional Rural Banks (RRBs) and Cooperatives are comparatively weak. A Task Force under the Chairmanship of Prof. A Vaidyanathan has been constituted by the Government to recommend an implementable action plan for reviving and strengthening the rural cooperative banking institutions and to suggest an appropriate regulatory frame work. The report of the task Force is expected to be submitted by 31st December, 2004. As regards, Regional Rural Banks (RRBs), the Government has informed the sponsored banks that they will be held solely accountable for the performance of the RRBs sponsored by them. RRBs that adopt a new governance standard and that abide by the prudential regulations will qualify for receiving funds from the Government for their restructuring.

#### Academic Institution for Law in Trivandrum

2767. SHRI VARKALA RADHAKRISHNAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government propose to start higher academic institution for law and legal affairs at Trivandrum;

(b) if so, the details thereof; and

(c) the steps taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (c) No Sir, there is no proposal to start any higher academic institution for law and legal affairs at Trivandrum by the Government.

*[Translation]*

#### Settlement of Insurance Claims

2768. SHRI M. ANJAN KUMAR YADAV:  
SHRI RAM KRIPAL YADAV:

Will the Minister of FINANCE be pleased to state:

(a) the vehicle insurance claims settled during the last three years, State-wise;

(b) the number of officers found guilty under conduct, discipline and appeal (CDA) rules of the insurance industry;

(c) the number of officers out of them who have been suspended and those who are still in service; and

(d) the number of defaulting officers during the said period, year-wise?

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

*[English]*

#### Advocates of Andaman & Nicobar Islands

2769. SHRI MANORANJAN BHAKTA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government are aware that Advocates of Bar Association of Andaman & Nicobar Islands are not considered for selection/employment as judges of High Court of Kolkata;

(b) if so, whether the Government has received any representation from Advocates of Andaman & Nicobar Islands showing dejection and disappointment over selection procedure of judges;

(c) if so, the action the Government is intending to take in this regard; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (d) Government has received a copy of the representation from Andaman and Nicobar Islands Bar Association addressed to Chief Justice of India stating that the Advocates from Andaman and Nicobar are not being considered for appointment as judges of the Calcutta High Court. However, pursuant to the Supreme Court Judgment of October 6, 1993 read with their Advisory Opinion of October 28, 1998, the process of initiation of proposal for appointment of Judges of a High Court lies with the Chief Justice of that High Court.

### Customer Credit Credibility

2770. SHRIMATI MANORAMA MADHAVRAJ: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India proposes to bring in a legislation to empower banks and finance companies to share customer credit histories without their consent;

(b) whether Credit Information Bureau of India (CIBIL) is already engaged in the sale of data on customer credit histories;

(c) if so, the details thereof;

(d) whether CIBIL's enumeration process/database make any allowance for legitimate disputes arising out of bad service and, wrong billings by finance/credit card companies; and

(e) if so, the plans of RBI to protect the interest and privacy of bank customers and credit card holders?

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

(b) and (c) Credit Information Bureau of India Ltd. (CIBIL) has launched its Consumer Bureau and it is engaged in furnishing reports on customer credit histories with reference to credit facilities in the name of individuals only. In the first half of 2005, CIBIL proposes to launch its Commercial Bureau, which will be engaged in furnishing reports on credit facilities in the names of non-individuals.

(d) and (e) CIBIL receives data on borrowers from a large number of credit institutions of various categories. It is for the institutions furnishing data to take care of this aspect. Credit Information Companies (Regulation) Bill, 2004 introduced in the Rajya Sabha on 6th December, 2004 seeks to protect the interests and privacy of bank customers and credit card holders.

*[Translation]*

### Condition of Katihar Jute Mills

2771. SHRI NIKHIL KUMAR CHOUDHARY: Will the Minister of TEXTILES be pleased to state:

(a) whether the condition of the Katihar jute mill is continuously deteriorating due to the irregularities committed by the management groups;

(b) whether management has been indulging in disbursing the money of provident funds and other funds of the Katihar jute mill among the other jute mills;

(c) the concrete steps being taken by the Government to curb such irregularities and to rehabilitate the Katihar jute mills; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELIA): (a) The Katihar Jute Mill, located at Katihar, Bihar is a private jute mill. The Mill was closed from 26.12.1987 till 11.04.2002. It started production again from 01.07.2002 on lease agreement basis with another private concern. From time to time, the Jute Commissioner is issuing Production Control Orders in the name of Katihar Jute Mills and there is hardly any default in that respect by the said Mill.

(b) As per information furnished by the Provident Fund authorities, the Katihar Jute Mills has an outstanding of Rs. 17.7 lakhs on account of Provident Fund dues.

(c) and (d) The Provident Fund authorities are adequately empowered under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 to deal with the defaults on account of provident fund dues. As per existing statutory provisions, cases of sick units are referred to the Bureau of Industrial & Financial Reconstruction (BIFR) to examine their rehabilitation and revival. Thereafter, the revival schemes of the units are prepared/examined by the Operating Agency appointed by BIFR which is normally a financial institution. On receipt of the scheme, BIFR decides the cases or rehabilitation of the individual units.

*[English]*

### Committee for RRB Staff

2772. SHRI BASU DEB ACHARIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Education Committee appointed by Government for the Regional Rural Bank staff after Tribunal Award recommended for exemption of RRBs from the purview of Employees Provident Fund Act, 1952;

(b) whether it is a fact that Government in its order dated 22.2.91 stated that Government has accepted the report of Equation Committee in full;

(c) whether National Industrial Tribunal Award for RRB staff 1990 stated that the "Salary Structure" includes "superannuation benefit" under Section 17 of RRB Act;

(d) whether Hon'ble Supreme Court in its judgment dated March 31, 2002 directed the Government to extend parity of wage structure to RRB staff irrespective of profit & loss of the respective RRBs;

(e) whether introduction and revision of superannuation benefit including pension is not a part of the wage settlement for the public sector bank staff from 1.11.92; and

(f) if so, the reasons for not issuing any order for "parity of superannuation benefit" in the RRBs like PSBs?

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.

#### **Expert Committee on Technical Textiles**

2773. SHRI CHANDRA BHUSHAN SINGH:  
SHRI RAYAPATI SAMBASIVA RAO:  
DR. P.P. KOYA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the expert Committee on technical textile has submitted its report to the Government;

(b) whether at present the market for technical textile is about Rs. 20,000 crores and by 2010 this was expected to go up to Rs. 44,000 crores;

(c) the other recommendations made by the expert Committee;

(d) if so, the suggestions made have been agreed and implemented; and

(e) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir.

(b) As per the ECTT Report, the market size of technical textiles is expected to go from about Rs. 19.130 crore in 2003-04 to Rs. 29,579 crore by 2007-08.

(c) The Committee has suggested Five Year Action Plan for promotion of technical textiles. The major

recommendations made by the expert committee are as under:-

- The Committee has short-listed Phased programme for development of identified of twenty-five products/product groups such as geotextiles, sports footwear, fire retardant, health related textiles, automobile textiles, fabrics, computer ribbon, filters etc.
- Setting up the Inter-ministerial Committee to co-ordinate the implementation of Action Plan recommended by ECTT.
- Setting up of centres of excellence.
- Creation of Facilities for testing and evaluation of technical textiles as a Centre of excellence.
- Development of Resource Centre with I.T.I. Infrastructure.
- To create facilities for indigenous development, facilities for training of core personnel, regular training of personnel, creating awareness, designation of centres of excellence.

A Steering Committee for Development and Growth of Technical Textiles (SCDGTT) is to be set up to monitor and review the growth of the technical textiles industry and also activities of centres of excellence.

(d) and (e) The Committee has made limited and focused recommendations which are essential for promoting the growth of the industry in the country. The recommendations are being examined by the Government.

*[Translation]*

#### **Lok Ayukta for Banks**

2774. SHRI KASHIRAM RANA:  
SHRI MANSUKHBHAI D. VASAVA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has appointed Lokayukta for the redressal of customers' grievances of the banks;

(b) if so, the number of cases pending before the Lokayukta and the number of cases already disposed of;

(c) the number of cases adjudicated against the banks and the action taken in this regard; and

(d) the follow-up action taken in the cases adjudicated by the Lokayukta during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Reserve Bank of India (RBI) have not appointed Lok Ayukta for the redressal of customers' grievances of the banks. However, RBI have established only Banking Ombudsman Offices (called 'Banking Lokpal' in Hind) under the Banking Ombudsman Scheme 2002 in 15 centres all over India for the purpose of redressal of banking customer complaints.

(b) As on 31st March, 2004, the number of cases pending by the Banking Ombudsman Offices is 1474 and number of cases disposed of (including rejected complaints) is 8009.

(c) Under the banking Ombudsman Scheme, Ombudsman has no power to adjudicate against the banks.

(d) Does not arise.

*[English]*

**Indian Currency not Acceptable at  
Duty Free Shops**

2775. SHRI NAVEEN JINDAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Indian currency is not accepted at duty free shops set up at airports from the visitors coming to India or going abroad;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to issue instructions to these duty free shops to accept Indian currency in these duty free shops?

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

(b) As per Reserve Bank of India's instructions, Indian currency is not allowed for use beyond the immigration and customs area. This is with a view to prevent the possible illegal export of Indian currency.

(c) Nil, in view of the reply at (b) above.

**Rubber Procurement**

2776. SHRI B. VINOD KUMAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government are aware that the price of rubber including natural rubber, coffee, cardamom and coconut etc. are falling day by day;

(b) whether the rubber farmers are facing serious crisis due to falling price of rubber;

(c) the total quantum of these items available in the market, separately;

(d) whether the Government have taken any steps to procure said items from the market; and

(e) if so, the name of agencies authorised and quantum of these items collected so far?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) While there has been a decline in the prices of cardamom, the domestic prices of natural rubber and coconut have been higher than the previous year. The domestic prices of coffee have also improved in the current year.

(b) No, sir.

(c) The estimated domestic production of natural rubber, coffee, cardamom and coconut during 2004-05 is given below :

Year	Natural Rubber	Coffee	Cardamom	Coconut
2004-05	7,62,000 MT	2,92,400 MT	11,385 MT	13,037 Million Nuts

(All the figures are provisional).

As these commodities are privately marketed, the exact quantity of these items in the market is not available.

(d) No, sir.

(e) Does not arise.

**Coir Research and Management Institute**

2777. SHRI C.K. CHANDRAPPAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there was a proposal to establish a Coir Research and Management Institute in Kerala under ICAR



with a view to strengthen the R&D activities in this sector;

(b) whether Government of India intends to establish an independent Coir Research and Management Institute under ICAR to do Collaborative Researcher Project with Central Coir Research Institute (CCRI); and

(c) if so, the details thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes, Sir. There was a proposal from the Government of Kerala to establish a Coir Research and Management Institute in Kerala with a view to strengthen the R & D activities in this sector.

(b) and (c) Since two established research institutes viz. Central Coir Research Institute at Kalavoor (Alleppey) and Central Institute of Coir Technology at Bangalore are already carrying out fundamental and technological R & D activities covering different facets of the industry right from the extraction of the fibre to the finishing operations of coir products, there does not appear to be any need to set up another research institute for the same purpose.

#### **Metal Box**

2778. SHRI MAHBOOB ZAHEDI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether two units of Metal Box were closed 17 years back;

(b) whether crores of rupees misappropriated and deprived work-man of due payment;

(c) whether its immovable assets were sold out by the management, particularly when its units was under consideration of BIFR;

(d) if so, the details thereof;

(e) whether any report on the misuse of funds have been brought by the audit; and

(f) if so, action taken thereupon and result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) The Metal Box India was registered in 1933 in the State of West Bengal. It had set up 9 production units 2 at Kolkata, 3 in Maharashtra, one

each at Madras, Bangalore, Cochin and Faridabad. The company's accumulated losses exceeded over the company's networth of Rs. 22.16 crores and the case of the company was referred to Board of Industrial and Financial Reconstruction (BIFR). The company was registered as sick company by BIFR under the provisions of the Sick Industrial Companies (Special Provision) Act, 1985 during the year 1988, and it was declared sick company on 27.5.88. Industrial Credit & Investment Corporation of India (ICICI) was appointed as the Operating Agency.

(b) No report of misappropriation of crores of Rupees and deprival of workers due payment has been received either from the Monitoring Agency or Special Director.

(c) and (d) The sale of Worli assets etc. is in accordance with the terms of scheme sanctioned by Appellate Authority for Industrial and Financial Reconstruction (AAIFR). The company has submitted to the BIFR that against the reserve price of Rs. 43.4 crores, a sale consideration of Rs. 45.41 crores was received from the Worli property of the company which was deposited in the Escrow Account. Plant & equipment was finalized at Rs. 47.5 lakhs, partly demolished structures at Rs. 20 lakhs and disposed of 4 flats at Mitha Towers-Mumbai @ s. 14.55 lakhs (2 flats) and one each @ Rs. 13.10 lakhs & 13.75 lakhs as against their respective reserve prices of Rs. 12.5 lakhs, Rs. 11 lakhs and Rs. 11.5 lakhs respectively.

(e) and (f) BIFR has not received any audit report on misuse of funds.

#### **Co-operative banks in Karnataka**

2779. SHRI R.L. JALAPPA: Will the Minister of FINANCE be pleased to state:

(a) the number of District Central Co-operative banks in Karnataka of which the number of banks are eligible to draw money from NABARD and lend it to farmers;

(b) the number of such banks fraud, misutilisation, misappropriation of funds are reported; and

(c) the action the Government and the NABARD have taken on such erring Co-operative Banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Out of 21 District Central Co-operative Banks (DCCBs) functioning in the State of Karnataka 17 DCCBs are eligible to draw

short term/medium term and long term refinance from NABARD against their lending to farmers.

(b) and (c) Instances of frauds and misappropriation have been reported in respect of 19 DCCBs in Karnataka. As many as 136 fraud cases involving Rs. 978.08 lakh were pending as on 30th September, 2004. As per State Co-operative Act, the Registrar of Cooperative Societies is authorized to initiate action against the cooperative banks and the cases of frauds reported by DCCBs have been/are forwarded to Registrar of Cooperative Societies, Govt. of Karnataka accordingly with the advise to initiate necessary action. Further, DCCBs were also advised through inspection reports and follow up letters for necessary compliance in this regard. Besides, the banks have been advised to take effective steps to avoid recurrence of such frauds, misappropriation etc. in future.

#### **Industrial Development in North East Region**

2780. SHRI ANWAR HUSSAIN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of projects and industrial units set up in Assam and North-Eastern States during the last six years; and

(b) whether the Government propose to set up projects and industrial units in Assam and N.E. region for speedy development of Region?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) and (b) Setting up of projects and industrial units in a State is primarily the responsibility of the State Government and the Central Government only supplements their efforts for the development of industries.

The Government has announced a new North-East Industrial Policy (NEIP) and other concessions for promoting industrialization in the North-Eastern Region including the State of Assam, on 24th December, 1997. Under the NEIP, 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.

During the last six years, 521 projects and industrial units have been set up in Assam and North Eastern

States leading to investment of about Rs. 1067 crores and employment generation of about 20,000 persons.

*[Translation]*

#### **Gujarat Urban Reforms Project**

2781. SHRI BHARATSINH MADHAVSINH SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) whether Gujarat Urban Reform Project involving a cost of Rs. 150 million had been recommended to the World Bank;

(b) if so, the progress made in this regard so far; and

(c) the action taken to expedite the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. The project was posed to the World Bank for assistance during March '99. However, the World Bank's assistance for the project did not materialise.

(c) The World Bank has again been requested to provide assistance to the State under their Project Preparation Facility.

*[English]*

#### **Delimitation of Assembly Segments**

2782. SHRIMATI MANEKA GANDHI: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Delimitation of Lok Sabha Parliamentary segments and Vidhan Sabha Assembly segments have been undertaken in Uttar Pradesh; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) and (b) Yes, Sir. The Delimitation Commission has informed that the delimitation work in respect of the State of Uttar Pradesh has already been undertaken. The Commission is in the process of preparing a working paper for discussion with the Associate Members on the basis of the demographic figures and other field data relating to the administrative units at all levels in the State as collected by the Commission.

**Linking of Border Custom Points at  
Indo-Nepal Border**

2783. SHRI SUKDEO PASWAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the development plans contemplated for linking border custom points of Biratnagar Jogbani and Birganj-Raxaul at Indo-Nepal Border by the Government of India;

(b) if so, whether Department of Commerce is intending to establish any Truck Terminal at Jogbani & Raxaul at Indo-Nepal Border; 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) Integrated check posts at Jogbani (India)-Biratnagar (Nepal), Raxaul (India)-Birgunj (Nepal), Sunauli (India)-Bairahawa (Nepal) and Rupaiddiha (India)-Nepalgunj (Nepal) are proposed to be developed along India-Nepal border. In this context, Government of India have engaged the services of M/s. RITES to prepare Detailed Project Report. In consultation with His Majesty's Government of Nepal (HMGN), M/s. RITES have commenced studies. A memorandum of understanding between Government of India and HMGN is also under negotiation.

(b) and (c) No such proposal is under consideration.

*[Translation]*

**Classification into Poor & Very Poor**

2784. SHRI ILYAS AZMI:  
SHRI BIR SINGH MAHATO:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has categorized the people in 'Poor' and 'Very Poor' categories;

(b) if so, the criteria thereof;

(c) the number of people placed in these categories, State-wise; and

(d) the purposes of such categorization is supposed to fulfil?

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) Government has not categorized the people into 'poor' and 'very poor'. The existing guidelines issued by the Ministry of Rural Development require the States & UTs to identify the poor households in the rural areas who could be provided assistance under the rural development programmes of the Ministry. The poor people in the rural areas are identified through BPL Census carried out by the State Governments and UT Administrations for which the Ministry provides financial and technical assistance. The list of Below Poverty Line (BPL) families in the rural areas on the basis of BPL Census, 2002 has not been finalized because of the direction of the Hon'ble Supreme Court in this regard. A statement indicating State-wise number of rural poor families as identified on the basis of BPL Census, 1997 is enclosed.

*Statement*

*Results of the BPL Census-1997*

Sl.No.	State/UT	No. of BPL Rural Families	% of BPL Families
1	2	3	4
1.	Andhra Pradesh	4184628	39.91
2.	Arunachal Pradesh	80627	78.39
3.	Assam	2184416	60.00
4.	Bihar	9399281	49.64
5.	Goa	23101	17.01
6.	Gujarat	1980879	35.45
7.	Haryana	503019	24.25
8.	Himachal Pradesh	286112	27.59
9.	Jammu and Kashmir	606545	57.92
10.	Karnataka	2202756	33.99
11.	Kerala	1723556	36.56
12.	Madhya Pradesh	5111874	43.87
13.	Maharashtra	3860675	35.07
14.	Manipur	246980	67.54

1	2	3	4
15.	Meghalaya	156646	55.48
16.	Mizoram	74154	67.07
17.	Nagaland <sup>ss</sup>	88541	60.39
18.	Orissa <sup>ss</sup>	4445736	65.47
19.	Punjab	650209	27.90
20.	Rajasthan	2097560	30.99
21.	Sikkim	NR	NR
22.	Tamil Nadu	2737921	29.16
23.	Tripura	397798	66.81
24.	Uttar Pradesh	7541494	36.91
25.	West Bengal	4918296	44.40
26.	Andaman and Nicobar Islands	6421	21.25
27.	Dadra and Nagar Haveli	17231	65.67
28.	Daman and Diu	395	3.68
29.	Lakshadweep	885	10.26
30.	Pondicherry	63262	47.37
Total		55570998	41.05

Source: Ministry of Rural Development.

NR—Not Reported.

\*—Provisional.

\$\$—Rural Households.

*[English]*

### Agro-Export Zones

2785. SHRI PRABODH PANDA :  
SHRI LAKSHMAN SINGH:

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

(a) the number of Agro Export Zones set up in different parts of the country;

(b) whether there is any proposal before Government for setting up of more Agro Export Zones during the current financial year;

(c) if so, the details thereof;

(d) whether there has been increase in exports as a results of establishment of Agro Export Zones; and

(e) if so, the details thereof including the names and volumes of increase in exports?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) 60 Agri Export Zones (AEZs) for different products have been sanctioned in 20 different States.

(b) and (c) Government has received a further 26 different proposals for setting up AEZs in 15 various States.

(d) and (e) Yes, Sir. The AEZs have so far resulted in cumulative export of Rs. 2107.00 crore over the last three years.

### Interest on Post Office Recurring Deposit

2786. SHRI P. MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware of the fact that Postal Department allows just 7.5% interest for the amount deposited in Post Office Recurring Deposit Account and collects 15% interest for the withdrawal therefrom, if any, by the Depositors;

(b) if so, the steps being taken by the Government for bringing the interest rates at par;

(c) if not, whether there is a proposal for the upward revision of interest on PORD; and

(d) if so, the details thereof?

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

(b) to (d) The matter is under consideration of the Government.

*[Translation]***Improvement in Credit System**

2787. SHRI NARENDRA KUMAR KUSHAWAHA:  
 PROF. MAHADEORAO SHIWANKAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Associated Chambers of Commerce and Industry (ASSOCHAM) has stated in its study report that there has been no improvement in the credit system of the banks in the rural areas;

(b) the total percentage of loans in the rural and semi-urban areas in the year 2003-04 as compared to the previous year;

(c) whether the reduction in the ratio of the deposit in the banks of the rural areas has also been registered;

(d) if so, the reasons therefor; and

(e) the measures being taken by the Government to speed up the flow of credit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Reserve Bank of India (RBI) and NABARD have informed that they have no information about the study report of the Associated Chambers of Commerce and Industry (ASSOCHAM) on the subject. The percentage of outstanding credit of the Scheduled Commercial Banks (SCBs) including, the Regional Rural Banks (RRBs) in respect of their rural and semi-urban branches, formed 21% and 20.9% of their total outstanding credit during the years ending March, 2002-03 & 2003-04, respectively. The credit deposit ratio of rural branches of SCBs including the RRBs increased from 42.42% as on March 31, 2003 to 43.69% as on March 31, 2004 respectively.

(d) Does not arise.

(e) The Union Finance Minister had announced a broad outline of programmes on June 18, 2004 for doubling the flow of credit to agriculture in three years. The Government has proposed to step up the agricultural credit from all lending institutions, estimated at Rs. 80,000 crores during 2003-04, to around Rs. 1,05,000 crores during 2004-05 (increase by 30%)

- Consequently, banks have been advised on June 24, 2004 to reschedule/restructure the debts as

on March 31, 2004 of farmers, who have suffered production and income losses on account of successive natural calamities, i.e. drought, flood or other calamities which might have occurred in the districts for two or more successive years during the past five years, provided the State Government concerned has declared such districts as calamity affected.

- As regards the crop loans and agricultural term loans which have already been restructured on account of natural calamities as per the standing guidelines, as also, the agricultural term loans only the overdue instalments including interest thereon, as on March 31, 2004, may be taken into account for the proposed restructuring.
- The banks have also been advised to formulate guidelines, with the approval of their Boards of Directors, on one time settlement of debt of small and marginal farmers, who have been declared as defaulters till June 24, 2004 and have become ineligible for fresh credit.
- Further, banks were also advised to review all cases of small and marginal farmers where credit has been denied on the sole ground that a loan account was earlier settled through compromise or write-offs.
- Also, in order to mitigate the acute distress that farmers might be facing due to the heavy burden of debt from non-institutional lenders (e.g. Money lenders) and to provide them relief from such indebtedness, banks have been advised, subject to the guidelines to be approved by their Boards of Directors, to advance loans to such farmers against appropriate collateral or group security.

*[English]***Women Reservation**

2788. SHRIMATI MINATI SEN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government proposes to re-introduce the Women's Reservation Bill for providing 33% seats for women in Lok Sabha and State Assemblies; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) and (b) Yes, Sir. The National Common Minimum Programme of the United Progressive Alliance provides that the Government will take the lead to introduce legislation for one-third reservation for women in Legislative Assemblies of the States and in the House of the People. The said proposal is under consideration of the Government.

[Translation]

#### Cement Industry

2789. SHRI RAMDAS ATHAWALE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of big, medium and small cement units in the country especially in tribal, backward and rural areas as on date;

(b) the State-wise/plant-wise details of cement produced during the last three years till date, separately;

(c) the plant-wise total number of people working in these plants, State-wise;

(d) whether any proposal to set up cement plant is under consideration of the Government; and

(e) if so, the details thereof and latest status thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Information only in respect of big cement plants falling in the organised sector is maintained centrally and no information is maintained in respect of medium and small scale cement units falling in the unorganised sector. Number of big cement plants in each State is given in enclosed statement-I.

(b) and (c) State-wise production of cement by big plants during the last three years is given in the enclosed Statement-II. In addition to the production by big plants, medium and small scale units, as a rough estimate, produced about 5 to 6 million tonnes of cement per year. The information regarding plant-wise total number of workers is not maintained centrally.

(d) and (e) Cement is a delicensed industry where new plants are set up by private entrepreneurs themselves and the Government does not have any proposal to set up new plants.

#### Statement-I

S.No.	State	No. of Plants	Capacity (million tonnes)
1.	Andhra Pradesh	21	21.43
2.	Rajasthan	14	18.52
3.	Madhya Pradesh	10	17.69
4.	Gujarat	11	17.58
5.	Tamil Nadu	13	14.56
6.	Maharashtra	8	11.80
7.	Chhattisgarh	9	10.82
8.	Karnataka	8	10.09
9.	Uttar Pradesh	8	7.31
10.	Jharkhand	5	4.57
11.	Punjab	3	4.20
12.	Himachal Pradesh	3	4.06
13.	West Bengal	4	3.13
14.	Orissa	3	3.04
15.	Bihar	1	1.00
16.	Kerala	2	0.62
17.	Delhi	1	0.50
18.	Jammu and Kashmir	1	0.20
19.	Assam	1	0.20
20.	Meghalaya	1	0.20
21.	Haryana	1	0.17
Total		128	151.59

**Statement-II**

Production (In lakh tonnes)

S.No.	Region/State	2001-02	2002-03	2003-04
<b>Northern Region</b>				
1.	Haryana			
2.	Punjab	19.03	29.47	33.31
3.	Rajasthan	160.05	172.81	177.81
4.	Himachal Pradesh	38.98	37.96	39.93
5.	Delhi	0	0	
6.	Jammu and Kashmir	1.36	1.14	1.19
	<b>Northern Region - Total</b>	<b>219.42</b>	<b>241.38</b>	<b>252.24</b>
<b>Eastern Region</b>				
7.	Assam	1.33	1.42	1.19
8.	Meghalaya	1.06	1.04	0.99
9.	Bihar	6.25	5.62	3.39
10.	Jharkhand	30.09	36.37	35.88
11.	Orissa	24.33	26.12	24.83
12.	West Bengal	17.4	25.2	27.44
13.	Chhattisgarh	86.26	71.27	72.98
	<b>Eastern Region -Total</b>	<b>166.72</b>	<b>167.04</b>	<b>166.70</b>
<b>Southern Region</b>				
14.	Andhra Pradesh	134.12	132.48	140.37
15.	Tamil Nadu	93.08	116.66	122.91
16.	Karnataka	67.64	80.92	92.77
17.	Kerala	3.94	4.10	5.28
	<b>Southern Region - Total</b>	<b>298.78</b>	<b>334.16</b>	<b>361.33</b>
<b>Western Region</b>				
18.	Gujarat	105.45	100.84	103.70
19.	Maharashtra	66.84	91.88	106.31
	<b>Western Region - Total</b>	<b>172.29</b>	<b>192.72</b>	<b>210.01</b>
<b>Central Region</b>				
20.	Uttar Pradesh	18.27	24.27	34.58
21.	Madhya Pradesh	148.53	153.92	150.18
	<b>Central Region - Total</b>	<b>166.80</b>	<b>178.19</b>	<b>184.76</b>
<b>Grand Total</b>		<b>1024.01</b>	<b>1113.49</b>	<b>1175.04</b>

*[English]***Development of Gem Industry**

2790. SHRI BIKRAM KESHARI DEO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government of India has devised a plan programme for the development of the Gem-stone and semi precious stone industry in Orissa during the current financial year;

(b) whether Government is aware that India gets maximum foreign exchange in the business of precious and semi precious stones; and

(c) if so, whether Government will recognise Orissa for the development, processing and export of processed Gems?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) It is the continuous endeavour of the Government of India to promote the development of gem stones and semi precious stones industry in all the States of India, including Orissa. During the last financial year 2003-04, exports of Gem and Jewellery including the precious and semi precious stones has been US \$ 10711.90 million accounting for about 17% of our total exports. There is no specific scheme of recognition of individual States for the development, processing and export of processed gems.

*[Translation]***Fast Track Courts in Bihar**

2791. SHRI SUSHIL KUMAR MODI: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government has decided to wind up 162 fast track courts being run in Bihar;

(b) whether the fast track courts were established for quick disposal of more than 12 lakh cases pending with lower courts and Rs. 250 crore were allocated to the Government of Bihar;

(c) the option adopted by the Government for the disposal of these pending cases alongwith the details thereof; and

(d) the target fixed by the Government for the disposal of these cases alongwith method to be adopted in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) No, Sir. The Department of Justice has taken up with the 12th Finance Commission for the continuation of existing fast track courts.

(b) The fast track courts were established for the purpose of disposing of the long pending cases in the district and subordinate courts. An amount of Rs. 5296.00 lakhs was allocated by the 11th Finance Commission for setting up of 183 fast track courts in Bihar.

(c) and (d) It is the combined responsibility of the State Governments and the concerned High Courts to set up fast track courts. As per information available with this Department, so far 112 fast track courts have been made functional in Bihar. These courts have disposed of 12,631 cases out of 38,885 cases transferred to them.

**Schemes for Handloom and Handicraft Sector**

2792. SHRI BIR SINGH MAHATO:  
SHRI ILYAS AZMI:

Will the Minister of TEXTILES be pleased to state:

(a) whether the benefits of Government programmes/schemes are not reaching the Handicraft and Handloom artisans and weavers due to prevalent irregularities in the implementation of the programmes;

(b) if so, the details thereof; and

(c) the steps taken by the Government to check the irregularities in handloom and handicraft sector?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) No, Sir.

(b) Does not arise.

(c) The steps taken by the Government to check irregularities in handloom and handicraft sectors include; periodic monitoring of developmental schemes/programmes through visits by Officers of Central Government/Officers of field offices, monitoring by State level monitoring/implementation Committees, field inspections, prompt redressal of grievances through constant interaction with State Governments and blacklisting of defaulting NGOs etc.

**Setting up of Industry in M.P.**

2793. SHRI CHANDRABHAN SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:



(a) whether any proposal is pending before the Government of India for industrialization, trade-promotion, setting up of large, medium and small scale industries and ancillary industrial units for the overall economic development of Madhya Pradesh; and

(b) if so, the time by when the work is likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) Under the liberalized industrial policies, setting up of industries depends upon the commercial judgement of the entrepreneurs which, in turn, is also based on the initiatives taken by the State Governments by way of providing basic infrastructural 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 Package for States. During the period August, 1991 to October, 2004, a total of 2110 Industrial Entrepreneur Memoranda (IEMs) have been filed and 141 Letters of Intent (LOIs)/Direct Industrial Licences (DILs) have been issued with a proposed investment of Rs. 48520 crore in Madhya Pradesh.

[English]

### Mobilisation of Deposits

2794. SHRI SUGRIB SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether there is a wide gap between the deposit and credit in the public sector banks in the country during the last three years;

(b) if so, the details thereof, bank-wise and State-wise;

(c) the reasons for this wide gap; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The credit-deposit ratio of public sector banks in the country is given in the enclosed Statement.

(c) The CD-ratio varies from State to State due to difference in credit absorption capacities of each State.

(d) The Government have recently appointed an Expert Group to examine the nature and magnitude of the problem of low CD-ratio, across States/regions and to suggest steps to overcome the problem.

### Statement

#### *State-wise Credit-Deposit Ratio of Public Sector Banks*

(Percent)

State Name	As on March 31st		
	2002	2003	2004
1	2	3	4
Andaman & Nicobar Islands	18.61	20.95	23.70
Andhra Pradesh	64.14	65.01	67.41
Arunachal Pradesh	11.74	13.82	14.84
Assam	32.07	28.44	30.36
Bihar	21.38	23.40	25.24
Chandigarh	134.31	131.36	117.59
Chhattisgarh	49.07	41.29	42.72

1	2	3	4
Dadra and Nagar Haveli	17.25	17.46	17.23
Daman and Diu	9.81	9.01	10.25
Delhi	94.08	69.32	62.62
Goa	24.85	22.88	21.67
Gujarat	43.19	42.73	41.87
Haryana	45.89	48.12	53.58
Himachal Pradesh	23.00	24.93	30.29
Jammu and Kashmir	20.88	21.10	22.06
Jharkhand	24.16	25.99	26.07
Karnataka	63.74	67.30	68.84
Kerala	42.17	43.73	48.34
Lakshadweep	8.36	5.11	7.55
Madhya Pradesh	47.70	48.35	48.38
Maharashtra	92.68	88.82	74.63
Manipur	24.47	26.92	28.04
Meghalaya	17.82	29.73	38.55
Mizoram	24.36	25.11	37.73
Nagaland	12.90	13.25	17.47
Orissa	41.73	45.90	54.84
Pondicherry	30.11	31.41	34.08
Punjab	43.31	42.81	44.15
Rajasthan	51.20	54.12	61.47
Sikkim	16.02	17.32	22.21
Tamil Nadu	77.72	80.45	83.09
Tripura	19.58	23.07	22.46
Uttar Pradesh	29.90	30.83	33.70
Uttaranchal	22.86	18.45	19.84
West Bengal	46.83	48.20	49.70
All India	58.51	56.38	55.63

*[Translation]***Payment of Arrears to Workers**2795. SHRIMATI SUMITRA MAHAJAN:  
SHRI THAWAR CHAND GEHLOT:

Will the Minister of TEXTILES be pleased to state:

(a) the amount of arrears of the workers of closed textile mills;

(b) the reasons for non-payment of arrears;

(c) the present market value of assets of closed textile mills;

(d) whether the Government proposes to sell the assets of closed textile mills for commercial use; and

(e) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) There are no arrears payable to workers of closed textile mills of National Textile Corporation.

(b) Does not arise.

(c) to (e) Present market value of the assets of closed mills is approximately Rs. 2,300 crore. As per Rehabilitation Scheme approved by BIFR, these assets are to be disposed to mobilize resources for rehabilitation scheme of NTC. The details are given in the enclosed statement.

**Statement***National Textile Corporation Ltd,**List of 65 unviable closed Mills with Land Area & Value*

S.No.	Name of the Mill	Mills Location	Area (Acres)	Value (Rs. crs.)
1	2	3	4	5
<b>I. NTC (APKK&amp;M) Ltd. a. Andhra Pradesh</b>				
1.	Azam Jahi Mills	Warangal	200.25	53.05
2.	Natraj Spinning Mills	Adilabad	70.00	5.50
3.	Adoni Cotton Mills	Adoni	7.15	1.04
4.	Netha Spinning Mills	Secunderabad	10.84	32.95
<b>b. Karnataka</b>				
5.	M.S.K. Mills	Gullbarta	205.32	3.58
6.	Mysore Spg. & Mfg. Mills	Bangalore	25.66	12.37
<b>II. NTC (DP&amp;R) Ltd. Rajasthan</b>				
7.	Edward Mills	Beawar	18.28	6.81
<b>Punjab</b>				
8.	Dayal Bagh Spg & Wvg Mills	Amritsar	9.84	19.05
9.	Panipat Woollen Mills	Kharar	20.29	9.51
<b>III. NTC (Gujarat) Ltd. Gujarat</b>				
10.	Ahmedabad Jupiter Tex. Mills	Ahmedabad	22.44	32.23
11.	Jehangir Textile Mills	Ahmedabad	16.30	26.39
12.	Mahalaxmi Tex. Mills	Bhavnagar	16.32	12.55

1	2	3	4	5
13.	New Manek Chowk Tex. Mill	Ahmedabad	8.99	18.18
14.	Pettad Tex. Mills	Pettad	29.28	7.11
15.	Rajkot Tex. Mills	Rajkot	8.72	35.30
16.	Viramgam Tex. Mills	Viramgam	50.91	1.55
17.	Raj Nagar II	Ahmedabad	12.11	20.55
18.	Himadari Textile Mills	Ahmedabad	7.22	8.77
<b>IV. NTC(M.N) Ltd. Maharashtra</b>				
19.	India United Mills No. 2	Mumbai	16.04	121.51
20.	India United Mills No. 3	Mumbai	5.40	40.91
21.	India United Mills No. 4	Mumbai	7.79	59.02
22.	Kohinoor Mills No. 2	Mumbai	10.48	150.60
23.	Kohinoor Mills No. 3	Mumbai	4.91	80.40
24.	Jam Mfg. Mills	Mumbai	7.99	66.57
25.	Model Mills	Nagpur	33.31	12.68
26.	R.S.R.G. Mills	Aloka	15.81	2.24
27.	Shri Sitaram Mills	Mumbai	8.43	40.93
28.	Vidharbha Mills	Achalpur	17.05	0.83
<b>V. NTC (S.M) Ltd. Maharashtra</b>				
29.	Bharat Textile Mills	Mumbai	8.37	73.21
30.	Digvijay Textile Mills	Mumbai	9.33	87.85
31.	Elphinstone Spg & Wvg Mills	Mumbai	8.91	80.85
32.	Jupiter Textile Mills	Mumbai	10.91	95.48
33.	Mumbai Textile Mills	Mumbai	23.83	151.86
34.	New Hind Textile Mills	Mumbai	8.33	97.51
35.	Podar Processors	Mumbai	2.39	20.89
36.	Shree Madhusudan Mills	Mumbai	8.05	157.91
<b>VI. N.T.C. (M.P.) Ltd. Madhya Pradesh</b>				
37.	Bengal Nagpur Cotton Mills	Rajnandgaon	52.10	12.71
38.	Hira Mills	Ujjain	69.20	45.75
39.	Indore Malwa United Mills	Indore	103.80	71.86

1	2	3	4	5
40.	Kalyan Mal Mills	Indore	33.57	20.16
41.	Swadeshi Textile Mills	Indore	15.32	13.76
VII. NTC (U.P.) Ltd. Uttar Pradesh				
42.	Atherton Mills	Kanpur	20.70	26.80
43.	Bijji Cotton Mills	Hathras	7.56	3.06
44.	Laxmirattan Cotton Mills	Kanpur	13.48	18.55
45.	Lord Krishna Tex. Mills	Saharanpur	24.70	9.62
46.	Muir Mills	Kanpur	37.28	79.52
47.	New Victoria Mills	Kanpur	29.67	66.03
48.	Rae Bareli Tax. Mills	Raebareli	30.43	12.31
49.	Shri Vikram Cotton Mills	Lucknow	8.14	12.52
50.	Swadeshi Cotton Mills	Kanpur	55.86	68.30
VIII. NTC (WBAB & O) Ltd. a. West Bengal				
51.	Bangasri Cotton Mills	Sonepore	29.08	25.30
52.	Bengal Fine S & W Mills No. II	Kataganj	19.44	5.44
53.	Mahindra B.T. Mills	Cossim Bazar	35.28	5.25
54.	Jyoti Wvg. Factory	Patipukur	4.29	11.57
55.	Central Cotton Mills	Belur	11.67	14.00
56.	Shree Mahalaxmi Cotton	Palta	11.24	13.49
57.	Bengal Fine S & W Mills No. 1	Konnagar	18.83	16.94
58.	Bengal Luxmi cotton Mills	Serampore	27.97	22.66
59.	Rampooria Cotton Mills	Rishra	30.60	14.69
b. Bihar				
60.	Gaya Cotton & Jute Mills	Gaya	32.77	5.20
IX. N.T.C. (TN & P) Ltd. Tamil Nadu				
61.	Balaramavarma Textile Mills	Shencottah	20.20	1.01
62.	Kishnaveni Textile Mills	Coimbatore	4.52	5.09
63.	Om Parasakthi Mills	Coimbatore	14.25	4.86
64.	Somasundaram Mills	Coimbatore	7.43	16.71
65.	Kaleeswarar Mills 'A' Unit	Coimbatore	16.05	36.36
Total			1732.69	2307.26

**Salt Export to China**

2796. SHRI SANTOSH GANGWAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that salt is being exported to China from India;

(b) if so, the details of export of salt during the current year; and

(c) the foreign exchange earned by the country through the export of salt?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) and (b) Yes, Sir. The details of export of salt to China during the current year (i.e. from January to November, 2004) are given as under:

Port	Quantity exported (In MT)
Kandla	659159
Porbandar	20900
Sikka	16674
Pipavav	33170
Rozy	7737
Navalakhhi	20751
<b>Total</b>	<b>758391</b>

(c) The foreign exchange earned through export of salt to China during the said period is about Rs. 35 crores.

**Reservation of OBCs in Banks/FIs**

2797. SHRI SUNIL KUMAR MAHATO:  
SHRI GIRIDHARI YADAV:  
SHRI KASHIRAM RANA:  
SHRI MANSUKHBHAI D. VASAVA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued guidelines to public sector banks/financial institutions of the country regarding filling up vacancies reserved for Other Backward Classes;

(b) if so, the details thereof;

(c) the number of vacancies filled against the aforesaid quota in these banks/financial institutions during the last two years as on October 31, 2004, category-wise; and

(d) the time by which the backlog is likely to be cleared alongwith the reasons for not adhering to these guidelines properly?

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

*[English]*

**Export of Textile Products**

2798. SHRI ADHALRAO PATIL SHIVAJIRAO:  
SHRI SURAJ SINGH:

Will the Minister of TEXTILES be pleased to state:

(a) whether the State-wise quota allocation is fixed in the export of textiles by the private textile company;

(b) if so, the details thereof;

(c) whether export from the States have not been done as per the respective quotas of some States by the private companies;

(d) the States who have incurred losses during the last three years and the reasons therefor;

(e) the steps being taken by the Government for awarding their share/quota to these States;

(f) whether Government has made certain changes in Duty Entitlement Pass Book Scheme Rates for the benefits of textile exporters;

(g) if so, the details thereof; and

(h) the extent to which Textile Exporters would be benefited thereafter?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (e) No, Sir. India's exports of textiles and clothing (including knitwear), which are subject to quantitative restraints in certain countries, are regulated by the Export Entitlement Policies formulated by the Government from time to time. As per these policies, the allocations are made to the exporters on all India basis.

(f) to (h) The Duty Entitlement Pass Book Scheme (DEPB) Credit Rates, has been recently reduced by 45% in respect of textile items.

#### **Merger of GTB**

2799. MAJ. GEN. (RETD.) B.C. KHANDURI: Will the Minister of FINANCE be pleased to state:

(a) whether the personnel serving in Global Trust Bank will continue to get the same emoluments as they were getting prior to the merger of the Bank with the Oriental Bank of Commerce (OBC);

(b) whether these emoluments are higher than those being given to the personnel of the OBC;

(c) if so, the justification for giving special treatment to a bank which was mismanaged and running in loss;

(d) whether the Government is aware of the discontentment in this regard amongst the personnel of OBC; and

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

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

(c) In terms of Scheme of Amalgamation sanctioned by Government, all the employees of the erstwhile Global Trust Bank shall continue in service and be deemed to have been appointed in the OBC at the same remuneration and on the same terms and conditions of service, as were applicable to such employees immediately before the close of business on the 24th July, 2004. In terms of the said Scheme, the OBC shall, not later than the expiry of the period of three years from the date on which the Scheme is sanctioned, pay or grant to the employees of the GTB whose services are continued in the OBC, the same remuneration and the same terms and conditions of service as are applicable to the employees of corresponding rank or status of OBC.

(e) Government has urged OBC to take immediate steps to reduce the time of transition from the stipulated three years.

#### **Foreign Aid Policy**

2800. SHRI IQBAL AHMED SARADGI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has reversed the existing foreign aid policy and has decided to accept bilateral development assistance from all-G-8 countries;

(b) if so, the main reasons for reversing the existing foreign aid policy;

(c) the details of the policy that is being considered and to what extent it will be different from the earlier one; and

(d) the manner in which this policy likely to be more beneficial to the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The Government of India has reviewed the existing policy of bilateral development co-operation to affirm the liberalization and reform orientation in India's economic policy. Bilateral development assistance will now be accepted from all G-8 countries, as well as from the European Commission, as against six development partners in the erstwhile policy, namely, Japan, United Kingdom, United States of America, Germany, Russian Federation and European Commission. Further such assistance will also be accepted now from non G-8 European Union Countries providing a minimum bilateral aid package of US \$ 25 million per annum to India. Other countries not covered by the above policy may continue providing bilateral aid directly to autonomous institutions, universities, NGOs, etc., as before. They may also provide development assistance through UN and multilateral organizations. The policy also entails a simplified procedure to facilitate the flow of bilateral assistance to non-governmental organizations and autonomous institutions.

#### **Indo-Latin American Meet**

2801. SHRI KAILASH MEGHWAL:  
SHRI K.S. RAO:

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

(a) whether the Indo-Latin American Countries meet was held recently;

(b) if so, the details thereof;

(c) the issues discussed and the expected outcome;

(d) whether India has earlier signed FTA with Latin American countries; and

(e) if so, benefits accrued to the country by this FTA?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Yes, Sir.

(b) and (c) Indo-Latin American Countries Meet was organized by the Engineering Export Promotion Council of India on November 26 and 27, 2004 in Delhi and Mumbai respectively. In all 38 delegates from 14 Latin American countries and 98 Indian companies participated at both the venues to have one-on-one discussions to explore business possibilities. During the Meet orders worth US \$ 1 million were booked on the spot and trade inquiries worth US \$ 15 million were generated which may result into real business in the near future.

(d) No, Sir. However, India has signed a Preferential Trade Agreement (PTA) with MERCOSUR (a trade bloc of four, Latin American countries, namely Argentina, Brazil, Paraguay and Uruguay) on January 25, 2004. The PTA will become operational after the Annexes to the PTA are finalized.

(e) Does not arise.

#### **Interest Subsidy to Textile Industry**

2802. SHRI BALASAHEB VIKHE PATIL:  
SHRI RAM CHANDRA PASWAN:  
SHRI DALPAT SINGH PARSTE:  
SHRI K.S. RAO:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government proposes to increase interest subsidy for the improvement of textile industry;

(b) if so, the reasons for increasing interest subsidy on textile industry;

(c) whether small scale textile industries will also be included in interest subsidy;

(d) if so, the details thereof;

(e) whether the Government has granted concessions to the upliftment of the textile industry; and

(f) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (f) Various representations received from the textile industry requesting enhancing the interest subsidy under the Technology Upgradation Fund Scheme, are being examined by the Government. The incentives under the scheme are also available to the Small Scale Industry.

*[Translation]*

#### **Private Insurance Companies**

2803. SHRI GANESH SINGH:  
SHRI JASHUBHAI DHANABHAI BARAD:  
SHRI SURESH CHANDEL:  
PROF. CHANDER KUMAR:

Will the Minister of FINANCE be pleased to state:

(a) the number of applications pending with the Government for setting up of private insurance companies as on date;

(b) the movable and immovable assets of the private companies in insurance sector;

(c) whether it is a fact that it is mandatory for all private life insurance companies in the country to set up branches in rural areas to meet rural obligation;

(d) if so, the details of the same;

(e) whether some private insurance companies have able to achieve these targets in this regard;

(f) if so, the action taken or proposed to be taken by the Union Government against the companies which could not meet their targets; and

(g) the manner in which the amount of insurance policy holder would get back money if the company vanished or insolvent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Insurance Regulatory and Development Authority (IRDA) have informed that there is no application pending with them for setting up of private insurance company.

(b) The details of movable and immovable assets of the private companies in insurance sector as on 31.03.2004 furnished by IRDA are given in the enclosed statement.



(c) and (d) It is not mandatory for life insurance companies to set up branches in rural areas to meet rural obligations. However, they are required to comply with the obligations for underwriting business in the rural areas and social sectors.

(e) and (f) One company in the non-life sector and two companies in life sector have not been able to meet the obligations in respect of rural and social sectors during

the financial year 2003-04. IRDA have asked these companies to furnish reasons for non-compliance and would take further action in the matter.

(g) The IRDA have issued regulations to protect the interest of policy holders and also monitor solvency margin and financial health of the insurance companies on a regular basis.

#### **Statement**

#### *Movable and immovable Assets of Private Life Insurers As on 31.03.2004*

(Rs. in Lakhs)

	Biral Sun Life Ins. Co. Ltd	ICICI- Pru	ING- Vysya	HDFC Std Life	Max New York Ltd.	AMP Sanmar	Allian Z Bajaj	SBI Life	Om Kotak	Tata- Aig	Met Life	Aviva
Investments	13150	79302	7039	40390	24532	9436	22667	37922	12989	25393	11216	12664
Assets Held To Cover Linked Liabilities	50840	86500	2124	1665	-	983	2856	-	5031	1812	-	5197
Loans	10	216	11	58	-	-	5	-	26	22	-	-
Fixed Assets	3091	5481	3003	5028	5548	805	3112	690	2296	1662	984	1042
Cash And Bank Balances	5120	5032	6351	5826	1694	690	4400	5072	2942	3244	1396	2128

#### *Movable and Immovable Assets of Private Non-Life Insurance as On 31.03.2004.*

(Rs. in lakhs)

	Royal Sunda- ram	Bajaj Allianz	Tata- Aig	Reliance	IFFCO- Tokio	ICICI- Lomba RD	Cholam- andalam	HDFC Chubb
Investments	20605	34863	22073	18210	14170	33287	17081	15386
Loans	-	-	34	-	-	-	-	-
Fixed Assets	1124	2892	1562	236	1288	1066	705	892
Cash and Bank Balances	2224	4215	3608	561	8224	6293	892	859

[English]

#### **Soiled Currency Notes**

2804. SHRI PAWAN KUMAR BANSAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the Banks continue to issue soiled currency to the public;

(b) if so, the reasons therefor;

(c) whether banks are not free to send their entire stock of soiled currency notes to exchange them with RBI; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) As per instructions issued by the Reserve Bank of India (RBI), banks are required to sort out notes received by them into issuable and non-issuable notes and issue only clean notes to the public. Occasional complaints of inclusion of soiled notes in the wads of currency notes issued by the banks have been received by RBI.

(c) Banks are free to send their soiled currency notes to Reserve Bank of India for exchange through their Currency chest branches.

(d) Does not arise.

[Translation]

#### Fls Assistance to Industries

2805. SHRI CHANDRA MANI TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether various Government financial institutions could not achieve the target fixed for granting loans for the industrial development;

(b) if so, the reasons therefor;

(c) the details of the target for this purpose set by different financial institutions during the last three years and the extent to which success has been achieved for meeting their targets;

(d) whether the Government proposes to simplify further the rules for providing loans by these Fls; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government does not fix targets for Fls for granting loans Industrial Development of the country.

(b) Does not arise.

(c) IDBI has reported that sanctions and disbursements targets during the last 3 years were in the range of 41% to 159% and 76% to 219%. The general slow down in the industrial activity affected the achievement of the targets.

(d) and (e) The Government does not interfere in the commercial decisions of the Financial Institutions.

#### Export to France

2806. SHRI RAJNARAYAN BUDHOLIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the year-wise details of the number of goods exported to France from our country during the last three years;

(b) the amount of foreign exchange earned by the Government during this period;

(c) whether the Government propose to promote export of goods to France; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Exports to France comprise many items. Major items of exports to France during the last three years *inter alia*, include RMG cotton including accessories, cotton yarn/fabrics/made-ups, petroleum products, RMG manmade fibres, transport equipment, machinery & instrument, drugs, pharmaceuticals and fine chemicals, etc.

(b) The value of goods exported to France during the last three years is as under :

Year	Value in US \$ million
2001-02	945.00
2002-03	1074.09
2003-04	1289.80

(c) and (d) Export promotion is a continuous process and the steps taken by Government in this regard *inter alia* include interaction at the Government level through bilateral joint committee and sectoral working groups, encouraging and facilitating direct business level contacts, participation in trade promotion activities, exchange of delegations, etc.

[English]

#### Allapuzha, Town of Excellence In Coir Products

2807. SHRI CHENGARA SURENDRAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have received a proposal from the Government of Kerala suggesting to declare Allapuzha as a town to export excellence in Coir products;

(b) if so, details of the proposal; and

(c) whether the Government of India has decided to put the proposal in practice as done in the case of Aroor, by declaring it as a Special Export Zone for marine foods and Kannur as a Special Export Zone for handloom products?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) No proposal has been received by the Directorate General of Foreign Trade for notifying Allapuzha as a town of export excellence in coir products under the Foreign Trade Policy, 2004-09.

(c) Aroor and Kannur, as towns of export excellence, are eligible to access funds under the Central Assistance to States for developing Export Infrastructure and other Allied activities (ASIDE) scheme for infrastructure development and upgradation. In case proposals are received from the Government, joint sector or the private sector for developing these areas as Special Economic Zones, the same would be considered as per the guidelines of the Scheme.

*[Translation]*

#### **National Insurance Fund for Exporters**

2808. SHRI PANKAJ CHOWDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to set up National Insurance Fund to bring the risks of exporters under the insurance cover;

(b) if so, the details thereof; and

(c) the time by when the said fund is likely to be set up?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) 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]*

#### **Corruption in Export Commissioner Office**

2809. SHRI ALOK KUMAR MEHTA:  
SHRI TUFANI SAROJ:

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

(a) the number of corruption cases in the office of Export Commissioner that has come to light during last two years for extorting money from the companies for fixation of input-output norms;

(b) whether the new export commissioner appointed has been involved in corrupt cases; and

(c) if so, reasons for appointing such person and action proposed against this person?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Nil, Sir. No corruption case involving Export Commissioner or his office has come to light during last two years.

(b) No corruption case involving the new Export Commissioner has come to notice to the Department.

(c) Does not arise.

#### **VRS in Canara Bank/Syndicate Bank**

2810. SHRI N.S.V. CHITTHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is considering a proposal to give VRS/pension package to employees of Canara Bank and Syndicate Bank;

(b) if so, the time by which it is likely to be implemented;

(c) the total outflow of funds through this VRS process; and

(d) the number of employees likely to be offered this scheme and the criteria for eligibility for this scheme?

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

(b) to (d) Do not arise.

#### **Duty Evasion by Tobacco Companies**

2811. SHRI MAHESH KANODIA: Will the Minister of FINANCE be pleased to state:

(a) whether Tobacco producers in the country are involved in evasion of excise duty;

(b) if so, whether the Government have taken any action against them;

(c) if so, the details of the goods seized during the raids alongwith the names of the places from where tobacco products have been seized;

(d) whether the Government have taken any action against such offenders;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

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

#### **Procurement of Lower Grade of Cotton**

2812. SHRI BADIGA RAMAKRISHNA:  
SHRI NAVJOT SINGH SIDHU:  
SHRIMATI MANORAMA MADHAVRAJ:  
SHRI IQBAL AHMED SARADGI:  
SHRI RAYAPATI SAMBASIVA RAO:

Will the Minister of TEXTILES be pleased to state:

(a) whether alarmed at over 25% slump in cotton prices in the past one month with a bumper crop Government has directed Cotton Corporation of India to undertake unlimited procurement of commodity till prices stabilize at a level higher than the minimum support price;

(b) if so, whether CCI has begun cotton procurement all over the country;

(c) if so, whether Cotton Corporation of India has been able to procure cotton;

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

(e) whether the cotton purchased have been exported;

(f) if so, the details thereof; and

(g) to what extent cotton prices have stabilized?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Kapas (seed cotton) prices during the current cotton year 2004-05 (October - September) are ruling lower by 7% - 28% than the prices prevailed during the corresponding period last year. Since November 1, 2004, kapas (seed cotton) prices in the Northern States (Punjab, Haryana & Rajasthan), Maharashtra, Gujarat and Madhya Pradesh have come down by 4 - 16%. However, due to intervention of the CCI, the market prices of cotton have not fallen below the MSP. Whenever the market price of kapas has fallen to the level of the Minimum Support Price (MSP) declared by the Central Government, the Cotton Corporation of India (CCI) has undertaken MSP operations and procured kapas without any quantitative limit. In the remaining part of the cotton season, the CCI is mandated to carryout the MSP operations in similar fashion.

(b) The CCI has already commenced MSP operations in the States of Andhra Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Orissa, Punjab and Rajasthan.

(c) and (d) Till 08.12.2004, the CCI has purchased 19,03,514 quintals of kapas (equivalent to lint cotton of 3,59,514 bales of 170 kg each). State-wise purchase is as under :

State	In Quintals
Andhra Pradesh	12,66,251
Gujarat	2,65,690
Haryana	64,418
Karnataka	32,646
Madhya Pradesh	52,502
Orissa	43
Punjab	92,643
Rajasthan	1,29,321
<b>Total</b>	<b>19,03,514</b>

(e) and (f) The CCI has not so far exported any cotton purchased from the domestic market in the country. However, as per estimates by the Cotton Advisory Board, it is expected that around 12 lakh bales (170 kg each) of cotton may be exported from India.

(g) Domestic Kapas prices have now almost stabilised at MSP level. The CCI would continue its support price operations till cotton prices are stabilised at a level higher than the MSP.

#### Import of Raw Sugar

2813. SHRI ANANT GANGARAM GEETE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government has allowed import of raw sugar in the country;

(b) if so, reasons therefor alongwith quantity of raw sugar imported during the last two years, Company-wise details;

(c) the terms and conditions on which import of raw sugar is allowed and the import price and import duty levied/waived, if any;

(d) whether the Government has now decided to amend the Advance Licence Scheme for raw sugar import;

(e) if so, has the Government since allowed sale of imported raw sugar in domestic market under these amended provisions;

(f) whether this policy has caused an imbalance in price structure between imported raw sugar and domestic sugar; and

(g) 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 import of sugar (including raw sugar) is allowed as per the ITC (HS) Classification of Export and Import Items. Further, as per prevailing Foreign Trade Policy of the Government, various raw materials, including raw sugar, can also be imported under Advance Licencing Scheme with actual user condition and such imports are exempted from duties, but are subject to export obligation to be fulfilled within a stipulated period. The details of the raw sugar imported during the last two years, 2002-03 and 2003-04 are given in the enclosed Statement.

(c) The terms and conditions for the import of raw sugar under Advance Licence are governed by the provisions of the Foreign Trade Policy, Handbook of Procedures Vol. 1, Handbook of Procedures Vol. 2 and ITC (HS) Classification of Import and Export Items. Imports under the Advance Licences are exempted from payment of basic customs duty, additional customs duty, education cess, anti-dumping duty and safeguard duty, if any. As far as import price is concerned, this depends on the commercial agreement between the buyer and the seller.

(d) No, Sir.

(e) to (g) Do not arise.

#### Statement

##### Details of Raw Sugar Imports (Provisional)

*For the Period : 2002-03*

No.	Name of the Company	Quantity (In MTs)
1.	Shakti Sugar	35,700
2.	Renuka	8,000
3.	Renuka	6,000
4.	Shakti Sugar	36,500
5.	Shakti Sugar	38,000
Total		124,200

*For the Period : 2003-04*

No.	Name of the Company	Quantity (In MTs)
1	2	3
1.	Renuka	8,000
2.	Renuka	15,500
3.	Shakti Sugar	18,100
4.	EID Parry	15,200
5.	Renuka	25,750
6.	Bannari Aman	23,750
7.	Ambika Sugars	34,500
8.	Shakti Sugar	23,000
9.	Tanna (Dhampur)	24,000

1	2	3
10.	Tanna (Dhampur)	2,232
11.	Ambika Sugars	23,000
12.	EID Parry	10,000
13.	Sagar Sugar	8,000
14.	Dhami Sugars	24,000
15.	Ambika Sugars	43,250
16.	NCS Sugars	23,100
17.	Tanna (Dhampur)	24,000
18.	Ponni	10,500
19.	Sagar Sugar	1,850
20.	Shakti Sugar	9,150
21.	Shakti	29,850
22.	Sagar Sugar	9,150
23.	Bannari Aman	38,500
24.	NCS Sugars	26,500
25.	EID Parry	20,050
26.	Sagar Sugar	20,050
27.	Ambika Sugars	42,000
Total		552,982

#### Conference on Jute Industry

2814. SHRI SUBHASH SURESHCHANDRA  
DESHMUKH:  
SHRI MUNSHI RAM:  
SHRI NARENDRA KUMAR KUSHAWAHA:

Will the Minister of TEXTILES be pleased to state:

(a) whether a conference was held at Kolkata to discuss Comprehensive Jute Policy;

(b) if so, the main issue discussed alongwith action taken thereon;

(c) whether the Government proposes to set up a Rupees 550 crore Jute Technology Mission;

(d) if so, the details thereof alongwith the other steps taken for modernizing the jute industry;

(e) whether Government proposes to start a Technology Mission under the New Jute Policy to revive the jute industry; and

(f) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Yes, Sir. A conference was held on 19th & 20th November 2004 at Kolkata to obtain the views of stakeholders before formulating a comprehensive Jute Policy. The issues, which were discussed in the Conference pertains to:

1. Jute Agriculture & Raw jute marketing;
2. Labour issues;
3. Manufacturing and Productivity;
4. Research & Development;
5. Diversification of Production;
6. Marketing and International Trade; and
7. The Institutional structure and systems for strengthening the delivery mechanism.

Due note has been taken of the recommendations.

(c) to (f) The Government of India is making concerted efforts to modernize the jute industry. Schemes like the Technology Upgradation Fund Scheme; the JMDC Incentive Scheme for Modernisation of Jute Industry; and the Jute Entrepreneurs Assistance (Capital Subsidy) Scheme provide assistance for modernization of the jute industry. In addition, the Government has taken initiative to launch a Jute Technology Mission (JTM). Mini Mission IV of the Jute Technology Mission pertains to modernisation of Indian Jute Industry. The details of the Jute Technology Mission and the financial outlays are yet to be firmed up.

#### Local Area Banks

2815. SHRIMATI KIRAN MAHESHWARI:

SHRI K.S. RAO:

SHRI RAGHUVEER SINGH KOSHAL:

Will the Minister of FINANCE be pleased to state:

(a) the details of applications received by the Government by the States for setting up local area banks, State-wise; and

(b) the action taken by the Government on those applications, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Reserve Bank of India (RBI) has reported that it had received 227 applications for setting up of Local Area Banks in Private Sector, of which 217 applications were rejected and 4 applications were withdrawn. The State-wise details of these applications are not available with the RBI. Licences were issued for setting up 6 Local Area Banks, one each in Punjab, Gujarat, Rajasthan, Maharashtra and two in Andhra Pradesh.

#### Aid to NGO in J & K

2816. SHRI ABDUL RASHID SHAHEEN: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the list of NGOs aided by the Ministry of Rural Development in Jammu and Kashmir, under different schemes, district-wise for the last three years;

(b) funds allocated and released during the said period to these NGOs;

(c) the names of NGOs who have committed irregularities; and

(d) the action 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) to (d) The information is being collected and will be laid on the Table of the House.

#### NPA of Urban Cooperative Bank

2817. SHRI ABDULLAKUTTY: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has currently estimated the accumulated bad loans (NPAs) of Urban Cooperative banks in India at a staggering Rs. 11,915 crores;

(b) whether there is no clear demarcation of regulatory powers among the State Governments, NABARD and RBI resulting in cross directives thereby undermining the working of banks;

(c) whether the RBI has classified 205 banks as Grade IV facing imminent closure; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Gross NPAs of Urban Co-operative Banks (UCBs) in the country is Rs. 11922 crore as of 31.03.2004. This is 17.6% of the total advances.

(b) The regulation of UCBs is the responsibility of both State Registrars of Co-operative Societies and Reserve Bank of India (RBI). However, the Central Registrar of Co-operative Societies also regulates Multi-State Co-operative Banks. The Urban Co-operative Bank, being primarily Co-operative societies, are governed by the provisions of Multi state/State Co-operative societies Act apart from Banking Regulation Act, 1949. The banking related functions such as issue of licence to start new banks/branches, matters relating to interest rates, loan policies, investment, prudential exposure norms etc. are regulated and supervised by RBI under the provisions of BR Act, 1949 whereas powers in regard to incorporation, registration, amalgamation, reconstruction or liquidation are exercised by the Registrar of Co-operative Societies of the State concerned under the respective Co-operative Societies Act of the State, and in case of Multi state co-operative Bank, by Central Registrar of Co-operative Societies. At times, this results in overlapping of jurisdiction and difficulties in implementing regulatory measures. To overcome the regulatory overlap, RBI has been asked to suggest certain amendments to BR Act, 1949.

(c) and (d) As of June 2004, the RBI have classified 203 banks as Grade IV banks that require urgent supervisory measures. The Board of Directors of these Banks are advised to formulate an action plan for the purpose of bringing a rapid turn around of the banks. The measures for strengthening the financial position of the Banks include formulation of an action plan for recovery of NPAs, strengthening of capital base through larger accretion of reserves, limiting dividend payout etc. Banks are also advised to recover the loan and advances extended to their Directors or their relatives/firms, reduce the rate of interest on deposits, reduce the reliance on high cost deposits by widening the depositors base, reduce exposure to sensitive sectors etc.

#### Export of Chillies

2818. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there has been a considerable improvement in the exports of Chillies during 2004;

(b) if so, the details thereof and the quantity exported and amount of foreign exchange earned on these items during last three years;

(c) whether exports during the last six months reached 70,000 tonnes as against 55,000 tonnes during last fiscal year;

(d) if so, total exports of Chillies so far made and whether Government is confident of meeting the export demands of Chillies during 2004;

(e) efforts being made to improve the production of Chillies in the next crop season; and

(f) whether the Government has given number of facilities and benefits to the Chilli growers so that they can improve the production during the next season in view of the greater demands made from countries like China, Pakistan and Srilanka?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes, Sir.

(b) Details of exports of chilli during the last 3 years is given below:

Year	Quantity (Tonnes)	Value	
		Rs. Crores	US \$ Million
2001-02	69,998	252.44	53.06
2002-03	81,022	315.15	65.16
2003-04 (E)	81,500	355.11	77.39

(E) : Estimated

Source: Spices Board.

(c) and (d) As per the latest available data from the Spices Board, the total exports of chilli during April to October, 2004 was 83,500 tonnes as compared to 34,000 tonnes during the corresponding period of previous year. At the present juncture, it is not possible to accurately assess the export demand as it depends on a variety of factors like consumer preferences, domestic and international prices, domestic demand and supply position etc.

(e) and (f) With a view to improve production of chilli, Ministry of Agriculture is implementing a Centrally Sponsored Scheme "Macro Management in Agriculture Supplementation/Complementation of State Efforts through Work Plan". Under this Scheme, programmes like Area

Expansion, Large Scale Multiplication, Demonstration of new Technologies, Pest and Disease Management and Training of Farmers are implemented.

With a view to meet the export demand, following steps have been taken by the Spices Board to assist the growers to improve production, post harvest handling and processing of chilli.

- \* Adoption of hygienic drying of chill on cemented/ concrete drying yards or polythene sheets.
- \* Supply polythene sheets at concessional rates to spice growers, particularly chilli growers.
- \* Adoption of Integrated Pest Management practices to reduce level of pesticide residues.
- \* Setting up of solar drier for drying chilli, on cost sharing basis.
- \* Encouraging exporters to procure chilli from farmers who follow Integrated Pest Management Practices and who dry chilli using solar driers.

[Translation]

#### Incentives to Traders in H.P.

2819. DR. COL. (RETD.) DHANI RAM SHANDIL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the amount spent by the Union and the State Government in Himachal Pradesh for providing infrastructure support such as establishment of Integrated Cargo Handling and Cold Storage facilities and concessional credit;

(b) the number of meetings of buyer-seller organised in Himachal Pradesh and concessional credit provided for export promotion during last two years; and

(c) the quantum of increase in export of apples and other fruits from Himachal Pradesh in comparison to last year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Under the Assistance to States for Development of Export Infrastructure and Allied Activities (ASIDE) Scheme financial support is provided to State Government for implementing infrastructure projects directly linked to exports. An amount of Rs. 15.50 crores has been released to Himachal Pradesh under the scheme



till date. The selection of projects under the ASIDE Scheme in different sectors including Cargo Handling, Cold Storage etc. is made by State Level Export Promotion Committee (SLEPC) under the Chairmanship of the Chief Secretary. The details of amount spent by State Governments on establishment of integrated Cargo Handling, Cold Storage facilities etc. is not centrally maintained.

(b) No Buyer-Seller Meeting has organized in last two years in Himachal Pradesh by the Agricultural and Processed Food Products Export Development Authority.

(c) The State-wise export figures of fruits are not maintained by the Central Government.

*[English]*

#### **Bidar, No Industry District**

2820. SHRI NARSINGRAO H. SURYAWANSHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Bidar District in Karnataka State was declared as a 'No Industry' District during 1982-1983;

(b) if so, the amount of subsidy released and loan sanctioned and released from financial institutions, unit-wise;

(c) the number of industries functioning/sick; and

(d) the steps being taken for the revival of sick industries in 'No Industry' zone?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Yes, Sir.

(b) to (d) The Scheme was introduced in the year 1982-83 and remained operational upto 1990-91. During this period, an amount of Rs. 859.37 lakh of Central Subsidy was released to 848 units in the District of Bidar. As on 31.3.2003 there are 3328 registered Small Scale Industries in this district. Out of these 1850 units are working and 1478 units have either been closed/sick. Out of 34 medium and large units 13 units are working and 21 units are closed. There is no separate scheme for revival of sick industries in No Industry Districts.

However, sick industries identified as per RBI guidelines vide No. RPCD. No. PLNFS. BC. 57/06.04.01/2001-02 dated 16.1.2002 and declared as Sick and

Rehabilitated are being given the following incentives as per G.O. No. CI 167. SPI. 2001, Bangalore dated 25-9-2002.

1. The Sick industries are eligible for Seed Marging Money loan to the extent of 25 percent of the project cost on rehabilitation, which is interest free (Subject to a maximum of Rs. 2.50 lakh).
2. Karnataka Power Transmission Corporation Limited and other Regional power supply companies will not collect fixed charges/deemed charged during closure period.
3. Arrears of energy bills to Karnataka Power Transmission Corporation Limited to be paid in 6 half yearly instalments at an interest rate of 6 percent p.a.
4. Karnataka Power Transmission Corporation Limited not to calculate interest for the closure period.
5. Re-phasing of Karnataka Industrial Area Development Board/Karnataka State Small Industry Development Corporation/Karnataka Electronics Development Corporation dues with a moratorium period of one year and to be paid in 4 equal annual instalments without interest.
6. Re-phasing of Development loan over a period of 3 years from the date of commencement of rehabilitation without interest.
7. Commercial Tax dues may be allowed to be paid in 6 half yearly instalments with a simple interest of 6 percent p.a.
8. Future Tax payable by Sick Industry to be Deferred for a period of 3 years without interest. This is to be paid in 3 annual instalments along with current taxes of the respective years after expiry of the deferment period.

#### **Pending Applications for Loan to Farmers**

2821. DR. M. JAGANNATH: Will the Minister of FINANCE be pleased to state:

(a) the number of applications from farmers for grant of loan pending with nationalized banks, bank-wise in each State; and

(b) the action taken by the banks to clear the pending applications?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The data generating system of Reserve Bank of India (RBI), National Bank for Agriculture and Rural Development (NABARD) and India Banks' Association (IBA) do not provide the information in the manner asked for. However, RBI has issued instructions to banks that under priority sector including agriculture sector, all loan applications upto a credit limit of Rs. 25000/- should be disposed off within a fortnight and those for over Rs. 25000/- within 8 to 9 weeks.

### SGRY

2822. SHRI ANANDRAO VITHOBA ADSUL: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Union Government has prepared a plan to spend money on individual beneficiary schemes and development of need based infrastructure under the Sampooma Grameen Rozgar Yojana in the Scheduled Caste and Scheduled Tribe habitations; and

(b) if so, the amount proposed by the Union Government to be spent on above scheme alongwith those benefited by the said schemes; State-wise?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) and (b) Sampooma Grameen Rozgar Yojana (SGRY) provides utilisation 22.5% of the resources allotted to the District Panchayat and Intermediate Panchayats in a district for individual beneficiary income generating activities for BPL SC/ST families. Similarly, 50% of the allotted resources to the Village Panchayats in a district are to be utilized for need based village infrastructure in SC/ST habitations. The scheme allows full autonomy to each Panchayat for planning, approval & execution within the guidelines.

### Micro Credit

2823. SHRI BRAJA KISHORE TRIPATHY:  
SHRI HANNAN MOLLAH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to introduce micro credit regulation system;

(b) if so, the salient features thereof;

(c) whether the Government is aware of the problems of thousands of poor women Self Help Groups due to high rate charged on their micro credit;

(d) if so, the details thereof and the action taken by the Government for protecting them;

(e) whether private and multinational banks are also bound to implement the said system; and

(f) if not, the steps taken by the Government to bring under the said system?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) A High Powered Task Force on 'Supportive policy and regulatory framework for micro finance' constituted by National Bank for Agriculture and Rural Development (NABARD) had recommended that Micro Finance Institutions (MFIs) purveying credit only, MFIs purveying credit and mobilizing savings from the clients/loanees (below certain limits) may be kept out of the regulatory framework and focus, instead, on self-regulation. Similar views have been expressed by the 'Advisory Committee on Flow of Credit to Agriculture and Related Matters' (Vyas Committee) constituted by Reserve Bank of India. The Reserve Bank of India has, therefore, decided not to permit MFIs to accept public deposits unless they complied with extent regulatory framework of RBI.

(c) and (d) The rates of interest charged on loans to SHGs by banks are completely governed by RBI guidelines. The existing RBI guidelines on interest rate regime for primary lending institutions like Regional Rural Banks (RRBs). Co-operative Banks provide complete, freedom to lending institutions to determine their own lending rates. However, the Commercial Banks cannot charge more than their prime lending rate on all loans upto Rs. 2.00 lakh as per existing RBI guidelines. Presently banks are charging interest rate in the range of 8.5% to 12% per annum on loans to SHGs which may be considered satisfactory keeping in view of their average cost of funds, transaction costs, operating margin and provision for Non-performing Assets.

(e) and (f) All Scheduled Commercial Banks are encouraged to participate in the SHG Bank Linkage Programme.

### Demand for Abolition of Double Taxation

2824. SHRI CHANDRAKANT KHAIRE: Will the Minister of FINANCE be pleased to state:

(a) whether Association of Charter of Commerce have demanded abolition of double taxation on dividends contained in the budget proposal for 2004-05; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. However, a representation from the Associated Chambers of Commerce and Industry of India (ASSOCHAM) demanding abolition of dividend distribution tax had been received for Budget 2004-05.

(b) On consideration of the representation of ASSOCHAM during the Budgetary Exercise for 2004-05, it was not found feasible to accept the same.

#### FTA With China

2825. SHRIMATI NIVEDITA MANE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether China is interested in signing Free Trade Agreement with India;

(b) if so, the progress made so far in this regard;

(c) the estimated trade after the implementation of FTA;

(d) the strategy Government propose to adopt to save the interest of Indian Industries after the said agreement;

(e) whether Chinese delegation visited India to discuss trade; and

(f) if so, the details of the areas identified for mutual cooperation?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (d) In pursuance of the 'Declaration of Principles for Relations and Comprehensive Cooperation between the Republic of India and the People's Republic of China', signed during the visit of Prime Minister to Beijing in June 2003, a Joint Study Group composed of officials and economists has been set up to examine the potential complementarities between the two countries in expanding trade and economic cooperation. The Terms of Reference of the Joint Study Group, *inter alia*, include examining the feasibility of moving towards a Comprehensive Economic Cooperation Agreement and, if such an arrangement is found feasible, to make recommendations regarding its scope, structure and implementation. The Joint Study Group has had three meetings so far.

(e) and (f) Yes, Sir. A Chinese delegation visited Kolkata for the meeting of 'India-China Business Conclave'. In his address, Vice Governor of Yunnan Province of China and leader of the Chinese delegation, proposed cooperation in various fields such as promoting two-way investment, facilitating engineering and labour services contracting, strengthening technical cooperation and increasing exchanges in tourism and transportation.

#### Irregularities In Bank of Maharashtra

2826. SHRI AJOY CHAKRABORTY: Will the Minister of FINANCE be pleased to refer to the answer given to USQ. No. 3970 on August 22, 2003 and state:

(a) whether the report of the sub-committee has been submitted to the Government;

(b) if so, the details of the findings of the report and the action taken thereon;

(c) if not, the reasons for the delay in submitting the report;

(d) whether the Special Investigation Team of RBI has been directed to consider terms of reference of the Sub-Committee referred to above and submit the report within a specified period; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. The Sub-committee of the Board appointed by the Board of Directors of Bank of Maharashtra has submitted its report and has found certain lapses in the internal control mechanism, promotion of officials against whom lapses were identified and delay in taking action against the concerned staff. Further, staff accountability in respect of all the cases assigned to the Committee have been examined and suitable disciplinary action has been initiated. Of the 13 cases examined by the sub-committee, 8 cases have been referred to the Central Vigilance Commission and of these 8 cases, 6 have also been reported to Central Bureau of Investigation. The bank has investigated most of the accounts and action has been initiated against erring officials as per the rules.

(c) to (e) Do not arise.

*[Translation]***Indo-Italian Trade**

2827. SHRI LAKSHMAN SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the import of Italian goods in India has increased whereas the exports to Italy has decreased;

(b) if so, the reasons therefor; and

(c) the measures taken to increase the exports to Italy?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) India's exports to as well as imports from Italy have increased during the last two years. This trend is continuing during 2004-05.

(c) The steps taken by Government to improve India's exports to Italy, *inter alia*, include encouraging and facilitating direct business level contacts, participation in trade promotion activities, exchange of delegations, etc.

**Import of Old Garments**

2828. SHRI ATIQ AHAMAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government are aware that several types of diseases are also coming in the country with the import of old garments;

(b) if so, whether the Government is contemplating to ban import of old garments; and

(c) the time by when the decision to ban import of old garments is likely to be taken keeping in view health care?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) The Directorate General of Foreign Trade (DGFT) has already issued a notification No. 7 dated 27.10.2004 restricting the import of worn clothing and other worn articles.

(b) and (c) Question does not arise.

*[English]***Fall in Cashew Kernel Prices**

2829. SHRI P. RAJENDRAN:

SHRI GURUDAS KAMAT:

SHRI K.C. PALANISAMY:

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

(a) whether the Government of India have noticed the downfall of prices of Cashew Kernel exported from India;

(b) if so, the details, year-wise price level for the last three years;

(c) the foreign exchange earnings for the last three years;

(d) the steps taken for preventing the price fall; and

(e) the details of the places from where cashew is exported alongwith quality for last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (e) The unit export price of cashew kernel for the last three years is as indicated below:

Year	Average unit export price (Rs./kg.)
2001-02	182.14
2002-03	185.62
2003-04	178.96
2004-05 (Apr.-Oct.)	204.58

(Source: CEPC)

The foreign exchange earned from the export of cashew kernel during the last three years is as indicated below:

Year	Foreign exchange earned (Rs. Crore)
2001-02	1794.61
2002-03	1942.28
2003-04	1811.46
2004-05 (April-Oct.)	1484.49

(Source: CEPC)

In 2004-05, the unit export price of cashew kernel has increased. Prices are at levels higher than those recorded for the preceding three years.

The cashew kernel exported from India meets international standards. Export data for the country as a whole are maintained and not State-wise.

#### Assisting Coir Sector

2830. SHRI P. KARUNAKARAN:  
SHRI V.K. THUMMAR:

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

(a) details of coir export for last three years and foreign exchange earned therefrom;

(b) whether the Government of India has withdrawn the MEP and PPES which was in force since 1.4.79;

(c) if so, the reasons to withdraw the scheme;

(d) whether Government has introduced any alternative scheme;

(e) if not, will the Government take immediate steps to assist coir sector;

(f) whether there is a proposal to restore minimum support price for coir products and also to boost export of coir products;

(g) if so, details thereon; and

(h) total man power engaged in the coir industry as on date, State-wise details?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) Year-wise details of coir and coir products exported and the amount of foreign exchange (FE) earned during the last three years, are furnished below:

(Quantity in Metric Tonnes)  
(Amount of FE Rs. lakh)

Item	2001-2002		2002-2003		2003-2004	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Total	71334.81	32058.43	84182.59	35270.53	102256.48	40750.68

(b) to (g) The restriction of Minimum Export Price (MEP) for export of coir and coir products was withdrawn by the Government on 9 April, 2002. The decision to withdraw the restriction of MEP was taken in the larger interests of the coir industry, after due consideration of various relevant issues. As the Minimum Export Price on coir and coir products stood withdrawn, the Purchase Price (Enforcement) Scheme had lost its relevance and was, therefore, withdrawn. There is no proposal under consideration of the Government either to reintroduce the restriction of MEP or the Purchase Price (Enforcement) Scheme on export of coir and coir products. There is also no proposal to introduce any alternative scheme. After dispensing with the condition of MEP, there has been an overall increase in terms of both total amount and quantity of exports of coir and coir products. In order to boost the export of coir and coir products, the Government has taken the following measures:

(i) A Scheme titled "External Market Development Assistance" has been introduced in 2000-2001

to provide financial assistance to small exporters in the coir sector. This assistance consists of providing Government grants to meet major part of the expenditure on air travel and rentals of stalls by exporters and their delegations to participate in buyer-seller meets, trade fairs and exhibitions abroad. The scheme also provides financial assistance to individual small exporters for undertaking sales-cum-study tours and participation in trade delegations, trade fairs, exhibitions, etc., abroad.

(ii) The Coir Board of the Government similarly participates in trade fairs/exhibitions, product promotion programmes and catalogue shows abroad, in order to promote export of products which do not get otherwise displayed by individual exporters, etc.

(h) The State-wise details of workers associated with the coir industry are as under:

Sl.No.	Name of State	Employment (Number of Workers)
1.	Kerala	4,33,000
2.	Tamil Nadu	72,840
3.	Andhra Pradesh	41,400
4.	Karnataka	18,000
5.	Orissa	6,520
6.	Other States	14,900
<b>Total</b>		<b>5,86,660</b>

#### Funds under SGSY

2831. SHRI SURESH KURUP: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the State-wise break up of the funds provided to various States under Swarna Jayanti Gram Swarozgar Yojana;

(b) the projects under the scheme for development of handloom products; and

(c) the mechanism set up by the Government to monitor the progress of the projects under SGSY?

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 State-wise break up of central funds released under Swarnjayanti Gram Swarozgar Yojana (SGSY) to States/UTs during last three years is given in the enclosed statement-I. It does not include Central release for special projects.

(b) Special Projects sanctioned under SGSY for development of handloom sector since inception *i.e.* 01.04.1999 is given in the enclosed statement-II.

(c) A comprehensive system of monitoring has been adopted under the SGSY. The programme is monitored from the Central level down to the grass-root level. At the Central level, the Central Level SGSY Committee (CLCC) monitors and reviews the implementation of the programme and lays down Policy Guidelines for all aspects related to credit linkages for the SGSY. The Performance Review Committee of the Department also reviews the implementation of the SGSY. At the State Level, a State Level Coordination Committee (SLCC) monitors the programme. At the district and block levels, the programme is monitored by District level SGSY Committee and Block Level SGSY Committee. In addition, the progress under the SGSY is monitored periodically

through Reports and Returns submitted by DRDAs/States. Monitoring is also done through field visits and physical verification of assets.

#### Statement-I

*State-wise Central Release under SGSY during 2001-02, 2002-03 and 2003-04*

(Rs. in lacs)

Sl. No.	States/U.T	2001-02	2002-03	2003-04	Total
1	2	3	4	5	6
1.	Andhra Pradesh	3068.31	3738.02	3942.42	10748.75
2.	Arunachal Pradesh	106.34	78.06	139.60	324.00
3.	Assam	3328.48	2802.61	5313.00	11444.09
4.	Bihar	3348.37	3493.34	5488.81	12330.52
5.	Chhattisgarh	1467.21	1968.76	2025.44	5461.41
6.	Goa	25.00	17.65	17.65	60.30
7.	Gujarat	885.51	1403.27	1508.00	3796.78
8.	Haryana	679.48	827.79	932.06	2439.33

1	2	3	4	5	6
9.	Himachal Pradesh	286.16	348.62	304.77	939.55
10.	Jammu and Kashmir	342.81	350.44	427.45	1120.70
11.	Jharkhand	1196.01	1801.02	2817.41	5814.44
12.	Karnataka	1659.33	2686.99	2777.12	7123.44
13.	Kerala	1039.64	1266.55	1435.18	3741.37
14.	Madhya Pradesh	3425.29	4332.53	4397.14	12054.96
15.	Maharashtra	3842.09	5579.85	5712.39	15134.33
16.	Manipur	13.02	0.00	56.75	69.77
17.	Meghalaya	83.38	27.51	117.12	228.01
18.	Mizoram	64.17	77.47	99.96	241.60
19.	Nagaland	69.98	83.15	157.80	310.93
20.	Orissa	2744.13	4181.99	4553.07	11479.19
21.	Punjab	325.37	391.58	444.25	1161.20
22.	Rajasthan	1759.38	2143.41	2261.24	6164.03
23.	Sikkim	82.38	95.33	110.76	288.47
24.	Tamil Nadu	2713.06	3290.35	3690.70	9694.11
25.	Tripura	622.08	599.65	696.74	1918.47
26.	Uttar Pradesh	6316.37	7126.87	11756.85	25200.09
27.	Uttaranchal	496.90	667.95	686.02	1850.87
28.	West Bengal	78.26	1121.19	2617.59	3817.04
29.	Andaman and Nicobar Islands	12.50	0.00	0.00	12.50
30.	Daman and Diu	0.00	0.00	0.00	0.00
31.	Dadra and Nagar Haveli	0.00	0.00	0.00	0.00
32.	Lakshadweep	0.00	0.00	0.00	0.00
33.	Pondicherry	28.93	53.64	25.00	107.57
Total		40109.94	50455.59	64512.29	155077.82

**Statement-II****Handloom Projects sanctioned under Swarnjayanti Gram Swarozgar Yojana (SGSY)  
Special Project since inception i.e. 1.4.99**

(Rs. In Lakhs)

Sl. No	Name of the Project	State	Sector	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	2	3	4	5	6	7	8	9	10	11	12	13
1	Special Project for Diversified Handloom Products for Economic Empowerment of Women in Golpara, Kamrup and Sonitpur Districts of Assam	Assam	Handloom	State Institute of Rural Development Assam	2002-2003 (21.03.2003)	2	750.00	450.000	180.000	180.000		360.000
2	Economic Upliftment of Rural Weavers in District of Nalbari, Barpeta and Darrang, Assam	Assam	Handloom	DRDA, Nalbari	2002-2003 (28.03.2003)	2	535.000	251.250	100.500			100.500
3	Special Project under SGSY for Promoting Handloom/Handicraft in Budgam District of J & K.	J & K	Handloom	DRDA, Budgam	2003-04	3	278.750	82.500	33.000			33.000
4	Special Project on Diversified Handloom Products, Imphal West, Manipur	Manipur	Handloom	DRDA, Imphal West	2003 (26.03.04)	2	600.000	337.500	135.000			135.000
5	Project on Self-Employment through Diversified Handloom Produces in Phok District of Nagaland	Nagaland	Handloom	DRDA, Phok	2003-04 (3.08.03)	2	690.000	405.000	126.000			126.000
6	Special Project for Setting up of Handlooms in Bhatinda District of Punjab	Punjab	Handloom	DRDA, Bhatinda	2000-2001 (26.9.2000)	2	797.500	363.000	181.500			181.500
7	Special Project for Infrastructure Development for setting up of Handlooms in Ferozepur District of Punjab	Punjab	Handloom	DRDA, Ferozepur	2001-2002(17.4.2001)	2	755.300	331.350	165.680			165.680
8	Project on Economic Upliftment of Weavers in 13 Districts of Tamil Nadu	Tamil Nadu	Handloom		2003-04 (1.08.03)	1	1447.920	1085.940	434.376			434.376
9	Project on Handloom, Dyeing and Printing at Bagala Block, South Tripura District, Tripura	Tripura	Handloom	DRDA, South Tripura	2003-04 (4.08.03)	2	229.839	136.459	51.028			51.028
10	Pilot Project for Production and Processing of Angora Rabbit Wool for Employment and Income Generation in Tehri Garhwal Uttaranchal	Uttaranchal	Handloom	DRDA, Tehri,	2001-02 (11.3.02)	2 yrs	954.000	425.250	170.100	170.100		340.200
Grand Total							7038.308	3898.249	1577.184	350.100	0.000	1827.284

**Restructuring of Coffee Plantation Operation**

2832. SHRI G.M. SIDDESWARA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Coffee Board has any proposal to restructure its plantation operation;

(b) if so, steps being taken in that direction;

(c) whether incentives are being given to increase the production of coffee;

(d) if so, the details of the same; and

(e) the other programme included in the restructuring of the plantation operation?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) No, Sir.



(b) Does not arise.

(c) and (d) Coffee Board is already implementing a number of schemes for increasing the production, productivity and providing support to coffee growers for development of coffee under which various types of financial/technical assistance are provided to coffee growers both in traditional and non-traditional coffee growing areas. Further, in order to improve farm productivity, quality, processing and marketability of Indian coffee and also to reduce the credit burden of the coffee growers, the Coffee Board is operating several specific programmes providing for direct financial support/subsidy to the coffee growers during the 10th Plan. This includes providing assistance for activities like replanting, water augmentation, extending support in the form of agricultural research through Board's extension network.

(e) Does not arise.

#### **Subordinate Courts Functioning in Rental Premises**

2833. SHRI S.K. KHARVENTHAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government is aware that many courts in the country including subordinate courts are functioning from rental premises;

(b) if so, whether any proposal is there to extend financial assistance for construction of buildings to house the courts;

(c) whether any request received from Tamil Nadu Government in this regard;

(d) if so, the details thereof; and

(e) the steps taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (e) Establishments of various courts in the States including the subordinate courts and their administrative expenses, are controlled by the concerned State Governments.

A centrally sponsored scheme relating to development of judicial infrastructure including construction of buildings for the judiciary, is being implemented by the Department of Justice to augment the resources of State Governments. The expenditure in respect of High Courts and Subordinate Courts (including the provision of

infrastructural facilities) is primarily met by the concerned State Government. The Planning Commission, however, allocates a plan fund to the Department of Justice for development of judicial infrastructure in States. The allocation is distributed amongst various States/UTs on the basis of the criterion laid down by the Planning Commission. One of the main conditionalities is that the State Government must provide a matching share to avail the central grant. However, the State Governments are free to utilize additional funds from their own resources to meet the needs of judicial infrastructure.

Since 1993-94, an amount of Rs. 41.40 crore has been released to the State of Tamil Nadu. With their matching share, Government of Tamil Nadu has utilized Rs. 97.43 crore for construction of court buildings and residential accommodations for the judges under this scheme.

#### **Investors Awareness Campaign**

2834. SHRI TUKARAM GANGADHAR GADAKH: Will the Minister of FINANCE be pleased to state:

(a) whether the investors awareness campaign launched by Insurance Regulatory and Development Authority yielded any result;

(b) if so, the details thereof;

(c) the aims, objective and concept of this campaign;

(d) whether small investors are benefited through this campaign;

(e) whether any precaution guidelines have been prepared for use of small investors; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The Insurance Regulatory and Development Authority (IRDA) has informed that they carried out an extensive insurance awareness campaign for the insured and those who wish to buy insurance policies. The campaign had been carried out in ten languages *viz.* Bengali, Gujarati, Hindi, Kannada, Konkani, Malayalam, Marathi, Punjabi, Tamil and Telugu through broadcast/telecast of jingles and live phone-in-programmes in different cities of India. The campaign was meant to create awareness among the public about the importance of insurance in providing security to their lives, health and assets and also for

making them aware of the coverage available. The Authority has informed that the insurers of small sized policies would have been benefited by the campaign.

(e) and (f) The Authority has issued guidelines for protection of policyholders *vide* the 'Insurance Regulatory and Development Authority (Protection of policyholders' interests) Regulations, 2002 which are available on the Authority's website [www.irdaindia.org](http://www.irdaindia.org)

#### **Austerity Measures**

2835. SHRI RAGHUNATH JHA: Will the Minister of FINANCE be pleased to state:

(a) whether despite issue of instructions for avoiding excess expenditure over voted grants/charged appropriations expenditure over voted grants/charged appropriations still continue unabatedly.

(b) if so, the reasons therefor and the reaction of the Ministry thereon; and

(c) the details of the excess expenditure over voted grants/charged appropriations by the Ministries/departments after the issue of instructions by the Ministry of Finance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The General Financial Rules of the Government of India lay down that no expenditure shall be incurred in excess of the grant or appropriation authorised by Parliament by law for a financial year. Despite this, there are instances of excess expenditure under a few grants/appropriations. To avoid these, instructions have been issued from time to time to the Ministries/Departments to strictly monitor the flow of expenditure against the authorised provisions. Ministry/Department-wise details of the excess expenditure, along with reasons therefor, are being placed before the House from time to time in the form of the 'Demands for Excess Grants' in respect of the year in which the excess occurred, for consideration and passing of excess grants, on the basis of the recommendations of the Public Accounts Committee. Such details have been placed before the House upto the year 2001-2002 for which recommendations of the Public Accounts Committee have been received.

#### **Suicide Cases in Andhra Pradesh**

2836. SHRI D. VITTAL RAO:  
SHRI GEORGE FERNANDES:  
DR. BABU RAO MEDIYAM:

Will the Minister of TEXTILES be pleased to state:

(a) whether Government is aware of the fact that workers/weavers of Handloom and Handicraft Industry are seriously affected with the diseases like T.B., Asthma etc.;

(b) if so, the details thereof;

(c) the remedial measures Government propose to take for the development and welfare of these workers and weavers;

(d) whether a large number of weavers/workers of handloom and handicraft in the country and specially in Andhra Pradesh have committed suicide and died in starvation due to their financial pitiable condition;

(e) if so, the State-wise details thereof;

(f) whether Government has taken any step to deal with the situation; and

(g) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) With the objective of ameliorating some of the Health problems relating to the profession of handloom weaving the Government of India is implementing the Health Package Scheme for handloom weavers and under this scheme financial assistance is provided for the treatment of diseases like TB, Asthma, and inflammation of respiratory system, cost of eye testing and spectacles, supply of drinking water, maternity benefit to women weavers, payment of additional compensation for permanent measures of family planning and infrastructure for the primary health care. During the year 2003-04 a sum of Rs. 221.25 lakh was released to various State Governments under the Health Package Scheme and 28814 handloom weavers were benefited. In the handicraft sector no such cases have been reported.

(c) The Government of India is implementing a number of schemes for the Development of handloom sector and welfare of the handloom weavers the schemes are Deen Dayal Hathkargha Protsahan Yojana, Handloom

Export Scheme, Marketing Promotion Programme, Design Development & Training Programme, Integrated Handloom Training Programme, Mill Gate Price Scheme, Workshop-cum-Housing Scheme, Weavers Welfare Scheme, Bunkar Bima Yojana, Implementation of Handloom (Reservation of Articles for Production) Act, 1985 and 10% Rebate on Handloom products.

(d) and (e) The Government of Andhra Pradesh has reported about 13 suicide death by handloom weavers due to various reasons in 11 districts of Andhra Pradesh. The reasons include financial hardships due to private debts, family problems, ill health etc. No other State has reported any suicide by handloom weavers. No instance of handicraft artisans having committed suicide in the country including the State of Andhra Pradesh has been reported.

(f) and (g) Government of Andhra Pradesh has constituted an Expert Committee headed by the Hon'ble Minister of Finance, Government of Andhra Pradesh to study the problems faced by weavers. The State Government has also informed that steps are proposed to be taken for assisting the weavers under Prime Minister Rojgar Yojana (PMRY), Artisan Credit Cards, Employment Generation Programme, Netha Bazaars, Weavers Housing Programme and Old Age Pension Scheme.

#### **Indo-British Bilateral Trade**

2837. SHRI JYOTIRADITYA M. SCIINDIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether during UN General Assembly meeting in New York, Indian Government had discussions with the British Government on bilateral trade including out-sourcing and high technology trade;

(b) if so, the outcome thereof and the agreement or understanding reached therein; and

(c) the volume of trade with UK likely to increase as a result of agreement?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Indo-British trade and investment issues including issues in the services and knowledge-based industries were discussed during the meeting between both the Prime Ministers on 20.9.2004 in London.

(b) Both sides reached an Agreement to establish a ministerially led Joint Economic and Trade Committee to further develop a strategic economic relationship.

(c) The proposed Joint Economic and Trade Committee shall identify ways and means of increasing the scope of economic cooperation, including expansion of bilateral trade, which would help in consolidating and further increasing the bilateral trade between the two sides.

#### **Financial Assistance to Andhra Pradesh**

2838. SHRI M. RAJA MOHAN REDDY:

SHRI B. VINOD KUMAR:

Will the Minister of FINANCE be pleased to state:

(a) the grant-in-aid provided to the State Government of Andhra Pradesh during the Ninth Five Year Plan and Tenth Five Year Plan till date;

(b) whether the Government have reviewed the effect of the utilisation of the said amount;

(c) whether the amount provided by the Union Government is sufficient for the State Government of Andhra Pradesh; and

(d) if not, the decision of the Government regarding providing special grant-in-aid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Grants-in-aid provided to Government of Andhra Pradesh as Central assistance to State Plans during the Ninth Five-Year Plan and Tenth Five-Year Plan (so far) is as under.

(Rs. in crores)

Annual Plan	Grant-in-aid provided
9th Five-Year Plan:	
1997-98	623.87
1998-99	574.83
1999-00	724.14
2000-01	992.05
2001-02	1750.14
10th Five-Year Plan:	
2002-03	1122.90
2003-04	2293.64
2004-05 (so far)	777.03

(b) No, Sir.

(c) Union Government provides normal Central assistance grants as per modified Gadgil formula and other assistance as per specific scheme.

(d) There is no such proposal under consideration of the Government.

#### **Assistance by CAPART to NGOs**

2839. SHRI V. K. THUMMAR: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the assistance provided by CAPART to the NGOs working in rural areas for Scheduled Castes and Scheduled Tribes students, State-wise;

(b) whether the Government has any agency or department to monitor proper utilisation of such grants/funds; and

(c) if so, 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) CAPART provides financial assistance to registered NGOs working in the rural areas for upliftment of the rural poor. As per the mandate and prescribed guidelines, Capart does not provide assistance for Scheduled Castes and Scheduled Tribes students.

(b) and (c) Question does not arise.

#### **Tax on Certain Service Providers**

2840. SHRI HARIBHAU RATHOD:  
MOHD. MUKEEM:  
SHRI KISHAN SINGH SANGWAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government has plans to charge service tax on courier, advertising companies and also on service providers involved in marriage;

(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) and (b)

Service tax is leviable on courier agency and advertising agency w.e.f. 1.11.1996. Service tax is also leviable on services provided by service providers, in relation to marriage, such as mandap keeper, interior decorator, photography studio or agency, video production agency, event manager, outdoor caterer, pandal or shamiana contractor.

(c) Does not arise in view of (a) and (b) above.

#### **Salt Based Industry in Rajasthan**

2841. SHRI DUSHYANT SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have a proposal to set up some salts based industries in different parts of the country, particularly in Rajasthan;

(b) if so, the steps taken in that regard;

(c) whether some of the salt industries set up in Rajasthan are running at loss; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) No, Sir.

(b) Does not arise.

(c) and (d) Except from M/s. Sambhar Salt Ltd. a subsidiary of Hindustan Salt Ltd. which is a Government of India Undertaking, Government have not received any report of losses in Salt Works in Rajasthan. The reasons for loss in M/s. Sambhar Salt Ltd. are:—

(i) Tough competition from other salt producers;

(ii) Drought conditions for the last 4-5 years in Rajasthan;

(iii) A major chunk of valuable brine being pumped out by a large number of private salt manufacturers in the nearby area;

(iv) Non-availability of lake water in Rajasthan;

(v) Implementation of recommendations of the 5th Central Pay Commission.

*[Translation]*

#### **Investigation of SFIO**

2842. SHRI KISHAN SINGH SANGWAN: Will the Minister of FINANCE be pleased to state:

(a) the number of cases investigated by the Serious Fraud Investigation Office (SFIO) till date;

(b) the details of the cases on which action has been taken by the Serious Fraud Investigation Office (SFIO); and

(c) whether any penalty has been imposed in any case by this office?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Serious Fraud Investigation Office (SFIO) has so far investigated two cases, *viz.*, M/s. Daewoo Motors (India) Ltd. and M/s. Vatsa Corporation Ltd. The reports have been submitted to Ministry of Company Affairs.

(c) SFIO has no power to impose any penalty.

*[English]*

#### **Obsolete Acts**

2843. SHRI SITA RAM YADAV: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether a large number of Acts have become obsolete with the passage of time and details of such Acts have been pointed by the Law Commission;

(b) The details of Acts repealed during the last three years; and

(c) The steps the Government proposed for repealing the remaining obsolete Act?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (c) One of the terms of reference of the Law Commission is to recommend repeal/amendment of the obsolete laws. 159th report of the Law Commission, which is latest on the point, recommended repeal of some obsolete laws. Additionally, Government set up P.C. Jain Commission on review of administrative laws. 315 Acts were repealed by the Repealing and Amending Act, 2001. 62 other Acts have also been repealed. 114 Central Acts relating to list II of the Seventh Schedule of the Constitution have been identified, the action for the repeal for which is to be initiated by the State Governments.

#### **Promotion of Exports**

2844. SHRI RAM SINGH KASWAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has allocated Rs. 450 crores for the promotion of exports; and

(b) if so, criteria fixed for distribution among the exporters and their criteria for selection of exporters?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) For promotion of exports a "Market Access Initiative" Scheme is operational with an outlay of Rs. 552 crore during the 10th Five Year Plan period.

(b) Under the Scheme, funds are sanctioned to Export Promotion Councils/Apex Chambers/Registered trade bodies/Indian Missions abroad/State Governments after consideration and approval of the proposals by the Empowered Committee constituted for this purpose. The Empowered Committee considers the proposals selected on the basis of criteria prescribed under the Scheme.

#### **Activities of NWDB**

2845. SHRI ASADUDDIN OWAI SI: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the activities of the National Wasteland Development Board in the country;

(b) the achievements made by this board during 9th Five Year Plan period; and

(c) the projects sanctioned/likely to be undertaken during the 10th Five Year Plan by this Board, State-wise with special reference to North-Eastern States alongwith the details of utilisation thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA): (a) The National Wasteland Development Board (NWDB) was constituted in 1985 under the Ministry of Environment & Forests with the mandate to identify, classify and develop wastelands in the country. It was transferred to the Ministry of Rural Development wherein the Department of Wasteland Development was separately created in July 1992. The Department was later renamed as Department of Land Resources (DoLR) in 1999. The DoLR is implementing three major Area Development Programmes namely Drought Prone Areas Programme (DPAP), Desert Development Programme (DDP) and Integrated Wastelands Development Programme (IWDP) for drought proofing, desert development and wasteland development respectively.

(b) The Programme-wise achievements during 9th Plan are as given below—

Scheme	Achievements	
	Financial (Rs. in crores)	Physical (in lakh ha.)
IWDP	962.27	35.798
DPAP	668.26	44.935
DDP	519.80	24.770
<b>Total</b>	<b>2150.33</b>	<b>105.503</b>

(c) The State-wise and Programme-wise projects sanctioned is given in the enclosed statement I to III. The programme-wise targets and achievements during 10th Plan are as given below:—

Scheme	Targets Financial (Rs. in crores)	Achievements (upto 30.11.2004)	
		Financial (Rs. in crores)	Physical (in lakh ha.)
IWDP	1800.00	875.73	21.752
DPAP	1500.00	744.69	37.815
DDP	1100.00	542.35	23.820
<b>Total</b>	<b>4400.00</b>	<b>2162.77</b>	<b>83.387</b>

Upto 30.11.2004 about 50% of the funds earmarked for 10th Plan have been utilized. Efforts will be made to utilise rest of the amount by the end of the 10th Plan.

**Statement-I**

*Projects Sanctioned Under IWDP Programme during Tenth Plan Period (Till 30.11.2004)*

Sl.No.	State	2002-2003		2003-2004		2004-2005		Total Project	Total Area (in ha.)
		No. of Projects	Area (in ha.)	No. of Project	Area (in ha.)	No. of Project	Area (in ha.)		
1	2	3	4	5	6	7	8	9	10
1.	Andhra Pradesh	2	12000	10	60000	10	60000	22	132000
2.	Bihar			9	45000	9	45000	18	90000
3.	Chhattisgarh			8	40000	9	45000	17	85000
4.	Goa			2	10000	0	0	2	10000
5.	Gujarat			11	57500	9	45000	20	102500
6.	Haryana			4	20000	4	15000	8	35000
7.	Himachal Pradesh			8	43000	2	15000	10	58000
8.	Jammu and Kashmir			1	5000	4	19000	5	24000
9.	Jharkhand			6	33000	4	20000	10	53000
10.	Karnataka	1	6448	9	45000	10	50000	20	101448
11.	Kerala			3	15000	0	0	3	15000
12.	Maharashtra			9	45000	10	50000	19	95000
13.	Madhya Pradesh	1	7972	16	87000	14	60000	31	154972
14.	Orissa			7	38000	9	45000	16	83000

1	2	3	4	5	6	7	8	9	10
15.	Punjab					4	15000	4	15000
16.	Rajasthan			9	45000	9	45000	18	90000
17.	Tamil Nadu			11	55000	10	51025	21	106025
18.	Uttar Pradesh			13	65000	13	65000	26	130000
19.	Uttaranchal	4	22063	3	16000	6	34400	13	72463
20.	West Bengal			2	10000	4	13820	6	23820
Total		8	48483	141	734500	140	693245	289	1476228
1.	Arunachal Pradesh	8	54171	10	32000			18	86171
2.	Assam	15	90432	14	84000	20	100000	49	274432
3.	Manipur	6	44500	5	30000			11	74500
4.	Meghalaya			7	28000			7	28000
5.	Mizoram	5	40685	5	40000			10	80685
6.	Nagaland	7	57250	5	40000	5	40000	17	137250
7.	Sikkim			3	18000			3	18000
8.	Tripura							0	0
Total		41	287038	49	272000	25	140000	115	699038
G. Total		49	335521	190	1006500	165	833245	404	2175266

**Statement-II**

*Drought Prone Areas Programme  
Number of projects Sanctioned during Tenth Plan Period (till 30.11.2004)*

Sl. No.	States	2002-03	2003-04	2004-05	Total
1	2	3	4	5	6
1.	Andhra Pradesh	291	287	287	865
2.	Bihar	60	60	68	188
3.	Chhattisgarh	116	116	116	1053
4.	Gujarat	241	250	250	741
5.	Himachal Pradesh	50	40	40	130
6.	Jammu and Kashmir	66	66	66	871
7.	Jharkhand	164	200	200	564
8.	Karnataka	221	227	227	675

1	2	3	4	5	6
9.	Madhya Pradesh	265	269	269	803
10.	Maharashtra	300	296	303	899
11.	Orissa	160	146	146	452
12.	Rajasthan	113	96	96	305
13.	Tamil Nadu	144	160	160	464
14.	Uttar Pradesh	158	160	160	478
15.	Uttaranchal	97	90	90	277
16.	West Bengal	32	72	72	277
Total		2478	2535	2550	7583

Note : A project generally covers an area of 500 hectares of land.

**Statement-III**

*Desert Development Programme*

*Number of Projects Sanctioned During Tenth Plan Period (till 30.11.2004)*

Sl. No.	Name of the State	2002-03	2003-04	2004-2005	Total
1.	Andhra Pradesh	110	110	110	330
2.	Gujarat	277	298	298	873
3.	Haryana	121	118	118	357
4.	Himachal Pradesh	73	49	38	160
5.	Jammu and Kashmir	77	41	40	158
6.	Karnataka	165	166	166	497
7.	Rajasthan	779	780	830	2389
Total		1602	1562	1600	4764

Note : A project generally covers an area of 500 hectares of land.

*[Translation]*

**LIC Housing Finance Ltd.**

2846. SHRI BALESHWAR YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether LIC Housing Finance Ltd. is a separate entity and has no relation with the Life Insurance Corporation of India;

(b) if so, the details thereof alongwith the Act by which it is running its home loan business; and

(c) if not the circumstances by which the LICHFL has been allowed to impose purchasing a Life Insurance Policy of requisite amount as one of the conditions before its customers applying home loans from LICHFL?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b)



LIC Housing Finance Limited (LICHFL) has informed that LICHFL is a public limited company incorporated under the Companies Act, 1956. The Company was promoted by the Life Insurance Corporation of India and presently, its holding in the Company is 33.96%.

(c) Sanction of housing loans is not linked to purchasing of Life Insurance Policy. However, till 4th December, 2004, concession was given to holders of Life Insurance Policies at the rate of 25 basis points in the rate of interest, as intimated by LICHFL.

#### **Settlement of Claims**

2847. SHRIMATI JAYABEN B. THAKKER: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware of the fact that the DICGC is expected to sanction the claims within 60 days. Normally, the claims are sanctioned by the Corporation on the basis of Audit Certification sent by the Bank. Recently the Corporation has decided to audit the claims through Chartered Accountant appointed by RBI and as a result, the settlement of claims is getting delayed causing discontentment among the depositors; and

(b) if so, the reaction of the Government on the above matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. According to the information furnished by Deposit Insurance and Credit Guarantee Corporation (DICGC), it has been decided to get the claims list certified/verified by the Chartered Accountant firms available on the approved list of Reserve Bank of India (RBI) keeping in view the interest of the depositors. The claim list and data submitted by banks/liquidators in respect of some cases have been found to be of poor/very poor quality resulting in avoidable correspondence and in re-submission of data more than once. This had been resulting in delay in settlement of claims. Though DICGC gives highest priority to very quick settlement of claims, it cannot settle incorrect claims. In order to bring about improvement in this regard, the system of verification of the claims list by Chartered Accountant firms has been introduced recently, which would also speed up the processing of claims in DICGC. In addition, the system of settlement of deposit insurance claims is monitored by the Corporation with an intention to make correct and timely payments to all concerned depositors.

#### **Inefficient Tanning Sector**

2848. SHRI PARSURAM MAJHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the inefficiencies in the tanning sector in the country;

(b) whether such inefficiency at tanneries has adversely affected the export of leather goods;

(c) if so, the reasons for the inefficiencies in the tanning sector; and

(d) the steps taken to make improvement in that sector?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) The tanning sector in the country is largely in the small scale sector and is facing the challenges of meeting environmental regulations, social obligations and rapidly changing technology and business practices. These are mainly due to lack of adequate capital investment and infrastructural constraints. The export of leather and leather goods has grown at more than 10% in Dollar terms during 2003-04.

(d) Based on the recommendations of the Working Group on Leather & Leather Goods Industry, set up by the Planning Commission, the Government has allocated an amount of Rs. 400 crores for Indian Leather Development Programme. The programme covers technology upgradation/modernization, development of product specific industrial parks, human resource development, skill upgradation of rural artisans and market development.

#### **Loan for Tractor**

2849. SHRI A.K. MOORTHY: Will the Minister of FINANCE be pleased to state:

(a) whether bank has eased norms for financing of tractors;

(b) if so, the details thereof;

(c) whether other banks also propose to go on the same lines; and

(d) if not, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) A consortium of banks led by State Bank of India (SBI) had been formed to negotiate with the manufacturers and dealers of tractors and other agricultural equipment to obtain the maximum possible discount and concessions to be passed on to borrowers taking loan for purchase of tractors and other agricultural machinery. SBI subsequently entered into Memorandum of Understanding (MoU) with M/s. Tractors and Farm Equipment (TAFE), Chennai covering States/Union Territory of Uttar Pradesh, Uttranchal, Gujarat, Rajasthan, Tamil Nadu, Andhra Pradesh, Karnataka, Kerala and Union territory of Pondicherry whereas MoU signed with M/s. Mahindra and Mahindra covers Madhya Pradesh, Chhattisgarh, Bihar, Jharkhand, Orissa, West Bengal and North Eastern States.

Considering the fact that machinery is becoming increasingly important as an instrument of transformation of agriculture into a diversified and commercial enterprise and a few banks have already entered into tie up with major tractor and farm machinery manufacturers for financing them in a cost effective manner, the Advisory Committee on Flow of Credit to Agriculture and Related Activities from the Banking System (Vyas Committee) recommended that other banks also should explore such possibilities as well. Accordingly the Reserve Bank of

India (RBI) has advised the banks to initiate action on the recommendation and to ensure that proper instructions are issued to their controlling offices and branches in this regard.

#### SIDBI Assistance to Gujarat

2850. SHRI VIKRAMBHAI ARJANBHAI MADAM: Will the Minister of FINANCE be pleased to state:

(a) the number of Industrial Units set up by Small Industries Development Bank of India (SIDBI) in Gujarat State by way of providing loans during the last three years upto end of August, 2004; and

(b) the details thereof; district-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The number of industrial units assisted by Small Industries Development Bank of India (SIDBI) during the last three years and upto August, 2004 in Gujarat State are 986. The details of the district-wise number of units assisted by SIDBI during the above period in the State of Gujarat together with the amount of sanction and disbursement granted to them is given in the enclosed statement.

#### Statement

(Rs. Crore)

District	2001-02			2002-03			2003-04			2004-05 (upto Aug.)		
	No.	Sanc.	Disb.	No.	Sanc.	Disb.	No.	Sanc.	Disb.	No.	Sanc.	Disb.
1	2	3	4	5	6	7	8	9	10	11	12	
Ahmedabad	118	479.35	313.40	27	412.68	323.23	53	300.18	213.18	24	53.13	36.19
Amreli	11	1.21	0.91	03	0.30	0.21	01	1.25	0.75	00	0.00	0.00
Baroda	45	106.40	64.20	07	121.06	71.36	13	56.67	8.37	04	17.98	8.55
Banas Kantha	03	0.37	0.34	14	1.84	0.10	01	0.60	0.20	00	0.00	0.00
Bhavnagar	39	44.75	3.85	01	2.23	1.57	01	30.28	9.57	01	2.54	1.39
Bahruch	09	2.49	2.02	01	0.83	0.69	01	2.38	1.05	00	0.00	0.00
Dangs	00	0.00	0.00	01	1.50	0.89	00	0.00	0.00	00	0.00	0.00
Valsad	15	47.38	36.19	02	10.05	9.08	01	22.93	6.92	00	0.00	0.00
Gandhinagar	11	1.79	1.66	01	3.10	2.01	01	26.54	7.54	01	5.19	4.83
Jamnagar	24	14.73	3.95	01	39.05	30.76	01	32.42	4.28	01	4.68	3.92

1	2	3	4	5	6	7	8	9	10	11	12
Junagarh	46	68.18	46.94	05	0.40	0.53	01	13.09	2.47	01 2.53	1.62
Kheda	10	7.84	3.68	01	0.76	0.72	01	3.56	0.45	00 0.00	0.00
Kachh	32	4.07	3.23	15	111.76	34.90	02	18.63	5.20	02 4.37	2.64
Mehsana	16	9.25	9.23	19	4.78	4.75	01	3.67	1.12	00 0.00	0.00
Panchmahal	14	1.85	1.79	00	0.00	0.00	00	0.00	0.00	00 0.00	0.00
Rajkot	150	122.54	36.05	36	64.12	37.74	03	57.26	11.45	03 6.28	2.67
Sabarkantha	16	3.03	2.33	01	0.41	0.37	01	1.24	0.21	00 0.00	0.00
Surendranagar	89	7.19	5.51	44	2.68	2.52	01	3.35	0.16	01 0.85	0.37
Surat	18	52.75	40.00	09	45.83	19.80	04	49.12	13.79	07 6.32	0.83
Total	666	975.17	575.28	188	823.38	541.23	87	623.17	286.71	45 103.87	63.01

#### World Bank Loan for Infrastructure Development

2851. SHRI HANSRAJ G. AHIR: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have received applications from some State Governments for seeking Special Infrastructural Loan from the World Bank;

(b) if so, the names of such States; and

(c) the steps taken by the Government thereon?

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

(b) The names of such States are Karnataka, Gujarat, Andhra Pradesh, Punjab, Tamil Nadu, Assam, Uttaranchal, Maharashtra and Delhi.

(c) These projects are in the pipeline and follow the cycle of project identification, preparation, appraisal and then negotiation with the World Bank. The entire process cycle envisages interaction at different stages between the Government of India and the World Bank.

#### Piled up Shipping Documents at Customs Houses

2852. SHRI JUAL ORAM: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of shipping documents have piled up in the custom houses in the country and particularly in Mumbai;

(b) if so, the reasons therefor;

(c) whether the Government are aware of its adverse effect on the shipping companies and importers; and

(d) if so, the steps taken to resolve the problem?

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

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

(c) Yes, Sir.

(d) The Government has introduced the Electronic Data Interchange (EDI) system—a fully automated customs clearance system, for filing and clearance of export and import documents. A system of remote filing of declarations from the premises of the exporter and importer has also been introduced. The procedure for transshipment and examination of cargo has been simplified. The above measures are intended to reduce the time taken for customs clearance of export/import cargo and expeditious processing of export and import documents.

**Crisis in Silk Weavers Cooperative Society**

2853. SHRI K.C. PALANISAMY:  
SHRI M.K. SUBBA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Central Silk Board has pointed out to the Government the immense unexploited potential for Silk Industry and the export potential of silk in the country specially in Assam;

(b) if so, the details thereof;

(c) the details of plan of action if any, drawn out to optimize its production and export, indicating the country-wise exports;

(d) whether the silk Weaver's Co-operative Societies of Kanchepuram Circle is facing acute crisis due to stock of their cloth product;

(e) if so, the details thereof; and

(f) the steps taken by the Government for betterment of silk weavers of country especially Tamil Nadu?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Yes, Sir. India has a natural advantage in sericulture and it enjoys the distinction being the only country producing all the four commercially exploited varieties of silk *viz* Mulberry, Tasar, Muga and Eri. The golden muga silk is unique of Assam in India. Sericulture is a labour intensive agro based cottage industry providing employment to about 57 lakh persons. The country including Assam has capabilities along the entire value chain from cultivation of the raw material till the production of finished products. The table below indicates the target set for the production and export of silk during the 10th plan

Sl.No.	Details	Target for 10th plan
1.	Production of raw silk (MT)	26450
2.	Export earnings (Rs. in crores)	4000

(c) Several programmes and schemes to optimize domestic production of silk and export 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 & 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 & 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 10th Plan for the Sericulture sector to support the above strategy & programmes.

Country-wise export silk goods is enclosed as Statement

(d) and (e) There are 23 Silk Handloom Weavers Cooperative Societies functioning at Kancheepuram. The annual turnover of Silk Weavers Cooperative Societies for the past 3 years are as follows:—

(Rs. in lakh)

Year	Cost of Production	Cost of Sales
2001-02	6021.10	8510.05
2002-03	5067.61	9696.54
2003-04	6696.61	7853.52

The stock with Silk Weavers Cooperative Societies at Kancheepuram as on 30.11.2004 is to the extent of Rs. 6759.31 lakhs. This indicates that there is regular movement of stock of Handloom products.

(f) The Government of India is implementing a number of Schemes for development of Handloom sector & welfare of Handloom Weavers, such as Deen Dayal Hathkargha Protsahan Yojana, Weavers Welfare Scheme, Mill gate Price Scheme, Bunkar Bima Yojana, Marketing Promotion Programme, Integrated Handloom Training Project & Implementation of Handloom (Reservation of Articles for Production) Act, 1985. An amount of Rs. 3180.32 lakhs & Rs. 1076.21 lakhs have been released

to Government of Tamil Nadu in 2003-04 and 2004-05 (upto 10.12.2004) respectively under various Schemes. The Government of Tamil Nadu have taken various measures to liquidate the stock held with silk Weavers Cooperative Societies. the Tamil Nadu Government is allowing 20% rebate to handloom goods throughout the year including silk varieties also. Government of India is also allowing 10% Special Rebate Subsidy during certain festival occasions. Special discount of 45% and 55% was also permitted to liquidate the stock over one year and over two years of silk fabrics. 10 district level exhibitions have been conducted during the year 2004-05. Besides Loom world also conducted two exhibitions.

**Statement**

*Country-wise exports of silk items is given below:*

Country	2001-02	2002-03	2003-04
USA	680.90	712.73	789.47
Germany	159.03	141.34	161.67
UK	166.29	188.12	208.86
Hong Kong	192.60	186.64	133.31
Italy	114.46	121.22	129.34
UAE	104.29	139.21	241.07
Singapore	71.41	65.96	84.93
France	97.53	99.69	90.50
Spain	64.45	71.85	108.78
Saudi Arabia	47.59	67.05	64.69
Canada	34.65	39.04	NA
Japan	31.20	23.83	NA
Others	626.36	461.2	563.90
<b>Grand Total</b>	<b>2359.56</b>	<b>2294.05</b>	<b>2576.52</b>

**Implementation to Industrial Projects**

2854. SHRI K.S. RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have a proposal for the constitution of the Standing Committee of Commerce and

Industry to monitor the implementation of industrial projects on a continuous basis;

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

(c) whether the Government have also a proposal to review economic law;

(d) if so, the details of the laws which are going to be reviewed and the amendments likely to be made; and

(e) the time frame fixed for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (e) This Department is implementing a Scheme titled as Industrial Infrastructure Upgradation Scheme for upgrading and enhancing the quality of the infrastructure in the existing industrial clusters/locations with high growth potential requiring strategic interventions. The projects under the scheme are to be sanctioned by a Standing Inter Ministerial Apex Committee at the Central Government level. The implementation of the Scheme does not require any review of the existing economic laws.

*[English]*

#### Trade Block

2855. SHRI MOHAN RAWALE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Brazil, South Africa and India have signed an agreement to form a Trade Block;

(b) if so, salient features of the said agreement;

(c) whether India is expected to benefit from such an agreement; and

(d) if so, expected increase in trade among these countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) No, Sir.

(b) to (d) Does not arise.

#### Loss to National Insurance Company

2856. SHRI BASU DEB ACHARIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that National Insurance Company is incurring huge losses due to the unwise agreement signed with Reliance India Ltd., in regard to the payment of money of default customers to RIL;

(b) whether as per the agreement the insurance Company got 15 crores per year as premium whereas it has paid more than Rs. 150 crores to RIL on account of loss that RIL incurred due to default customers.

(c) if so, facts of the matter; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) National Insurance Company Ltd. (NIC) issued a Contingency Policy in the year 2003-04 to Reliance Infocomm for a period of three years, covering the handsets against transit, accidental damage and other allied risks including default of usage bills by the subscribers. The total premium procured by the company under this policy was Rs. 60.43 crores and the claims reported during the 2003-04 totalled Rs. 152.34 crores. The value of claim paid by the company till 31st October 2004 was Rs. 120.60 crores and the remaining Rs 31.74 crores was outstanding on that date.

(d) The company has taken a number of steps to address the issue of high claims under the Policy. These include investigation of claims legal proceeding for recovery from the subscribers etc. The company has also arranged Alternate Risk transfer (ART) Reinsurance cover to take care of the unexpected large volume of losses.

#### Contaminated Drinking Water

2857. SHRI ADHIR CHOWDHURY:  
SHRI HANNAN MOLLAH:  
SHRIMATI D. PURANDESWARI:  
SHRI BRAJESH PATHAK:  
SHRI NIKHIL KUMAR:  
SHRI BASU DEB ACHARIA:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government is aware that millions of people living in around 2 lakh habitations all over the country are facing health hazards as they are compelled to consume water with high fluoride content, iron, nitrate, arsenic and salinity in various parts of India;

(b) if so, the number of habitations drinking contaminated water beyond permissible limits in various States;

(c) whether the Government has formulated any policy to ensure that safe drinking water is available to habitations throughout the country;

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

(e) whether the Government has received any request from States regarding solution to this problem; and

(f) if so, the details thereof, State-wise along with the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA): (a) and (b) As per water quality survey ordered in March 2000, State Governments reported 2,16,968 rural habitations with drinking water quality problems. Out of these, 31306 habitations are affected with excess fluoride, 23,495 with excess salinity, 1,18,088 with excess iron, 5,029 with excess arsenic, 13,958 with excess nitrate and 25,092 habitations having multiple water quality problems. In the quality-affected habitations, State Governments make alternative arrangements either through domestic and community based treatment units or through water drawn from contamination free aquifers of surface water bodies.

(c) and (d) Rural drinking water is a State subject. Government of India provides financial and technical assistance to States to accelerate coverage of rural habitations through a centrally sponsored scheme, namely Accelerated Rural Water Supply Programme (ARWSP). Helping State Governments in tackling water-quality problems in the rural areas is one of the objectives of Rajiv Gandhi National Drinking Water Mission (RGNDWM), Department of Drinking Water Supply. Sub-mission programmes were introduced in 1992-93 to tackle water quality and sustainability problems. Till 31.3.1998, 120 projects at an outlay of Rs. 1342 crore under Sub-mission programme were sanctioned to tackle water quality problems on the funding pattern of 75:25 between Centre and State. These were implemented by the State Government. With effect from 1.4.1998, however, the power to sanction projects under Sub-mission programme were delegated to the State Governments. There is no change in funding pattern of 75:25 between Centre and State for tackling water quality problems. 15% of ARWSP funds released to States are earmarked for tackling water quality problems. Fully covered States can spend higher proportion of funds on projects for tackling water-quality problems, with prior approval of the Central Government.

(e) and (f) Proposals from Andhra Pradesh for coverage of 2682 fluoride affected habitations at an

estimated outlay of Rs. 675 crore, 6 schemes for providing arsenic free water from West Bengal at a cost of Rs. 1166 crore, 12 projects for 41072 water quality affected habitations at a total cost of Rs. 6660 crore from Rajasthan were received. As State Governments are fully empowered to sanction projects for tackling water quality problems, they need not approach the Central Government for the same.

[*Translation*]

#### Revival of Spinning Mills

2858. PROF. MAHADEORAO SHIWANKAR:  
SHRI MUNSHI RAM:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is formulating any plan to revive the Spinning Mills;

(b) the total number of spinning mills operating and the total number of closed mills in the country, State-wise;

(c) whether the Government is formulating any action plan to revive the closed mills;

(d) if so, whether the Government is contemplating to revive the spinning mills of Nagina in Bijnore district of Uttar Pradesh; and

(e) the time by when it would be revived to improve the financial position of the workers?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Government has been taking suitable measures from time to time to promote the growth of the textile industry as a whole including spinning mills.

(b) The State-wise number of cotton/man made fibre textile spinning mills (Non SSI) functioning and closed in the country as on 31.10.2004 is given in the enclosed statement.

(c) Since the closed textile mills mentioned in Statement are in the private sector, the prime responsibility for their revival rests with their management. However, for the revival of closed textile mills Government has no existing Scheme. For the sick mills which may or may not be closed, the Government has set up Board for Industrial & Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act with a view to arranging the timely detection of sick and potentially

sick companies and for the speedy determination of preventive, ameliorative and remedial measures which need to be taken in respect of such companies. The cooperative sector is not covered under the purview of BIFR.

(d) and (e) M/s. Nagina Sahakari Katai Mills Limited in Bijnore district of Uttar Pradesh having 1034 workers was closed in January 2000. This is a spinning mill in the co-operative sector not covered under the purview of BIFR. Since it is not covered under any Scheme of the Union Government, the initiative for revival has to be taken by the State Government.

**Statement**

*State-wise number of functioning and closed Cotton/ Man-Made Fibre Textile Mills (non SSI) as on 31.10.2004*

Sr No.	State	Spinning Mills	
		Functioning	Closed
1	2	3	4
1.	Andhra Pradesh	58	40
2.	Assam	1	5
3.	Bihar	1	5
4.	Chhattisgarh	0	1
5.	Dadra and Nagar Haveli	4	0
6.	Daman and Diu	1	0
7.	Goa	1	0
8.	Gujarat	28	30
9.	Haryana	51	25
10.	Himachal Pradesh	16	0
11.	Jammu and Kashmir	1	1
12.	Jharkhand	1	0
13.	Karnataka	32	15
14.	Kerala	24	9
15.	Madhya Pradesh	33	7
16.	Maharashtra	99	33
17.	Manipur	0	1

1	2	3	4
18.	Orissa	6	10
19.	Pondicherry	8	1
20.	Punjab	60	15
21.	Rajasthan	27	17
22.	Tamil Nadu	693	115
23.	Uttar Pradesh	24	34
24.	Uttaranchal	1	4
25.	West Bengal	14	9
Total		1184	377*

\*Out of the above 377 closed spinning mills as on 31.10.2004, 26 mills are under official liquidator.

[English]

**100 Days Employment Scheme**

2859. SHRI KINJARAPU YERRANNAIDU: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Government is aware that the rural poor are on the verge of starvation usually during March to September when work is scarce; and

(b) the steps proposed to cover that period after providing 100 days work scheme to such poor?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) and (b) The proposal to enact a Central Legislation for the National Rural Employment Guarantee Act, which aims to enhance livelihood security to poor households in rural areas by providing atleast 10 days of guaranteed wage employment to every poor household whose adult members volunteer to do unskilled manual labour, is under consideration of the Government.

**Rejection of Food Consignment due to High Pesticides**

2860. SHRI KIRTI VARDHAN SINGH:  
SHRI VIJOY KRISHNA:  
SHRI ANIRUDH PRASAD alias SADHU YADAV:  
SHRI S.D. MANDLIK:  
SHRIMATI NIVEDITA MANE:

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



(a) whether the European Union have rejected some food consignments from India due to high pesticides residue;

(b) if so, the details thereof;

(c) whether the Government proposes to set up inspection facilities for processed food items to check the recurrence of such incidents;

(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) European Commission has issued Rapid Alert notices pertaining to excess pesticide residues found in Indian consignments of spices and grapes leading to rejection.

(c) to (e) In order to address quality issues in the food products exports, Government has laid down standards and residue monitoring plans for various processed food items. Government is also providing assistance for establishment/modernisation/technology upgradation of food processing units, setting up of testing/inspection facilities, support for research & development including quality assurance and accreditation under quality certification system, creation of infrastructure, development of human resource etc.

#### **Fake Bank Documents**

2861. SHRI S.P.Y. REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware of widespread forgery and fake duplication of various documents and instruments of public transaction like stamp papers, letters of credits and certificates of authority, bank Guarantees, insurance cover notes of all varieties and NSC certificates etc. leading to huge loss of public revenues and serious erosion of Government's credibility; and

(b) If so, steps proposed to be taken by the Government to take effective preventive steps to make all such documents and instruments fool proof and forgery resistant?

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

(b) (i) Based on the recommendations of two Working Groups/Committees constituted in the Ministry of Finance, additional security features have been approved by the Ministry for incorporation in the Non Judicial Stamp Papers (NJSP) and Adhesive Stamps. The new security features, which are being introduced in a phased manner, will make counterfeiting difficult.

(ii) Two meetings of State Revenue Secretaries were held in the Ministry of Finance to discuss the proposals for initiating modern methods of revenue collection and other related issues.

(iii) IFCI is assisting the Government of India to put in place a pilot Project for de-matting of Stamp Paper. The system will be in operation in 10-12 cities initially. The entire capital cost of the system would initially be borne by the Government of India; and

(iv) The Stamps Act has been amended to facilitate modern methods of revenue collection. All the States/Union Territories have been requested to send to the Government of India a time-bound programme to introduce fool-proof modern methods of revenue collection.

#### **Ban on Import on Indian Made Drugs by Pakistan**

2862. SHRIMATI MANORAMA MADHAVRAJ: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Pakistan has recently banned import of India-made bulk drugs on the ground that local drug industry has commenced production of drugs hitherto imported from India;

(b) whether Pakistan still permits import of bulk drugs from China, Thailand and Korea even for drugs that are produced locally;

(c) whether India is the only country that has been singled out by Pakistan for discrimination in this regard; and

(d) if so, measures taken thereupon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Pakistan has reportedly changed its policy about five years ago for imports of drugs from India to protect local Bulk Drug Industry. Bulk drugs are

allowed to be imported from India subject to a customs duty of 25% in order to give protection to the local production in Pakistan.

(b) Yes, Sir. Pakistan permits import of bulk drugs from China, Thailand and Korea even for drugs that are produced locally.

(c) and (d) A Committee of Experts has been set up to discuss trade related issues between the two countries with a view to sorting out these for mutual benefit.

*[Translation]*

#### **Trade with ASEAN Countries**

2863. SHRI DEVIDAS PINGLE:  
PROF. MAHADEORAO SHIWANKAR:  
SHRI MUNSHI RAM:  
SHRI NARENDRA KUMAR KUSHAWAHA:

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

(a) whether the Government have agreed to enhance co-operation for increasing mutual trade with the ASEAN countries;

(b) if so, the details thereof;

(c) the year-wise quantum of trade till date since the year 2002-03 with ASEAN;

(d) the year-wise targeted quantum of trade in crore rupees under the new agreements;

(e) the value of commodities agreed upon for trade under the new agreement; and

(f) the measures taken by the Government for commercial ties in the field of technology, biotechnology etc.?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) It has been the endeavour of the Government to enhance cooperation and trade with the ASEAN countries consistent with its 'Look East Policy'. A Framework Agreement on Comprehensive Economic Cooperation between Association of South East Asian Nations (ASEAN) and India was signed by the Prime Minister of India and the Heads of Nation/Government of ASEAN members during the second ASEAN-India Summit on 8th October 2003 in Bali, Indonesia. This Agreement includes provisions relating to Free Trade Area in Goods, Services, Investments and has identified various areas of economic cooperation.

(c) The year-wise quantum of bilateral trade with ASEAN countries since 2002-03 has been as under:—

(Value in US \$ Million)

Year	Exports	Imports	Total Trade	Balance of Trade
2002-03	4618.54	5150.17	9768.71	(-)531.63
2003-04	5798.13	7350.32	13148.45	(-)1552.19
2004-05 (Apr.-Aug.)	2931.26	3291.86	6233.12	(-) 360.60

*(Source: DGCI & S, Calcutta)*

(d) and (e) No targets have been fixed as such either for quantum of trade or value of commodities under this Agreement.

(f) The Agreement provides for strengthening cooperation in various areas of economic cooperation including science & technology, bio-technology, etc.

*[English]*

#### **Sea-Shell Handicraft Artisans**

2864. SHRI MANORANJAN BHAKTA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has introduced various developmental schemes for Handicrafts to supplement the State activities in the Handicraft Sector;

(b) if so, whether Government is aware that Sea-Shell Handicrafts Artisans in Andaman and Nicobar Islands are not allowed to collect the domestic sea-shells from Andaman Sea;

(c) if so, the remedial measures the Government proposes to initiate to encourage the Artisans in the Islands; and

(d) if not, reasons therefore?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA: (a) Yes, Sir.

(b) As reported by Andaman & Nicobar Administration, there is a ban on collection of only those species of sea shells which are protected under Wild Life (Protection) Act, 1972. However, collection of other species of sea shells is regulated under Andaman & Nicobar Islands Marine Fishing Regulations, 2003 and Andaman & Nicobar Islands Marine Fishing Rules, 2004.

(c) and (d) Do not arise.

[*Translation*]

#### **Funding to Terrorists**

2865. SHRI TUKARAM GANPAT RAO RENGE PATIL:  
SHRI KASHIRAM RANA:  
SHRI P. KARUNAKARAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Govt. has information that terrorists are receiving money through hawala channel from abroad;

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

(c) the details of cases detected by the Government during the last two years; and

(d) the steps taken by the Government to ensure that terrorists do not get money through hawala channels?

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

[*English*]

#### **National Company Law Tribunal**

2866. SHRI UDAY SINGH: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the Government plans to set up a National Company Law Tribunal to streamline the liquidation proceedings of companies;

(b) if so, the details thereof and time by which it would be set up;

(c) whether the liquidation proceedings of companies which take 15-20 years would be curtailed; and

(d) if so, the extent to which the tribunals would clear such proceedings in a time bound period?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) and (b) Yes, Sir. However, the constitution of National Company Law Tribunal (NCLT) under the Companies Act, 1956 is sub-judice on account of a Special Leave Petition (SLP) filed by the Central Government in the Supreme Court, following a ruling by the Madras High Court on a petition challenging some provisions of the Companies (Second Amendment) Act, 2002. Therefore, no time schedule for setting up of NCLT can be stated at present.

(c) and (d) Yes, Sir. Provisions have been incorporated in the Companies Act, 1956 on the basis of the Companies (Second Amendment) Act, 2002 so as to enable completion of the liquidation proceedings in a time bound manner. However, on account of the NCLT not having been constituted due to the reasons stated at (a) & (b) above, these provisions are yet to be notified.

[*Translation*]

#### **Status of Sheduled Banks in Madhya Pradesh**

2867. SHRI SHIVRAJ SINGH CHOUHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the cooperative banks of Madhya Pradesh have been given the status of scheduled banks;

(b) the criteria for providing the status of scheduled banks to the cooperative banks;

(c) the number of applications/proposals pending with the Union Government for providing the status of scheduled banks in Madhya Pradesh; and

(d) the time by which the proposals are likely to be approved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Only Madhya Pradesh State Co-operative Bank Limited, in Madhya Pradesh has been granted the status of Scheduled Bank. In terms of Section 42(6) of the RBI Act, 1934, banks are included in Second Schedule of the RBI Act subject to the following conditions:-

(i) The banks should have a paid up capital and reserves of an aggregate value of not less than five lakh rupees. However, as per Government of India Notification only such of the Primary (Urban) Co-operative Banks which are licensed and whose demand and time liabilities are not less than Rs. 250 crores qualify to be treated as financial institutions for the purpose of sub-clause (iii) of clause (a) of sub-section (6) of Section 42 of the RBI Act, 1934;

(ii) RBI is satisfied that Bank's affairs are not being conducted in a manner detrimental to the interest of the depositors; and

(iii) The bank is a State Co-operative Bank or a company as defined in Section 3 of the Companies Act, 1956(1 of 1956), or an institution notified by the Central Government in this behalf or a corporation or a company incorporated by or under any law in force in any place outside India.

In addition to the statutory provisions, RBI has prescribed certain, internal guidelines to ensure that only financially sound banks are included in the Second Schedule of the RBI Act, 1934.

(c) and (d) No application/proposal received from the State Government of Madhya Pradesh to grant the status of Scheduled Banks to any Rural Co-operative Bank is pending with NABARD/Reserve Bank of India.

#### **Excise Cases Pending in Courts**

2868. SHRI BIR SINGH MAHATO:  
SHRI SUNIL KUMAR MAHATO:  
SHRI P.S. GADHAVI:

Will the Minister of FINANCE be pleased to state:

(a) the details of cases relating to Central Excise and Customs pending in Supreme Court, High Courts and Tribunals as on 31.10.2004; and

(b) since when they are pending alongwith the reasons for which they have not been disposed-of and the step taken/being taken to expedite these cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The number of cases pending in Supreme Court, High Courts and the Tribunal as per the report for the quarter ending 30.9.2004 are as under:—

(as reports are collected on a quarterly basis)

Sl.No.	Court	No. of Appeals
1.	Supreme Court	2051
2.	High Courts	8564
3.	CESTAT	22333
Total		32948

(b) Majority of cases are pending for over five years along with cases that are added on day-to-day basis. As litigation is a continuous process, no specific reason can be attributable for delay. However, the Government in its endeavour to liquidate the arrears of pendency has initiated the following steps, namely,

(i) Legislative measures to correct the lacuna pointed out by the Courts;

(ii) Creation of dedicated units to speed up the process of litigation by monitoring the cases on day-to-day basis before the High Courts and the Supreme Court.

(iii) Periodical meetings with officials of the Law Ministry to identify and overcome the areas of difficulty to achieve the desired results.

*[English]*

#### **Strengthening of Textile Sector**

2869. SHRI MANJUNATH KUNNUR:  
SHRI BRAJESH PATHAK:  
SHRI ASHOK KUMAR RAWAT:

Will the Minister of TEXTILES be pleased to state:

(a) the location-wise number of Textile handloom, powerloom, synthetic yarn, ready-made garments and hosiery items manufacturing units in the country particularly in Uttar Pradesh as on date;

(b) the amount spent by the Government on development of textiles, handloom and handicraft industry during the last three years; and

(c) the steps taken or proposed to be taken by the Government to promote export of fabrics manufactured in the said units?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) As on date there are considerable number

of manufacturing units in handloom, powerloom, synthetic yarn, ready-made garments and hosiery sectors in SSI/ non-SSI sectors, and it is not feasible to furnish the location-wise number of such units. However, there are more than 4 lakh powerloom and 25 lakh handloom units in the country and of these 0.25 lakh units in powerloom and 1.37 lakh units in handloom sectors are in Uttar Pradesh.

(b) The amount spent by the Government for development of Textile Industry Handloom & Handicraft sectors in the country during the last three years is as under:—

(Rupees in crores)

year	Funds released in Textile Industry	Funds released in Handloom	Funds released in Handicraft
2001-02	220.14	112.37	26.19
2002-03	225.25	150.38	27.42
2003-04	266.61	184.65	40.30

(c) The Government has taken various measures to increase export of textile items including fabrics. Some of the measures are given below:

- (i) The mandatory Central Value Added Tax (CENVAT) chain has been abolished. The CENVAT Scheme has been made optional. Consequently, no mandatory excise duty is leviable on pure cotton yarn, fabrics or garments;
- (ii) All Textiles and textile articles falling under chapter 50 to 63 have been fully exempted from duties leviable under additional Excise duty (Goods of Special Importance) Act and Additional Excise Duty (Textiles and Textiles Articles) Act, wherever applicable;
- (iii) Availability of incentives to exporters under the different export promotion schemes such as Duty Entitlement Pass Book Scheme/Duty Drawback Scheme etc;
- (iv) Financial assistance provided under the Handloom Export Scheme for development of exportable products and publicity & marketing thereof;
- (v) Ceiling and restrictions on export of cotton yarn to non quota countries was removed w.e.f. 1st January, 2002;

- (vi) Organization of Buyer-Seller Meets in important markets abroad and Participation in leading International fairs & exhibitions; and
- (vii) Financial assistance to handloom exporters through Handloom Export Promotion Council under the MDA Scheme for market promotion activities.

#### Violation of Provisions of Explosive Act

2870. SHRI MADAN LAL SHARMA: Will the MINISTER OF COMMERCE AND INDUSTRY be pleased to state:

(a) the cases on the violation of provisions of Explosives Act reported during the last two years;

(b) whether these violations were of serious nature; and

(c) the steps taken by the Government to curb such violations in future?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (c) The following number of cases on violation of provisions of Explosives Act have come to the notice of Department of Explosives during the last two years:—

Nature of Violations	Number of cases
Excess Storage	16
Non submission of monthly returns	23
Encroachment of safety distances	5
Manufacture/storage of unauthorized explosives	13
Accidents	6
Unsafe practices	113
<b>Total</b>	<b>176</b>

Some of these violations were serious in nature. In cases of violations, action is taken against the license holders as per the provisions of the Explosives Act. Department of Explosives conducts regular periodic inspections of such premises to curb violations. It has also launched safety awareness program through its field offices to propagate safety culture.

**Condition of Powerloom Industry**

2871. SHRI G. KARUNAKARA REDDY:  
SHRI PRABHUNATH SINGH:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is aware of the deteriorating condition of powerloom industry in the country particularly of Karnataka State;

(b) if so, the details thereof;

(c) whether the Karnataka Government has requested for any Central assistance for reviving and rejuvenating powerloom industry;

(d) if so, the steps taken or being taken by the Government to rejuvenate the powerloom industry of the country particularly of Karnataka State;

(e) whether Government has formulated any scheme for modernisation/upgradation of powerloom industry; and

(f) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Powerloom industry in the country is very vibrant. There is no deterioration in the condition of the powerloom industry in the country. Instead, there has been a steady growth in the cloth production as well as the installation of the powerlooms in the decentralized powerloom sector as described below:—

Year	No. of looms registered	Production in power loom sector (in million sq. metres)	Total cloth production in the country (in million sq. metres)	Percentage of powerloom Cloth production
2001-02	1666033	25192	42034	59.93
2002-03	1692737	25954	41973	62.00
2003-04	1836856	27258	40613	67.00

There has also been a steady increase in the number of looms installed in the State of Karnataka:-

Name of the state	As on	No. of units	No. of looms installed	No of workers engaged
Karnataka	31.03.02	24433	80985	202463
	31.03.03	24574	81832	204580
	31.03.04	24579	81869	204673
	31.10.04	24579	81869	204673

(c) The State Government of Karnataka has forwarded a project proposal under the Group Workshed Scheme of this Ministry to construct worksheds with Central Government's assistance/subsidy to induct automatic looms to improve productivity, quality and value addition.

(d) to (f) The Government seeks to promote powerloom sector through the following Schemes throughout the country including the State of Karnataka:

- Powerloom Service Centres (PSCs), established to provide various services, such as skill

upgradation and testing facilities to powerloom weavers have been upgraded with modern looms, other machinery and equipment to improve the quality of services and facilitation for modernization under the Plan Scheme Modernisation and Strengthening of Powerloom Service Centres.

- To facilitate the creation of new designs, improve the designs and production in the fast changing global tradition in fashion, the computer Aided Design (CAD) Centres were set up at 17 major powerloom clusters. Government provides

financial support to these Centres at a fixed rate of Rs. 6.75 lac per annum under the Plan Scheme **Support to Computer Aided Design Centres**.

- \* **A Group Insurance Scheme** has been implemented to provide cover to the powerloom workers against unforeseen death, accident and disability.
- \* With a view to improving the working environment and enable the powerloom workers in obtaining higher productivity, Government has implemented a **Group Workshed Scheme**. This Scheme provides subsidy for construction of worksheds limited to 25% of the unit cost of construction subject to a maximum of Rs. 80% per sq. ft. In order to improve other infrastructure facilities the scheme envisages a link with the **Textile Centre Infrastructure Development Scheme (TCIDS)**, which provides central assistance for improving critical infrastructure in existing or emerging textile centres.
- \* For modernization of powerloom sector, a programme for induction of 50,000 shuttleless and for 2.50 lakh semi automatic and automatic looms in the decentralized powerloom sector has been announced. Incentives have been made available under the Technology Upgradation Fund Scheme (TUFS) whereby the powerloom owner can reduce the cost of borrowing capital either by availing 20% Credit Linked Subsidy or by obtaining 5% interest reimbursement on the loan availed.

*[Translation]*

#### **Fake Bank Draft Racket**

2872. SHRI BHUPENDRASINH SOLANKI: Will the Minister of FINANCE be pleased to state:

- (a) whether fake bank draft racket was detected in the country during the recent past;

(b) if so, whether the Government is taking any concrete steps to check the racket;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Reserve Bank of India (RBI) have reported that they have no knowledge of any large scale racket of fake drafts in the country.

(b) to (d) Do not arise.

*[English]*

#### **Public Sector Banks Abroad**

2873. SHRIMATI SUMITRA MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of the public sector banks presently operating in foreign countries, country-wise;

(b) the number of them incurring losses;

(c) the amount of money these banks have to pay to the Government of that country where they have their branch/branches; and

(d) the amount of money being paid to the Government annually by these foreign banks which have their branches in Indian cities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Country-wise details of number of branches of public sector banks operating abroad at given in the enclosed statement-I.

(b) The details regarding loss making branches of public sector banks are given in the enclosed statement-II.

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

**Statement-I**  
**As on 31.3.04**  
*List of foreign branches of Public Sector Banks, Country-wise*

Bank	Country	Branch		
1	2	3		
Bank of Baroda	Bahama Islands	Nassau		
	Belgium	Brussels		
	Fiji Islands	Ba	Labasa	
		Lautaka	Nadi	
		Nausori	Raki Raki	
		Sigataka	Suva	
		Mauritius	Cure Pipe	Flacq
			Mauritius O.B.U.	Port Louis
			Quatre Bornes	Rose Hill
			Vacoas	Muttarah
			Oman, Sultanate of	
		Seychelles	Salalah	Seychelles
	South Africa		Durban	
	USA		New York	
	United Arab Emirates		Al AIN	
			Abu Dhabi Main	
			Deira Dubai	
			Dubai	
			Ras Al Khaimah	
			Sharjah	



1	2	3
	United Kingdom	Handsworth Harrow (Slough) Kilburn London Manchester Southall Streatham (Tooting) Wembley
State Bank of India	Bahama Islands Bahrain Bangladesh Belgium France Germany Hongkong Japan  Maldives Singapore South Africa Sri Lanka  USA  United Kingdom	Nassau Bahrain OBU Dhaka Antwerp Paris Frankfurt Hongkong Osaka Tokyo Male Singapore Johannesburg Colombo Colombo FCBU Chicago Los Angeles Agency New York Golden Green, London London Main Southall
Bank of India	Cayman Island Channel Islands France Hongkong	Grand Cayman off shore branch Jersey Paris Hongkong

1	2	3
		Kowloon
	Japan	Osaka
		Tokyo
	Kenya	Mombasa
		Nairobi
	Singapore	Singapore
	USA	New York
		San Francisco
	United Kingdom	Birmingham
		East Ham
		Leicester
		London
		Manchester
		Wembley
Indian Overseas Bank	Hongkong	Hongkong Main
		Tsim Sha Tsui
	Korea (South)	Seoul
	Singapore	Singapore
	Sri Lanka	Colombo
UCO Bank	Hongkong	Hongkong Main
		Kowloon
	Singapore	Serangoon Road
		Singapore Main
Indian Bank	Singapore	Singapore
	Sri Lanka	Colombo DU
		Colombo FCBU
Canara Bank	United Kingdom	London
Syndicate Bank	United Kingdom	London

**Statement-II****Loss making foreign branches of public sector banks**

Operating loss making branch in **2003-04:**

Golden Green, London branch of State Bank of India

Net loss making branch in **2003-04:**

New York branch, Bank of Baroda

London branch of Bank of India

Antwerp branch of State Bank of India

Golden Green, London branch of State Bank of India

[*Translation*]

**Austerity Measures**

2874. SHRI BRAJESH PATHAK: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has given any direction to public sector banks for containing the expenses of banks so that their long-term sustainability and profitability is maintained;

(b) if so, the details thereof;

(c) whether banks have formulated any scheme in this regard; and

(d) if so, the details thereof, bank-wise?

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

[*English*]

**Banking Relations with Pakistan**

2875. SHRI GURUDAS KAMAT:  
SHRI MUNSHI RAM:

Will the Minister of FINANCE be pleased to state:

(a) whether India and Pakistan have agreed to boost banking relations;

(b) if so, the details thereof;

(c) whether both the countries have reached an agreement for opening branches of banks in their respective countries to enhance cooperation in banking sector;

(d) if so, the name of the banks whose branches are likely to be opened in Pakistan; and

(e) the number of banks functioning at present in both countries?

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 to the extent available.

[*Translation*]

**Promotion of Carpet Industry**

2876. SHRI HARIKEWAL PRASAD:  
SHRI ILYAS AZMI:

Will the Minister of TEXTILES be pleased to state:

(a) the efforts made to promote carpet industry in the country;

(b) the countries to which carpet was exported during the last three years and the quantum of foreign exchange earned on account thereof;

(c) whether only few exporters exported carpet to the extent of 50% of the total target;

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

(e) the facilities being provided by the Government to the workers and artisans employed with carpet industry?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The efforts made to promote carpet industry in the country include: implementation of schemes for Design and Technology upgradation; Marketing and Support Services; Export Promotion; Training and Extension etc. Integrated development of craft clusters is also being taken up by organizing the artisans into Self Help Groups under Baba Saheb Ambedkar Hastshilp Vikas Yojana (AHVY). Besides above, Indian Institute of Carpet Technology has been set up at Bhadohi with two satellite centres at Srinagar and Jaipur to provide trained human resource and other needed technical inputs to

the carpet industry for its development and promotion. A Special Economic Zone (SEZ) is also being setup at Bhadohi.

(b) The details of countries to which carpet was exported during the last three years and the foreign exchanged earned therefrom is as under:—

(Value in Rupees Crores)

Sl.No.	Country	2001-02	2002-03	2003-04
1.	Argentina	1.90	9.70	8.74
2.	Australia	22.80	24.50	21.85
3.	Austria	23.29	22.90	20.47
4.	Belgium	21.32	15.12	9.57
5.	Canada	38.55	37.34	33.35
6.	Denmark	23.37	23.90	15.50
7.	Finland	12.77	14.65	12.11
8.	France	57.89	58.96	40.44
9.	Germany	602.32	642.79	508.41
10.	Italy	31.54	29.16	20.99
11.	Japan	58.28	50.92	40.31
12.	Luxembourg	0.38	0.80	0.70
13.	Netherlands	23.25	24.58	15.85
14.	Norway	5.28	5.97	5.29
15.	Sweden	14.46	33.74	15.13
16.	Switzerland	28.33	37.06	22.20
17.	Spain	27.47	27.50	20.61
18.	U.S.A.	1157.43	1203.11	1218.01
19.	U.K. Others	123.46	127.23	93.17
20.	Others	162.94	200.33	177.34
<b>Total</b>	<b>2436.13</b>	<b>2590.26</b>	<b>2300.04</b>	

(c) Exporter-wise data on export of carpets is not maintained.

(d) Does not arise.

(e) The facilities being provided by the Government to workers and weavers employed with carpet industry include: Skill upgradation through training; Design and Technology upgradation; Marketing including Export; Life

Insurance; credit facility through margin money support under AHVY and Artisans Credit Card.

Besides facilities like assistance for construction of workshops; smoothening of credit flow through Credit Guarantee Scheme and availability of quality raw material through Raw Material Bank are also being provided in the State of Jammu and Kashmir.

*[English]***Urban and District Cooperative Banks**

2877. SHRI ADHALRAO PATIL SHIVAJIRAO:  
SHRI ANANDRAO VITHOBA ADSUL:  
SHRI MUNSHI RAM:

Will the Minister of FINANCE be pleased to state:

(a) the number of Urban and District Central Co-operative Banks running into losses as on November 30, 2004. State-wise;

(b) the reasons for incurring losses;

(c) whether despite the fact that most of the Cooperative Banks facing financial crisis, the Government is still issuing permission for opening new cooperative banks;

(d) if so, the reasons therefore; and

(e) the specific steps taken by the Government to ensure that these banks retain the confidence of small depositors?

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.

**Management Control of Allies in FDI**

2878. SHRI IQBAL AHMED SARADGI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has addressed the issue of management control amongst the allies before considering the proposal to hike in foreign direct investment limit in the telecom sector to 74% from 49%.

(b) if not, current status thereof; and

(c) by when hike in foreign direct investment limit to 74% in the telecom sector is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (c) The Government in the budget for 2004-05 had proposed to raise the sectoral cap on Foreign Direct Investment (FDI) in telecommunications from 49 percent to 74 percent. A decision on revising

the FDI cap is subject to inter-Ministerial consultations for which no specific time frame has been fixed.

**Plantation Companies**

2879. SHRI KAILASH MEGHWAL:  
SHRI HARIKEWAL PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) The number of plantation companies opened during the last five years which were closed down later like Kuber Plantation and Helios Corporation Limited, Anubhav Plantation and Golden Forest etc.;

(b) The quantum of money embezzled by these companies;

(c) the action taken by the Government against these companies;

(d) whether the liquidator has been appointed by the Government for the payment of deposited amount to the investors; and

(e) if so, the details thereof?

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

**FII Investment in India**

2880. SHRI BALASAHEB VIKHE PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that investment made by Foreign Institutional Investors in India's equities has touched a record \$ 6.64 billion in a calendar year;

(b) if so, details thereof with major sectors accruing benefits of FIIs; and

(c) the rate of interest that FIIs expect and how it compares with rate of interest on domestic savings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) According to data available with Securities and Exchange Board of India (SEBI), during the current calendar year, 2004, net FII investments in equity instruments amounted to us \$ 7.90 billion, as of December 13, 2004.

(b) FII investment in Indian equities is diversified across 654 scrips, spread across a spectrum of sectors. The break-up is as follows:—

	Sector	Percentage of Holding
1.	Petroleum	31%
2.	Banking	19%
3.	Information Technology	14%
4.	Power	11%
5.	Telecommunications	4%
6.	Iron & Steel	4%
7.	FMCG	3%
8.	Others	14%
	Total	100%

(c) With respect to FII investments in equity, the rate of interest is not a relevant parameter for comparison with interest on domestic savings.

*[Translation]*

#### International Trade Fair

2881. SHRI RAMDAS ATHAWALE:  
SHRI JUAL ORAM:

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

(a) the expenditure incurred on the exhibitions/trade fairs and international trade fairs at Pragati Maidan or any other place in Delhi alongwith the income earned there-from, year-wise details for last three years;

(b) whether the Government have organised/proposed to organise such exhibition/international trade fairs in various other parts of the country for the previous/next three years;

(c) if so, the details thereof;

(d) whether there has been any proposal from the countries who participated in recently concluded IITF 2004 to establish long term trade ties with India; and

(e) if so, details thereof and reaction/action of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) A statement is enclosed.

(b) and (c) The following seven exhibitions were organised in cities other than Delhi from 2001-02 to 2003-04:—

(i) India International Leather Fair, Chennai (January 31- February 4, 2002).

(ii) India International Leather Fair, Chennai (January 31-February 4, 2003).

(iii) India International Leather Fair, Chennai (January 31-February 4, 2004).

(iv) International Leather Goods Fair, Kolkata (March 9-11, 2002).

(v) International Leather Goods Fair, Kolkata (March 8-10, 2003).

(vi) International Leather Goods Fair, Kolkata (October 2-4, 2004).

(vii) Mumbai International Fair for Consumer Goods, Mumbai (Oct. 2-4, 2004)

The following four exhibitions are planned to be held every year from 2004-05 to 2007-08:—

(i) Arogya, Chennai, Bangalore (January).

(ii) India International Leather Fair, Chennai (January/February).

(iii) International Leather Goods Fair, Kolkata (March).

(iv) Mumbai International Fair for Consumer Goods, Mumbai (February).

(d) No, Sir.

(e) Does not arise.

**Statement**

(Rupees in lakhs)

*Fairs Organised by India Trade Promotion Organisation (ITPO) in Pragati Maidan During 2001-2002*

Sl.No.	Description	Income	Expenditure	Surplus/ Deficit (-)
1.	CONSUMEXH (5/2001)	23.29	12.99	10.30
2.	Social Development Fair (5/2001)	25.83	15.60	10.23
3.	Sajavat (9/2001)	35.85	12.86	22.99
4.	Delhi Book Fair (9/2001)	69.61	32.21	37.40
5.	Stationery Fair (9/2001)	21.90	12.46	9.44
6.	Krishi Expo (2/2002)	52.44	26.32	26.12
7.	AHARA (3/2002)	156.84	24.00	132.84
8.	Delhi Intl. Shoe Fair (6/2001)	126.81	33.10	93.71
9.	Intl. Security & Safety Exh. (12/2001)	47.36	27.49	19.87
10.	Tex Styles India (2/2002)	270.34	121.84	148.50
11.	Arogya (12/2001)	44.30	24.50	19.80
12.	India Intl. Trade Fair (11/2001)	1990.26	381.79	1608.47
Total		2864.83	725.16	2139.67

*Fairs Organised by ITPO in Pragati Maidan During 2002-2003*

(Rupees in lakhs)

Sl.No.	Description	Income	Expenditure	Surplus/ Deficit (-)
1	2	3	4	5
1.	Delhi Intl. Leather Fair (4/2002)	139.92	53.31	86.61
2.	Delhi Book Fair (8/2002)	81.25	33.84	47.41
3.	Sajavat (8/2002)	33.53	13.32	20.21
4.	Stationery Fair (8/2002)	23.38	14.42	8.96
5.	Tex Styles India (2/2003)	294.57	109.04	185.53
6.	AHARA (3/2003)	149.38	35.66	113.72
7.	Social Development Fair (12/2002)	25.78	12.07	13.71

1	2	3	4	5
8.	National Furniture Show (10/2002)	33.49	17.48	16.01
9.	CONSUMEXH (12/2002)	13.94	8.25	5.69
10.	Arogya (12/2002)	46.95	20.26	26.69
11.	Krishi Expo 2003	54.39	23.94	30.45
12.	India Intl. Trade Fair (11/2002)	2237.21	510.62	1726.59
<b>Total</b>		<b>3133.79</b>	<b>852.21</b>	<b>2281.58</b>

*Fairs Organised by ITPO in Pragati Maidan During 2003-2004*

(Rupees in lakhs)

Sl.No.	Description	Income	Expenditure	Surplus/ Deficit (-)
1.	Cool Home Fair (5/2003)	9.67	12.17	(-) 2.50
2.	Delhi Book Fair (8/2003)	105.80	45.33	60.47
3.	Stationery Fair (8/2003)	27.42	13.89	13.53
4.	Sajavat (8/2003)	27.92	12.37	15.55
5.	Arogya (9/2003)	55.08	23.55	31.53
6.	Delhi Intl. Leather Fair (10/2003)	104.42	34.32	70.10
7.	National Furniture Fair (10/2003)	34.83	13.83	21.00
8.	India Intl. Trade Fair (11/2003)	2579.08	576.16	2002.92
9.	Intl. Security & Safety Exh. (12/2003)	82.69	30.13	52.56
10.	Tex Styles India (2/2004)	339.29	150.29	189.00
11.	AHARA (3/2004)	187.21	36.98	150.23
<b>Total</b>	<b>3553.41</b>	<b>949.02</b>	<b>2604.39</b>	

**Incentives to Eco-Friendly Industry**

2882. SHRI SITA RAM SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any proposal to give special incentives to the industries adopting recycling and eco-friendly protective measures;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) No, Sir.

(b) and (c) Do not arise.



*[English]***Non-Banking Financial Institutions**

2883. SHRI B. VINOD KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has any proposal to modify existing regulations for the Non-Banking Financial Institutions;

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

(c) whether the Government has received reports on various irregularities being committed by Non-Banking Financial Institutions during the last few months;

(d) if so, the details thereof; and

(e) the extent to which the modifications by RBI in the regulations are likely to check various irregularities being committed by Non-Banking Financial Institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a), (b) and (e) There was a proposal to modify the existing regulations for the Non-Banking Financial Institutions. However, in view of the recent developments in the Financial Sector, RBI is revisiting the provisions of Financial Companies Regulations Bill (FCRB).

(c) No, Sir.

(d) Does not arise.

**WTO Negotiations at Doha Declaration**

2884. SHRI PAWAN KUMAR BANSAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India has filed requests at WTO relating to services under Doha Declaration;

(b) if so, the details thereof including the services that India has shown interest in;

(c) the status of negotiations on the issues;

(d) whether negotiations on emergency safeguard measures have been concluded as planned;

(e) whether any specific commitments have been arrived at; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (c) Yes, Sir. India has submitted requests in a number of service sectors such as Accounting and Book-keeping, Architecture, Health, Computer related services, Construction and Engineering, Financial, Audio-Visual, Tourism and Maritime Transport Services to a large number of member countries seeking more liberal commitments and also removing limitations in their existing schedule of commitments in these services sectors. Moreover India has made requests to 62 member countries seeking horizontal as well as sectoral commitments for freer movement of its professionals under Mode 4. The requests are part of the request-offer process that is underway at the WTO.

(d) Negotiations on Emergency Safeguard Measure (ESM) have been further extended beyond March 2004 and the results of such negotiations shall enter into effect on a date not later than the date of entry into force of the results of the current round of services negotiations.

(e) and (f) The negotiations on services towards market access and national treatment commitments to be undertaken by the member countries are going on and as per the decision taken by the General Council of the WTO on 1st August, 2004 they should submit their 'Revised Offer' by May 2005.

**Loan to Earthquake Affected Industries in Gujarat**

2885. SHRI KASHIRAM RANA:  
SHRI MANSUKHBHAI D. VASAVA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a huge gap of some 60 crores between the loans sanctioned and those actually disbursed by the nationalised banks to the earthquake affected industrial and trading units and persons of Gujarat;

(b) if so, the reasons therefor;

(c) the steps taken to narrow this gap to speed up the pace of rehabilitation work; and

(d) the outcomes of the action taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) According to the information furnished by Dena Bank, the Convenor Bank for State Level Bankers' Committee (SLBC) for State of Gujarat, the total financial assistance sanctioned to industrial/trading units/persons affected by earthquake in the State of Gujarat was Rs. 310.20 crore in respect of 48957 cases against which the amount disbursed was Rs. 293.54 crore in respect of 48524 cases. There is, thus, a gap of Rs. 16.66 crore between loans sanctioned and disbursed by the banks to earthquake affected industrial and trading units and persons of Gujarat. The gap has gradually reduced from a sum of Rs. 45.30 crore as on March, 2003 to Rs. 16.66 crore as on June, 2004. The reasons for the gap of sanctions and disbursements are as under:

- (i) Out of the total gap, Rs. 4.09 crore is mainly in housing sector where the disbursements take place as per progress of work carried out;
- (ii) A gap of Rs. 7.50 crore is reportedly in respect of SSI sector because the disbursements are to be made in phases alongwith release of subsidy;
- (iii) In some cases no further disbursements is asked for by the borrower.

(c) and (d) The Convenor bank has held several monitoring committee and two SLBC meetings in Gujarat to review the performance of banks in extending relief measures to earthquake affected persons/business. State Government Officials and Lead District Managers of Banks have been advised to bridge the gap between sanctioned and disbursed loan cases. Further, the progress is also being reviewed in District Level Coordination Committee meetings. Due to the action taken by the Convenor Bank, the gap has decreased considerably, which is 5.38% of the sanctioned amount and 0.89% of the cases sanctioned.

#### **Dispute of State Bank of Saurashtra**

2886. SHRI SURESH ANGADI:  
SHRI KAILASH MEGHWAL:  
SHRI SANAT KUMAR MANDAL:

Will the Minister of FINANCE be pleased to state:

(a) whether it is the policy of the State Bank of India and its subsidiaries to settle "out of court" disputes arising in connection with leased premises involving rental dues etc;

(b) if so, the number of disputes settled in this manner during the last one year by the SBI and its subsidiaries, bank-wise;

(c) whether the State Bank of Saurashtra has a dispute involving the premises occupied by it in Nariman Point, Mumbai;

(d) if so, the details of the disputes;

(e) the reasons why the policy of settling disputes out of court was not followed in this case; and

(f) the action being taken by the State Bank of Saurashtra to implement the expenditure of public money on prolonged litigation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) State Bank of India (SBI) have reported that there is a structured grievance redressal forum at Zonal Office/Local head Office level to deal with such disputes.

(b) The data reporting system of SBI does not generate the information as the dispute/grievances are settled at various Zonal Office/Local Head Office level.

(c) and (d) State Bank of Saurashtra (SBS) has reported that a dispute has arisen as a consequence of the conflict between Suja Family Trust and Jogesh Trading Co. Pvt. Ltd. and the change in the ownership. The Honourable High Court has granted stay of the eviction and the matter is pending.

(e) SBS tried to settle the dispute out of court in this case also. SBS had formed a committee in May 2004 to negotiate with Shri Suresh (Director, Jogesh Trading Co. Pvt. Ltd.) for arriving at a settlement with reasonable increase in rent. The offer of the SBS for increase in rent has not been accepted by them.

(f) SBS is not interested in litigation and has offered to settle the issue amicably through negotiation.

**Restricting Agricultural Products Export**

2887. SHRI CHENGARA SURENDRAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government of India intends to restrict the import of agricultural products only through ports where India has arrangements to check the quality of goods imported, such as phyto sanitary checks, plant quarantine etc.;

(b) whether Kerala also wanted to stipulate that agricultural import for export may be allowed only if value addition is done to imported agricultural products; and

(c) if so, decision in this regard?

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

ELANGOVA): (a) Import of agricultural products (plants/plant material) are regulated through the Plant Quarantine (Regulation of Import into India) Order, 2003, issued under Destructive Insects and Pests (DIP) Act, 1914. As per the Plant Quarantine Order, 2003, 59 entry points have been notified for import of agricultural commodities. A list of the ports is enclosed as statement.

(b) The Government of Kerala has, *inter-alia*, suggested that a cap on import under concessional duty route may be put and also certain safety mechanism may be established by insisting on minimum value addition if the agriculture commodity is for re-export.

(c) As a general policy of the Government to give thrust to the exports of value added product, imports are allowed duty free for the purpose of re-exports. Value added items realize better prices in the international market.

**Statement***Points of Entry for Import of plants/plant materials and other articles*

Seaports	Airports
1	2
1. Alleppey (Kerala)*	1. Amritsar (Punjab)
2. Bhavnagar (Gujarat)	2. Bangalore (Karnataka)
3. Kolkata (West Bengal)	3. Kolkata (West Bengal)
4. Calicut (Kerala)	4. Chennai (Tamil Nadu)
5. Chennai (Tamil Nadu)	
6. Cochin (Kerala)	5. Hyderabad (Andhra Pradesh)
7. Cuddalore (Tamil Nadu)*	6. Mumbai (Maharashtra)
8. Goa* (Goa)	7. New Delhi (Delhi)
9. Gopalpur (Orissa)*	8. Patna (Bihar)
10. Haldia (West Bengal)	9. Tiruchirapalli (Tamil Nadu)
11. Jamnagar (Gujarat)*	10. Trivandrum (Kerala)
12. Beypore (Kerala)*	11. Varanasi (Uttar Pradesh)
13. Kakinada (Andhra Pradesh)	12. Guwahati (Assam)

1	2
14. Kandla (Gujarat)	Land Frontier Stations
15. Karwar (Karnataka)*	1. Agartala (Tripura)
16. Krishnapatnam (Andhra Pradesh)*	2. Amritsar Rly. Stn. (Punjab)
17. Machlipatnam (Andhra Pradesh)*	3. Attari Rly. Stn. (Punjab)
18. Mandvi (Gujarat)	4. Attari Wagha Border (Punjab)
19. Mangalore (Karnataka)	5. Bongaon (West Bengal)
20. Mumbai (Maharashtra)	6. Gede Road Rly. Stn. (West Bengal)
21. Mundra (Gujarat)	7. Jogbani (Bihar)
22. Nagapatnam (Tamil Nadu)*	8. Moreh (Manipur)
23. Nova Shiva (Maharashtra)	9. Panitanki (West Bengal)
24. Navlakhi (Gujarat)*	10. Raxual (Bihar)
25. Okha (Gujarat)*	11. Rupadiha (Uttar Pradesh)
26. Paradeep (Orissa)	12. Sonauli (Uttar Pradesh)
27. Pondicherry	13. Barbasa (Uttaranchal)
28. Porbander (Gujarat)*	
29. Rameshwaram (Tamil Nadu)	
30. Tiruvananthapuram (Kerala)	
31. Tuticorin (Tamil Nadu)	
32. Veraval (Gujarat)*	
33. Visakhapatnam (Andhra Pradesh)	
34. Vizhinjam (Kerala)	

\*For import of foodgrains and timber only.

#### Assistance from NABARD

2888. SHRI JASHUBHAI DHANABHAI BARAD: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that NABARD has come forward to assist States for the construction of Primary Health Centres (PHCs);

(b) if so, the details thereof; and

(c) the number of PHCs likely to be constructed with NABARD assistance in the States particularly in Gujarat, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) National Bank for Agriculture and Rural Development (NABARD) has been providing financial assistance to the State Governments for the construction of Primary Health Centres (PHCs) under Rural Infrastructure Development Fund (RIDF) with effect from 1999-2000. The details of

number of PHCs and amount sanctioned to State Governments under RIDF as on 30th September, 2004 are given below:—

Name of the State	No. of PHC sanctioned	Amount Sanctioned
Jammu & Kashmir	22	32.67
Karnataka	1761	41.63
Mizoram	84	9.25
Tamil Nadu	304	22.77
West Bengal	1296	44.21
Chhattisgarh	1200	15.30
<b>Total</b>	<b>4667</b>	<b>165.83</b>

No proposal for construction of PHC in Gujarat had been received from the Government of Gujarat for financing under RIDF.

#### Employment in Rural Areas

2889. SHRI PRABODH PANDA: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government is aware of the fact that rural unemployed youth are not getting employment despite various schemes under implementation;

(b) if so, the reasons therefor;

(c) the targets fixed and achieved both physical and financial during the last three years; scheme-wise; State-wise;

(d) the manner in which this amount was utilized by the District Rural Development Agencies; and

(e) the allocation made for this purpose during the current year and the number of persons likely to be employed as a result 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) and (b) The Ministry of Rural Development has been implementing, through the State Governments, Swarnjayanti Gram Swarozgar Yojana (SGSY) a Self Employment Scheme and the Sampoorna Gramin Rozgar Yojana (SGRY) a Wage Employment Scheme, for the benefit of the members of the Below Poverty Line (BPL) families including youth. The eligible unemployed youths of all the districts can avail of the assistance under these schemes.

(c) No target is fixed under these schemes. The physical and financial achievements under the Swarnjayanti Gram Swarozgar Yojana (SGSY) and the Sampoorna Gramin Rozgar Yojana (SGRY) during 2003-04 and 2004-05 (upto Oct. 2004) are as under:—

Year	Swarnjayanti Gram Swarozgar Yojana (SGSY)		Sampoorna Gramin Rozgar Yojana (SGSY)	
	Funds Utilised (Rs. in crores)	No. of Swarozgaris assisted (lakh Nos.)	Funds Utilised (Rs. in crores)	Employment generated in (lakh mandays)
2001-02	970.32	9.37	4192.07	5229.79
2002-03	921.16	8.26	5000.01	7482.93
2003-04	1044.25	8.96	5957.75	8560.24

(d) The funds released under various rural development programmes are utilized by the District Rural Development Agencies (DRDAs)/Zilla Parishads (ZPs) in accordance with the Programme Guidelines.

(e) The Central allocation of funds and estimated physical achievements during the current year (2004-05) are as under:—

Name of Scheme	Central Allocation (Rs. in crores)	Estimated Physical Achievement
SGSY	1000.00	9.00 (lakh Swarozgaris)
SGRY	4495.25	8565.00 (lakh mandays approximately)

In addition, allocation of Rs. 2020 crores and 20 lakh Tonnes of foodgrains has been made during the current year under the newly launched National Food for Work Programme (NFFWP) which will generate additional employment for the rural youth.

#### Pending Cases of Tax Recovery

2890. SHRI N.S.V. CHITTHAN: Will the Minister of FINANCE be pleased to state:

(a) the total number of cases pending in various Courts and Tribunals for Recovery of Dues both direct and indirect revenue across the country;

(b) the number of cases settled in this financial year so far;

(c) the steps taken for speedy disposal of these cases for better revenue collection; and

(d) whether the Government propose to set up a special bench or a court to exclusively deal with tax recovery cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The total number of cases pending in various Courts and Tribunals for recovery of dues are as under:—

Sl.No.	No. of Cases	Date
Direct Taxes	1,06,201	As on 30.6.2004
Indirect Taxes	32,948	As on 30.9.2004

(b) The details of number of cases disposed of in this financial year are as under:—

Sl.No.	No. of Cases	Date
Direct Taxes	8170	As on 30.6.2004
Indirect Taxes	4350	As on 30.9.2004

(c) The steps taken for speedy disposal for better revenue collection include monitoring the pending cases before the Tribunals, High Courts and Supreme Court, issue of instructions fixing higher monetary limits for filing appeals in an effort to minimize litigation, legislative measures to correct lacunae pointed out by the courts, periodical meetings with officers concerned to resolve high demand appeals on priority basis, etc.

(d) The Government has introduced the National Tax Tribunal Bill, 2004 in the current session of the Parliament for setting up the National Tax Tribunal. This will expedite resolution of tax related cases and also facilitate early recovery of tax arrears.

#### Opening of Account in Swiss Banks

2891. SHRI DALPAT SINGH PARSTE: Will the Minister of FINANCE be pleased to state:

(a) whether the Indian citizens are at liberty to deposit their money in the Swiss Banks without seeking the permission from the Indian Government;

(b) if so, the details regarding the procedure being followed so far the question of opening the bank account is concerned in the Swiss Banks;

(c) whether any citizen of India is allowed to open his account in any foreign bank without seeking permission from the Government; and

(d) if so, the reasons therefor?

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

#### Norms for Banks

2892. SHRI BADIGA RAMAKRISHNA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have drawn any specific plans to fulfil the norms laid down for banks by WTO and Basel-II;

(b) if so, the details thereof;

(c) whether the Government has instructed the banks to focus on farms credit/small scale industries, education and other social sectors viz sanitation and drinking water;

(d) if so, the details thereof; and

(e) the manner in which the present complicate system is likely to be made easy for common man?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The RBI has announced, in its Annual Policy statement in May 2004 that banks in India should examine in depth the option available under Basel-II and draw a road map by end December 2004 for migration to Basel-II and review the progress made thereof at quarterly intervals. To ensure smooth migration to Basal-II, RBI has constituted a Steering Committee comprising of senior officials from 14 banks, IBA and RBI. The Steering Committee will have smaller sub groups for addressing various issues.

(c) to (e) Reserve Bank of India has stipulated targets for lending to priority sectors including agriculture, small scale industries, weaker sections etc. Priority sector includes loans to education also. Targets prescribed for various categories in priority sector are as under:—

Priority Sector	40% of the net bank credit
Agriculture	18% of the net bank credit
Small Scale Industries	No specified target
Weaker Sections	10% of the net bank credit or 25% of the priority sector advances

To give further comfort to farmers in the country, a special relief package was sanctioned to farmers by the Government in June, 2004. This included restructuring/ rescheduling the loans, fresh finance to farmers, one time

settlement scheme for small and marginal farmers and relief measure for farmers indebted to non-institutional lending.

#### Interest on Education Loan

2893. SHRI R.L. JALAPPA:  
SHRI RAJIV RANJAN SINGH "LALAN":  
DR. CHINTA MOHAN:  
DR. R. SENTHIL:

Will the Minister of FINANCE be pleased to state:

(a) the percentage of interest on loan that is being charged to the students to pursue their higher and professional studies;

(b) the amount of loan disbursed to the students during last three years as on date, State-wise, Bank-wise; and

(c) the number of students benefited therefrom during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The interest rate on educational loans upto Rs. 4 lakh is not to exceed the Benchmark Prime Lending Rates (BPLR) and for loans above Rs. 4 lakh, the interest rate is not to exceed BPLR plus 1 percent. The scheme will cover all types of courses including professional courses in schools and colleges in India and abroad. The data generating system of Reserve Bank of India (RBI) does not provide the details of the State-wise information on educational loan disbursed. However, the bank-wise details of the number of accounts and amount disbursed under educational loan scheme during the last three years *i.e.* 2002-03, 2003-04 and 2004-05 (upto August, 2004) are indicated in the enclosed statement.

#### Statement

(Rs. in lakhs)

Sl.No.	Name of the Bank	2002-03		2003-04		2004-05 (upto August, 2004)	
		No. of Account	Amount Disbursed	No. of Account	Amount Disbursed	No. of Account	Amount Disbursed
1	2	3	4	5	6	7	8
1.	Allahabad Bank	3311	4752	3315	3689	424	498
2.	Andhra Bank	23174	28564	29339	39091	3030	7324
3.	Bank of Maharashtra	2690	2607	827	1288	456	825

1	2	3	4	5	6	7	8
4.	Bank of India	5115	6650	7392	8616	3571	4425
5.	Bank of Baroda	4435	5650	4268	5938	15676	22585
6.	Canara Bank	15641	15773	3418	18600	9281	5590
7.	Central Bank of India	1501	3616	3531	8494	647	1218
8.	Corporation Bank	2764	3323	4036	5880	2094	1243
9.	Dena Bank	778	1095	1030	1533	816	1137
10.	Indian Bank	2307	3335	2881	3872	2746	3813
11.	Indian Overseas Bank	7021	14297	5849	14012	2143	4368
12.	Oriental Bank of Commerce	7607	9516	10503	15421	598	1774
13.	Punjab & Sind Bank	787	1543	905	2732	294	907
14.	Punjab National Bank	6462	16384	7287	18698	2730	6563
15.	Syndicate Bank	3303	1956	7656	9055	1628	2442
16.	State Bank of India	29610	44639	20422	43128	2650	8082
17.	State Bank of Mysore	1376	2603	3246	4996	899	2028
18.	State Bank of Indore	1112	1107	1019	1034	468	476
19.	State Bank of Travancore	8996	11646	14296	19960	2745	3054
20.	State Bank of Hyderabad	2476	4841	8986	15533	1114	2967
21.	State Bank of Patiala	971	2100	936	1903	367	811
22.	State Bank of Saurashtra	402	822	444	1038	153	341
23.	State Bank of Bikaner & Jaipur	639	954	1068	1937	610	1114
24.	UCO Bank	1485	1988	2282	2963	391	1442
25.	United Bank of India	2114	2145	1096	1404	1934	2041
26.	Union Bank of India	3341	5031	5016	6431	2541	2802
27.	Vijaya Bank	1507	2351	2227	3173	1454	1677
<b>Total</b>	<b>140925</b>	<b>199488</b>	<b>153275</b>	<b>260699</b>	<b>61460</b>	<b>91547</b>	

**Modernisation of Looms**

for modernization of their looms;

2894. SHRI SANAT KUMAR MANDAL: Will the Minister of TEXTILES be pleased to state:

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

(a) whether handloom weavers in the country particularly in West Bengal are being provided assistance

(c) the number of looms modernised during the last three years, State-wise; and



(d) the details of proposals, if any, for further upliftment of handloom weavers in the country?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) yes, Sir. Under the Deen Dayal Hathkargha Protsahan Yojana, assistance is provided to the handloom weavers of the Country including those in West Bengal for modernization of their looms.

(b) and (c) The details of number of looms modernised and assistance released thereof to various State Governments during the last three years are given in the enclosed statement.

(d) The schemes being implemented by the Government of India are based on the requirement of the handloom sector from time to time. The Developmental and Welfare schemes under implementation in the handloom sector presently are as under:—

**Developmental Schemes:**

1. Deen Dayal Hathkargha Protsahan Yojana
2. Handloom Export Scheme
3. Marketing Promotion Programme
4. Design Development & Training Programme.
5. Mill Gate Price Scheme
6. Integrated Handloom Training Programme
7. Scheme for reimbursement of One time rebate @ 10% given by the handloom agencies on sale of handloom cloth.

**Welfare Schemes :**

1. Workshed-cum-Housing Scheme
2. Health Package Scheme
3. Thrift Fund Scheme
4. Bunkar Bima Yojana
5. New Insurance Scheme.

**Statement**

Sl. No.	State Name	No. of Looms, Dobbies, jacquards, Accessories sanctioned to modernise looms	Amt. Sanctioned (Rs. in lakh)
1	2	3	4
<b>2001-02</b>			
1.	Andhra Pradesh	5024	81.31850
2.	Arunachal Pradesh	2700	90.25300
3.	Assam	15120	752.95000
4.	Chhattisgarh	407	4.07500
5.	Himachal Pradesh	575	41.75000
6.	Karnataka	0	0.00000
7.	Madhya Pradesh	265	3.35000
8.	Nagaland	7500	113.07000
9.	Tamil Nadu	7771	46.45900
10.	Uttar Pradesh	13236	427.46500
11.	Uttaranchal	742	21.99000
12.	West Bengal	860	41.60000
<b>Total</b>		<b>54200</b>	<b>1624.28050</b>
<b>2002-03</b>			
1.	Andhra Pradesh	4710	131.66000
2.	Arunachal Pradesh	200	10.75000
3.	Assam	14300	671.90000
4.	Chhattisgarh	1330	33.65000
5.	Himachal Pradesh	1175	36.25000
6.	Kerala	800	19.22500
7.	Madhya Pradesh	165	3.19000
8.	Manipur	7913	255.19600
9.	Nagaland	2550	38.25000
10.	Rajasthan	150	2.82000
11.	Tamil Nadu	17067	166.20000

1	2	3	4
12.	Uttar Pradesh	8540	251.69500
13.	Uttaranchal	563	17.81500
14.	West Bengal	3460	207.87300
Total		62923	1846.47400

2003-04			
1.	Assam	5400	239.35000
2.	Bihar	484	8.22000
3.	Chhattisgarh	464	11.68000
4.	Himachal Pradesh	700	36.50000
5.	Karnataka	100	1.00000
6.	Kerala	5900	89.23000
7.	Madhya Pradesh	150	1.55000
8.	Nagaland	7644	249.43000
9.	Uttar Pradesh	9207	188.29000
10.	West Bengal	225	11.15000
11.	Tamil Nadu	12980	145.64000
Total		43254	982.04000

#### Funds for Sardar Sarovar Project

2895. SHRI RATILAL KALIDAS VARMA: Will the Minister of State in the Ministry of FINANCE be pleased to state:

(a) whether the Government of Gujarat is facing difficulty due to debt burden arising out of time over-run of the Sardar Sarovar Project due to factors beyond the control of State Government;

(b) whether a request for funding the additional interest burden has been received by the Government from the State Government of Gujarat; and

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

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

Government of Gujarat has informed that they have been burdened with substantial interest on account of delay in execution of the project caused by various factors.

(b) Yes, Sir.

(c) Government of India does not provide any grant support for such purposes.

#### Investment by Banks

2896. SHRI ASHOK KUMAR RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the guidelines of RBI for banks and other financial institutions to make investment in the States;

(b) whether the quantum of investment made by the banks and other financial institutions in Uttar Pradesh are as per the guidelines of RBI;

(c) if so, the details thereof;

(d) whether loan facilities available from the banks to the people of Uttar Pradesh is far too less; and

(e) if so, the steps taken by the Government to increase the investment and to give loans to more number of people in Uttar Pradesh?

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.

#### Co-operative Banks Advances to Stock Brokers

2897. SHRI ANANDRAO VITHOBA ADSUL:  
SHRI ADHALRAO PATIL SHIVAJIRAO:

Will the Minister of FINANCE be pleased to state:

(a) whether Co-operative Banks were prohibited from extending any advances to stock brokers;

(b) whether the Government has received complaints regarding violation of guidelines issued by the Reserve Bank of India for grant of credit facility to share/stock broker;

(c) if so, the details thereof;

(d) the number of co-operative Banks become sick due to the irregularities committed by the management of these banks by the way of investing money in stock market; and

(e) the action taken by the Government on the matter and to save the interest of small investors?

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.

[*Translation*]

#### **Fake Tickets of ITF 2004**

2898. SHRI SURESH ANGADI:  
SHRI KAMLA PRASAD RAWAT:  
SHRI KIRTI VARDHAN SINGH:  
SHRI ANANDRAO VITHOBA ADSUL:  
SHRI BRAJA KISHORE TRIPATHY:  
SHRI BALESHWAR YADAV:  
SHRI ADHALRAO PATIL SHIVAJIRAO:

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

(a) whether the case of sale of fake tickets in recently held trade Fair at Pragati Maidan, New Delhi has come into light:

(b) if, so, whether said matter has been inquired into;

(c) if so, names of persons found guilty and action taken against them; and

(d) the steps taken by the Government to avoid such instances in future?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (d) No instance of sale of fake tickets has come to the notice of India Trade Promotion Organization (ITPO). However, Delhi Police has recovered excess tickets from the premises of some printers and are conducting an investigation in the matter.

[*English*]

#### **Education Cess**

2899. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether the introduction of education cess at 2 percent with effect from April 1, 2004 has created a peculiar situation; and

(b) if so, the steps being taken to remove the confusion created among the tax payers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM): (a) Government have received no information that introduction of education cess has created any peculiar situation.

(b) In view of the above reply, the question does not arise.

#### **High Tax Structure**

2900. SHRI CHANDRAKANT KHAIRE: Will the Minister of FINANCE be pleased to state:

(a) whether the tax structure in our country is high, as a result of which foreign companies are not willing to set up business here;

(b) if so, whether a tax policy will be formulated on a long term basis;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) India is currently following a moderate tax regime which is at par with global trends. Setting up of business by foreign companies in India depends on a large number of factors and unwillingness of foreign companies to set up business in India, if any, is not attributable to a country's tax structure alone.

(b) Formulation of tax policy on a long term basis is an ongoing process and the prevailing moderate tax rate regime is the result of such formulation. The tax rates are evolved taking into account the need to facilitate compliance, make industry competitive and to generate adequate resources.

(c) and (d) In view of replies to (a) and (b) above, do not arise.

#### **NRI Deposit in Indian Banks**

2901. SHRI SURESH KURUP:  
SHRI RAJESH KUMAR MANJHI:

Will the Minister of FINANCE be pleased to state:

(a) whether there had been a decline of NRI deposit amount in Indian Banks in comparison to the deposits of the last two years;

(b) if so, the reasons therefor;

(c) the amount deposited by NRIs in Indian Banks in the financial years 2002-2003, 2003-2004 and 2004 April till this date;

(d) whether the Government proposes to revise the rate of interest of foreign currency of NRIs holding Bank Account in Nationalised Banks; and

(e) 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) The outstanding NRI deposits are as under:—

As on	NRI Deposits – Outstanding Amount in US \$ million
31.03.2002	25,174
31.03.2003	28,529
31.03.2004	33,266
31st August, 2004 (Prov.)	31,560

(d) and (e) The interest rate on Non-resident deposit schemes are prescribed by Reserve Bank of India and not by Government. Banks can offer FCNR (B) deposits in foreign currency and non resident external (NRE) deposits in domestic currency to NRIs.

#### **World Forum for Handmade Carpet**

2902. SHRI G.M. SIDDESWARA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has any proposal to establish a World Forum of Handmade Carpet;

(b) if so, the details thereof;

(c) the main objectives of this forum and the number of countries proposed to be involved therein; and

(d) to what extent it will be helpful to our Carpet Industry?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) No, Sir.

(b) to (d) Do not arise.

#### **Purchase from Nominated Co-operative Societies**

2903. SHRI RAGHUNATH JHA: Will the Minister of FINANCE be pleased to state:

(a) whether the country has responded to open economy, remove controls and to resort to liberalization;

(b) if so, the reasons for restricting Government offices to purchase their requirement from only two nominated co-operative societies;

(c) whether there is any proposal to remove restriction on the purchase of stationery and other items so that the Government offices can purchase at competitive rate from the open market; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) With a view to promote co-operative movement, Department of Personnel & Training (DoP&T) in consultation with this Ministry had issued an Order dated 14.7.1981 which made it incumbent on all Central Government Departments, their attached and subordinate offices and other organizations financed and/or controlled by Government to make all local purchases of stationery and other items only from Kendriya Bhandar in relaxation of the procedure of inviting tenders/quotations prescribed in General Financial Rules (GFRs). These concessions were later extended to Super Bazar and NCCF in 1987 and 1994 respectively. Keeping in view the ongoing policy of liberalization of the economy and the emphasis on making Govt. organizations competitive and self-striving, the provisions of DoPT's order *ibid* were, reviewed in an inter-ministerial meeting

wherein it was broadly decided that GERs provisions about tendering be followed for purchase of stationery and other items. DoPT is, accordingly, required to issue the revised instructions based on the decision taken in the inter-ministerial meeting.

#### **Autonomy to PSB**

2904. SHRI JYOTIRADITYA M. SCINDIA: Will the Minister of FINANCE be pleased to state:

(a) the steps taken for expanding adequate competition in financial sector with full autonomy to public sector banks;

(b) whether a National Policy has been evolved in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Competition has been infused into the financial system through deregulation in interest rates, grant of functional autonomy to banks in many areas and allowing greater participation of private sector and foreign banks. RBI/Government have also initiated various measures to reduce incidence of NPAs in the banking sector. As a part of deregulation, there has been a significant reduction in control over credit market as statutory ratios of Statutory Liquidity Ratio and Cash Reserve Ratio have been lowered. Most of the interest rates have been deregulated. To further induce competitiveness, public sector banks have been allowed to raise equity through public issues thereby, reducing percentage share of equity held by Government. FDI limit in the private banks has been raised from existing 49% to 74%. Foreign and Private Banks have been given licences by RBI in order to allow financial system to benefit from better technology, specialized skills, better risk management practices, greater portfolio diversification and deepening of financial markets.

#### **Credit Cards**

2905. PROF. RASA SINGH RAWAT:  
SHRI RAGHUNATH JHA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that Citi Bank/ICICI Bank on their own without any written request from individuals, issue Credit Cards and then remits such people the account maintenance charges and service tax bill even without using such credit cards;

(b) if so, the reasons for issuing credit cards without any written request;

(c) the steps proposed to be taken by the Government to check these banks hoodwinking the people at large;

(d) the number of credit cards issued by these banks without written request from them during each of the last three years and to the number of people they issued account maintenance charges and service tax charges bills;

(e) whether the Government proposes to direct the Citi Bank/ICICI Bank to desist from issuing credit cards without written request from individuals; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (f) Credit Card operations of banks have been deregulated. Banks can undertake credit card business either departmentally or through a subsidiary company set up for the purpose. They can also undertake domestic credit card business by entering into tie-up arrangement with one of the banks already having arrangements for issue of credit cards. Prior approval of the Reserve Bank of India is not necessary for banks desirous of undertaking credit card business either independently or in tie-up arrangement with other card issuing banks. Banks can do so with the approval of their Boards.

As announced in the Mid-Term review of the Annual Policy for 2004-05, a Working Group has been constituted by RBI to look into the regulatory and customer protection aspect and suggest measures for card usage in a safe, secure and customer friendly manner. It has also been decided to include credit card complaints within the ambit of the Banking Ombudsman Scheme.

*[Translation]*

#### **Sentence for Rape**

2906. SHRI NIKHIL KUMAR CHOUDHARY: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Supreme Court has opined that the sentence for rape is less and absurd as compared to the crime;

(b) if so, whether the Government propose to make the sentence for rape as severe as the crime;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (d) No specific opinion of the Supreme Court has been received. However, the existing provisions of the Indian Penal Code, 1860 prescribe for a sentence upto life imprisonment in case of offence of rape. The Law Commission and the Committee constituted for making recommendations for Criminal Justice System have not recommended death penalty for the offence of rape. Accordingly, there is no such proposal under consideration.

*[English]*

#### **WTO Agreement on Agriculture Sector**

2907. SHRIMATI NIVEDITA MANE:  
SHRI S.D. MANDLIK:  
SHRI ADHALRAO PATIL SHIVAJIRAO:  
SHRI BRAJA KISHORE TRIPATHY:  
SHRI ANIRUDH PRASAD Alias SADHU  
YADAV:  
SHRI ANANDRAO VITHOBA ADSUL:

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

(a) whether the Government has set up a working group to examine the impact of WTO agreement on Agriculture Sector;

(b) if so, whether the said group has submitted its report to the Government;

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

(d) the action taken by the Government on the recommendations of the said working group so far?

THE MINISTER OF STATE IN THE MINISTRY OF

COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAAN): (a) to (d) In May 2002 the Department of Commerce had constituted an Expert Group on Agriculture which includes eminent agro-economists for consultations with Government on a continuous basis in respect of issues for negotiation on the WTO Agreement on Agriculture. The expert Group has been meeting from time to time and provides guidance to negotiators depending on the exigencies on the negotiations. In November 2004 the Department of Agriculture and Cooperation has constituted an inter-Ministerial Consultative Group to examine the likely impact of the ongoing trade negotiations on agriculture and suggest measures to minimize the adverse consequences. No report has been submitted by either Group.

#### **Rural Sanitation**

2908. SHRI GIRIDHARI YADAV:  
SHRI TUKARAM GANPAT RAO RENGE PATIL:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the various subsidies provided by the Government for the construction of toilets in rural areas, public places, State-wise;

(b) whether the Government proposes to enhance the subsidy;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA): (a) Under Total Sanitation Campaign (TSC) projects Government of India provide financial assistance to the States for construction of Household toilets by BPL families, School toilets, Anganwadi toilets and Community toilets at public places. The financial assistance is also provided for generating awareness among people about basic sanitation and hygiene practices, and for stimulating demand of sanitation goods and services. The Component-wise fund-sharing pattern under TSC is given in enclosed statement. In addition, incentive under Nirmal Gram Puraskar is given to Panchayati Raj Institutions (PRIs), which achieve full sanitation coverage and eliminate the practice of open defecation in their area of jurisdiction.

(b) to (d) Government have instituted a study to evaluate various aspects of TSC, including the existing

subsidy structure. Based on the findings of the evaluation study, necessary decisions will be taken.

**Statement**

Sl.No.	Component	Contribution Percent		
		Govt	State	Household/ Community
a.	Start-up Activities (Preliminary Surveys, Publicity etc.)	100	0	0
b.	IEC, Including Motivational Awareness and Educative Campaigns, Advocacy etc.	80	20	0
c.	Alternate Delivery Mechanism (Production Centres/Rural Sanitation Mats)	80	20	0
d.	Individual Latrines for BPL/disabled house holds:			
	(i) if Basic Cost is upto Rs. 625/-	60	20	20
	(ii) if Basic Cost is above Rs. 625 but less than Rs. 1000	30	30	40
	(iii) if Basic Cost is above Rs. 1000/-	0	0	100
e.	Individual house hold latrines for APL	0	0	100
f.	Community Sanitary Complexes	60	20	20
g.	School Sanitation Including Anganwadis (Hardware and Support Services)	60	30	10
h.	Administrative charges, including training, staff, support services, Monitoring & Evaluation etc.	80	20	0

*[Translation]*

**Violation of RBI Guidelines**

2909. SHRI KISHAN SINGH SANGWAN: Will the Minister of FINANCE be pleased to state:

(a) whether the public sector banks, private banks and foreign banks operating in the country are not following the guidelines laid down by Reserve Bank of India and also lacking transparency and accountability in their functioning;

(b) if so, the penalty imposed on these banks;

(c) whether licence issued to any bank can be cancelled in the event of repeated imposition of penalties on them; and

(d) if so, the details thereof?

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

*[English]*

**Rural Building Centres**

2910. SHRI SITA RAM YADAV: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether any criteria has been adopted by the Government for setting up Rural building Centres in States;

(b) if so, the details thereof alongwith its objectives;

(c) the number of such centres set up in each State during the last three years alongwith the financial assistance provided by the Centre in this regard; and

(d) the number of proposals from each State pending with the Government for approval and since when?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) and (b) The Scheme for setting up of Rural Building Centres (RBCs) was in operation from 1999-2000 to 2003-2004 and has already been discontinued from the current financial year

*i.e.* 1.4.2004. The objective of the Scheme was to provide new technology, dissemination of information, upgradation of skill through training and production of cost effective and environment friendly material components.

(c) State-wise and Year-wise details of funds provided for setting up of Rural Building Centres (RBCs) in various States during each of the last three years.

(Rs. in lakhs)

Sl. No.	Name of the State	Number of RBCs Sanctioned	Year		
			2001-2002	2002-2003	2003-2004
1.	Andhra Pradesh	9	3.00	6.00	20.98
2.	Assam	3	—	12.00	6.00
3.	Bihar	5	3.00	14.00	12.00
4.	Karnataka	6	3.00	6.00	3.00
5.	Jammu & Kashmir	2	—	—	10.00
6.	Jharkhand*	1	—	—	—
7.	Gujarat	14	69.00	21.60	10.76
8.	Haryana	3	—	12.00	2.40
9.	Himachal Pradesh	4	—	6.00	—
10.	Madhya Pradesh	7	—	17.20	23.00
11.	Maharashtra	1	—	6.00	6.00
12.	Orissa	9	—	18.00	24.00
13.	Rajasthan	1	—	6.00	—
14.	Tamil Nadu	3	—	12.00	6.00
15.	Manipur	2	—	6.00	12.00
16.	Nagaland	2	—	12.00	6.00
17.	Uttar Pradesh	7	—	12.00	24.00
18.	Uttaranchal	3	—	6.00	12.00
19.	West Bengal	2	—	6.00	6.00
20.	Arunachal Pradesh	1	—	—	6.00
	Total	85	78.00	178.80	190.14

\*Funds have not been released by the HUDCO.



(d) Since the Scheme has been discontinued with effect from 1.4.2004, the pendency of proposals under the Scheme do not arise.

#### **House Rent Allowance to Government Servants**

2911. SHRI D. VITTAL RAO:  
SHRI P. RAJENDRAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the admissibility and eligibility of House Rent Allowance to Government Servants is subject to producing Ration Card, LPG connection, Electoral Identity Card, Landlord's House Rent Receipt etc. otherwise they are not eligible and entitled to draw House Rent Allowance;

(b) If so, the details in this regard and the reasons and provisions of HRA rules for demanding the above requirements from the Government servants; and

(c) the steps taken by the Ministry to implement the Arbitration Award with regard to payment of House Rent Allowance (HRA) to Central Government employees w.e.f. 1.1.1996 and the reason for delay in implementation?

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

(c) The Award of the Board of Arbitration regarding payment of House Rent Allowance (HRA) to Central Government employees from 1.1.1996 to 31.7.1997 at pre-revised rates on revised basic pay is under process in accordance with the JCM Scheme.

#### **Deen Dayal Hathkargha Yojana**

2912. SHRI ASADUDDIN OWAISI: Will the Minister of TEXTILES be pleased to state:

(a) whether Deen Dayal Hathkargha Protsahan Yojana was launched to provide assistance to the handloom weavers in an integrated and comprehensive manner;

(b) if so, the details thereof;

(c) whether the States and Union Government are funding this programme on the pattern of 50:50 basis;

(d) if so, whether State Governments are not providing their share to this programme;

(e) if so, the names of the States which are not paying their share to the programme; and

(f) the steps taken/being taken by Government to persuade States to pay their share?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir.

(b) The scheme aims to take care of a wide gamut of activities such as product development, infrastructure support, institutional support, training to weavers, supply of equipments and marketing support etc. both at macro and micro level in an integrated and coordinated manner for an overall development of the sector and benefit of handloom weavers.

(c) the funding pattern between the State and Centre in respect of State falling under North Eastern Region, Sikkim, Jammu and Kashmir, Uttaranchal and Himachal Pradesh is 90:10 and it is 50:50 in respect of all the other States. For such agencies that have 100% beneficiary members as SC/ST/ Minorities, the funding pattern is 75:25 between Centre and State. the funding for the component of marking incentive under the scheme is however, 50:50 in respect of all States.

(d) to (f) The projects under the scheme are sanctioned by the Government of India only when the State Government certifies that adequate budget provision is available with the State to match its requisite share under the project.

*[Translation]*

#### **NABARD Refinance**

2913. SHRIMATI JAYABEN B. THAKKAR: Will the Minister of FINANCE be pleased to state:

(a) whether NABARD refinance against short term (Seasonal Agricultural Operations) is less than 10% on average during the last four years; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) NABARD provides refinance for Short Term (Seasonal

Agricultural Operation) —ST (SAO) purpose to Cooperative banks (ST Structure) and Regional Rural Banks (RRBs). The shares of ST-SAO refinance from NABARD

(maximum outstanding against limits sanctioned *vis-a-vis* ground level disbursements by cooperative banks and RRBs are indicated below:—

Cooperative Banks				(Rs. in crores)
Year	Ground level disbursement	Limit sanctioned	Limit utilized	% of Col. (4) to (2)
2000-01	16583	6507.51	5176	31
2001-02	18828	6546.93	5447	29
2002-03	19707	6746.67	5420	27
2003-04	22697	7314.28	5361	24
<b>Regional Rural Banks</b>				
2000-01	3245	1115.95	1058	32
2001-02	3777	1192.13	1114	29
2002-03	4775	1252.36	1093	23
2003-04	6088	1346.62	937	15

NABARD refinance for ST (SAO) to Coop. banks varied between 24% to 31% during the last four years, whereas refinance to RRBs ranged between 15% to 32%. The main reasons for the downward trend observed in the utilization of NABARD refinance was due to the comfortable liquidity position at RRBs level resulting in their not depending on NABARD refinance for the purpose of crop loan to farmers. It may be observed that during 2003-04, only 70% of the limits sanctioned were drawn by RRBs.

To ensure an equitable distribution of SAO refinance and to provide flexibility in operation to State Coop. Banks, NABARD has since revised ST (SAO) policy from 2004-05. As per revised policy consolidated limits are being sanctioned through SCBs in respect of eligible District Central Co-operative Banks (DCCBs) to the extent of 30% or 20% of their loan outstanding against Primary Agricultural Credit Societies (PACs) depending upon the involvement of SCBs. These measures are expected to further increase the share of NABARD refinance in ground level loans.

#### Applications from Gujarat for Notary Public

2914. SHRI VIKRAMBHAI ARJANBHAI MADAM: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) Whether the Government has received some applications for the appointment of Notaries from the State Government of Gujarat during the last three years

(b) if so, the details thereof; and

(c) the present status of these applications?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI. K. VENKATAPATHY): (a) and (b) The Central Government did not receive any application for the appointment of Notaries from the State Government of Gujarat during the last three years. However, the Central Government received 159 applications from Gujarat for appointment to practice as notary during last three years i.e. 2001, 2002 and 2003.

(c) The decision of the Central Government on some of these applications was communicated to the applicants and the remaining are under process.

#### Pricing of Foodgrains

2915. SHRI HANSRAJ G. AHIR:  
SHRI TUKARAM GANGADHAR GADAKH:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Maharashtra Government has sent any proposal for pricing of the foodgrains being distributed among the people living below poverty line under Sampoorna Gramin Rozgar Yojana;

(b) whether similar proposals from other States have also been received; and

(c) if so, the reaction of the Government thereto alongwith the action taken by Government thereon?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) and (b) No, Sir.

(c) Does not arise.

*[English]*

**Special Courts for Providing Justice to SCs/STs**

2916. SHRI JUAL ORAM: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government proposes to set up special courts to provide speedy justice to Scheduled

Tribes and Scheduled Castes for dealing the cases of atrocities against them; and

(b) if so, the number of such special courts proposed to be set up during 2004-05, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) and (b) As per Section 14 of the Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989, the State Government may for the purpose of providing speedy trial, with the concurrence of the Chief Justice of the High Court, by notification in the official gazette, specify for each district, a Court of Session to try the offences under the Act. All State Governments except Arunachal Pradesh, Mizoram and Nagaland, which are predominantly tribal area States, have notified the existing courts of sessions as special courts for the trial of offences under the Act. The State Governments of Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Karnataka, Madhya Pradesh, Rajasthan, Tamil Nadu and Uttar Pradesh have, however, set up exclusive special courts, the details of which are given in the enclosed statement.

**Statement**

*List of Exclusive Special Courts set up for trial of offences under the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act, 1989.*

Sl.No.	Name of State	Name of Districts
1	2	3
1.	Andhra Pradesh	1. Guntur 2. Tirupathi (Chittoor) 3. Mahabubnagar 4. Nellore 5. Kurnool 6. Medak 7. Prakasam (Ongole) 8. Secunderabad
2.	Bihar	At 9 Divisional Headquarters and also at East Champaran (Motihari) and Bhojpur districts.
3.	Chhattisgarh	1. Bastar 2. Raipur 3. Bilaspur, 4. Durg 5. Raigarh 6. Rajnandgaon 7. Surguja
4.	Gujarat	1. Banaskantha (Palanpur) 2. Ahemadabad (Rural) 3. Kutch (Bhuj) 4. Amreli 5. Vadodara 6. Junagadh 7. Panchmahal (Godhra) 8. Rajkot 9. Surat 10. Surendranagar
5.	Karnataka	1. Belgaum 2. Mysore 3. Kolar 4. Raichur 5. Bijapur 6. Gulbarga 7. Tumkur
6.	Madhya Pradesh	1. Dhar 2. Shajapur 3. Morena 4. Shahdol 5. Damoh 6. Raisen 7. Mandla 8. Sehore 9. Bhind 10. Tikamgarh 11. Mandaleshwar (Khandwa) 12. Dewas 13. Mansaur 14. Indore 15. Hoshangabad 16. Jabalpur 17. Vidisha 18. Panna 19. Chhatarpur 20. Ujjain 21. Guna 22. Satna 23. Rewa 24. Narsinghpur 25. Sagar 26. Gwalior 27. Rajgarh 28. Bhopal 29. Jhabua.

1	2	3
7.	Rajasthan	1. Alwar 2. Pali 3. Pratapgarh (Chhitorgarh) 4. Dausa 5. Jaipur 6. Ajmer 7. Udaipur 8. Jodhpur 9. Kota 10. Bikaner 11. Medta 12. Tonk 13. Sri Ganganagar 14. Baran 15. Sawaimadhopur 16. Jhalawar 17. Bhilwara
8.	Tamil Nadu	1. Trichy 2. Madurai 3. Thanjavur 4. Tirunelveli
9.	Uttar Pradesh	1. Farrukabad 2. Unnao 3. Basti 4. Banda 5. Etawah 6. Hamirpur 7. Gonda 8. Kanpur City 9. Badaun 10. Sultanpur 11. Barabanki 12. Bulandshar 13. Gorakhpur 14. Varanasi 15. Pilibhit 16. Etah 17. Deoria 18. Jhansi 19. Faizabad 20. Agra 21. Kanpur Rural 22. Behraich 23. Lucknow 24. Jalaon 25. Meerut 26. Ghaziabad 27. Sidarthnagar 28. Mirzapur 29. Chandausi 30. Balrampur 31. Fatehpur 32. Ghazipur 33. Mainpuri 34. Kannauj 35. Gautambudhnagar 36. Hardaui 37. Shravasti 38. Bagpat 39. Bareilly 40. Jyotibaphulenagar.

[Translation]

**Violation of Trade Agreements**

2917. SHRI TUKARAM GANPAT RAO RENGE PATIL:  
SHRI SUNIL KUMAR MAHATO:

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

(a) whether the Indian Missions abroad have received complaints regarding violation of Trade Agreements against the Indian Public and Private Companies during the last three years;

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

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes Sir, complaints regarding alleged violation of contractual obligation between Indian companies and foreign companies have been received.

(b) The details of Nos. of complaints during the last three years are as under:—

(i)	2001-2002	-	71 Nos.
(ii)	2002-2003	-	94 Nos.
(iii)	2003-2004	-	55 Nos.

(c) On receipt of such complaints steps are taken to amicably settle the matter between both parties. However,

if the complaints relates to violation of FT (D&R) Act or EXIM Policy, action is taken against the Indian companies under FT (D&R) Act.

[English]

**Excess Printing of IITF, 2004 Tickets**

2918. SHRI UDAY SINGH:  
SHRI SURESH ANGADI:  
SHRI ADHIR CHOWDHURY:

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

(a) whether entry tickets worth several lakhs were printed in excess for the just concluded India International Trade Fair which had result in huge losses to ITPO;

(b) if so, the details thereof;

(c) whether the Government have investigated the matter and have contemplated any action against the printing presses which have printed such tickets; and

(d) 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 instance of sale of fake tickets that could lead to revenue loss has come to the notice of India Trade Promotion Organisation (ITPO). However, Delhi Police has recovered excess tickets from the premises of Printers as per details in the enclosed Statement.

(c) and (d) The matter is under investigation by the Delhi Police.

[*Translation*]

**Statement**

Sl.No.	Denomination	Number of Tickets
<b>1.</b>	<b>M/s Everest Press</b>	
1.	Rs. 35/-	13,066
2.	Rs. 20/-	5,500
3.	Rs. 15/-	2,070
4.	Business Visitor Cards	3,600
5.	ITPO	10,000
<b>2.</b>	<b>M/s. Gopsons Printer</b>	
1.	Business Visitor Complimentary	1725
2.	Business Visitor SC	684
3.	Business Visitor Complimentary	2000 (Admit 2)*
4.	Rs. 10/-	7860 (CW)
5.	Manarth	3165
6.	Rs. 20/-	1650 (AW)
7.	Rs. 35/-	825 (AH)
8.	Rs. 20/-	1485 (PCH)
9.	Rs. 15/-	2010 (PCW)
10.	Rs. 40/-	135 (RAH)
11.	Rs. 300/-	4275 (BV)
12.	Rs. 25/-	9825 (PAW)
13.	Rs. 300/-	1425 (BV)

\* Not in excess as this was part of ITPO's order and not yet delivered.

Abbreviations:

CW	Children Weekdays
AW	Adult Weekdays
AH	Adult Holidays
PCH	Pragati Maidan Children Holidays
PCW	Pragati Maidan Children Weekdays
RAH	(Wrong Series – Not ordered)
BV	Business Visitor
PAW	Pragati Maidan Adult Weekdays
Business Visitor SC	Business Visitor Seasonal Card

**Proposals under DPAP**

2919. SHRI SHIVRAJ SINGH CHOUHAN:  
SHRI JASHUBHAI DHANABHAI BARAD:  
SHRI KRISHNA MURARI MOGHE:  
SHRI ANANTA NAYAK:  
SHRI HANSRAJ G. AHIR:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the total number of districts brought under Drought Prone Area Programme (DPAP), State-wise particularly in Gujarat, as on date;

(b) the total number of farmers benefited in those States out of DPAP;

(c) whether the Union Government has received requests from the State Governments, regarding the programme;

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

(e) the total number of project proposals received/sanctioned by the Union Government on watershed development programme, State-wise and year-wise; and

(f) the role and achievements of NGOs in drought prone areas alongwith the funds received/utilised by them?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA): (a) and (b) Drought Prone Areas Programme (DPAP) is being implemented in 972 blocks of 182 districts across 16 Programme States including Gujarat where it covers 43938 sq. km. spread over 67 blocks of 14 districts. State-wise coverage under the programme is given in the enclosed statement-I. Since, DPAP is a long term area development programme for drought proofing basically by rejuvenating the natural resource base on watershed basis, the resource poor and disadvantaged sections of the village community including farmers inhabiting the programme areas are benefited.

(c) to (e) Under DPAP specific allocations of funds to the programme States is not made. Ministry of Rural Development, sanctions new projects, each of 500 hectares, as per the Guidelines of Watershed Development and funds are released to ZPs/DRDAs in

instalments over the project period of five years. The first instalment of central funds is released with the sanction of new projects and the programme being demand driven, subsequent instalments are released on receipt of specific proposals from the State Govt./Z.P./DRDA along with Utilisation Certificate, Audited Statement of Accounts etc. The Ministry routinely receives proposals seeking fund release against ongoing projects from the ZPs/DRDAs/States including Gujarat. While releasing the central instalments, it is ensured that ZP/DRDA has utilised more

than 50% of funds released to it earlier. So far, 21353 projects have been sanctioned from 1995-96 to 2004-05 under DPAP. State-wise and year-wise details of projects sanctioned is given in the enclosed statement-II.

(f) DPAP projects are executed through Watershed Association/Gram Panchayat. The role of NGOs lies in assisting the project implementation, capacity building of executing agency and imparting training to various stakeholders.

***Statement-I***

***States, Districts and Blocks Covered Under Drought Prone Areas Programme (DPAP)***

Sl.No.	Name of the States	No. of Districts	No. of Blocks	Area (in Sq. Kms)
1.	Andhra Pradesh	11	94	99218
2.	Bihar	6	30	9533
3.	Chhattisgarh	8	29	21801
4.	Gujarat	14	67	43938
5.	Himachal Pradesh	3	10	3319
6.	Jammu and Kashmir	2	22	14705
7.	Jharkhand	14	100	34843
8.	Karnataka	15	81	84332
9.	Madhya Pradesh	23	105	89101
10.	Maharashtra	25	149	194473
11.	Orissa	8	47	26178
12.	Rajasthan	11	32	31969
13.	Tamil Nadu	16	80	29416
14.	Uttar Pradesh	15	60	35698
15.	Uttaranchal	7	30	15796
16.	West Bengal	4	36	11594
	<b>Total</b>	<b>182</b>	<b>972</b>	<b>75914</b>

**Statement-II****Details of State-wise and year-wise projects sanctioned under DPAP**

State	Year										Total
	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05	
Batch	1st	2nd	3rd	4th	5th	6th	7th	8th	Hariyali-I	Hariyali-II	
Andhra Pradesh	527	60	321	700	587	314	166	291	287	287	3540
Bihar	101	0	0	0	0	28	46	60	60	68	363
Chhattisgarh	234	0	0	0	0	197	106	116	116	116	885
Gujarat	275	100	19	55	230	329	110	241	250	250	1859
Himachal Pradesh	33	21	0	0	17	77	40	50	40	40	318
Jammu and Kashmir	—	0	10	22	0	132	44	66	66	66	406
Jharkhand	263	0	0	0	19	200	173	164	200	200	1219
Karnataka	406	0	0	0	248	266	245	221	227	227	1840
Madhya Pradesh	661	0	0	0	265	657	238	265	269	269	2624
Maharashtra	818	0	0	0	219	578	296	300	296	303	2810
Orissa	192	0	0	0	0	111	221	160	146	146	976
Rajasthan	182	0	0	0	18	271	96	113	96	96	872
Tamil Nadu	297	0	0	103	299	0	61	144	160	160	1224
Uttar Pradesh	282	99	56	0	286	93	92	158	160	160	1386
Uttaranchal	117	0	0	0	90	58	90	97	90	90	632
West Bengal	135	0	0	0	0	60	28	32	72	72	399
<b>Total</b>	<b>4523</b>	<b>280</b>	<b>406</b>	<b>880</b>	<b>2278</b>	<b>3371</b>	<b>2052</b>	<b>2478</b>	<b>2535</b>	<b>2550</b>	<b>21353</b>

**Closure of NTC Mills**

2920. PROF. MAHADEORAO

SHIWANKAR:

SHRI GURUDAS DASGUPTA:

SHRI KAMLA PRASAD RAWAT:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is considering to close down textile mills of NTC and jute mills in the country;

(b) the number of textile and jute mills closed and declared as sick during last one year;

(c) whether the Government propose to transfer these mills to joint venture or private sector;

(d) the total turnover of these mills during the last three years, year-wise;

(e) the profit/loss of these mills during each of the past three years;

(f) the bottle necks faced by the Government to run these mills; and

(g) the remedial measures taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) NTC is implementing the Rehabilitation Schemes for its 9 sick subsidiaries as approved by BIFR/Govt. In order to rehabilitate these companies, BIFR ordered closure of chronically sick/unviable mills after giving VRS to affected employees. Accordingly so far 65 unviable mills have been closed.

Out of 78 jute mills in the country, only 6 are Central Govt. Undertakings and all of them are functioning. Out of the 78, 37 mills are sick and 14 mills are lying closed over periods varying from two months to two years.

(c) Currently, there is no such decision.

(d) All the above closed mills were not having any production for the last several years.

(e) The loss incurred during the last three years in respect of 65 closed mills of NTC is given in the enclosed Statement.

(f) The mills suffered from deficiencies like old and obsolete machinery, out dated technology, excess labour force and lack of working capital for modernization.

(g) The Government, in consultation with BIFR, has prepared Rehabilitation Schemes for the 9 subsidiaries of NTC to revive 53 viable mills and close 66 unviable ones at a total cost of 3918.84 crores largely financed through sale of surplus assets.

**Statement**

*National Textiles Corporation Limited*

*List of 65 Closed Mills Showing Net Profit (+)/Loss (-)*

For the Period From 2000-01 to 2002-03

(Rs. in crores)

Sl.No.	Name of the Mills/Subsidiary	2000-2001	2001-2002	2002-2003
1	2	3	4	5
	NTC (DPR) Ltd., Punjab			
1.	Dayal Bagh Spg. & Wvg. Mills	-7.46	-7.94	-17.00
2.	Panipat Woollen Mills	-8.83	-10.08	-10.75
	Rajasthan			
3.	Edward Mills	-5.43	-7.48	-6.89
	NTC (Madhya Pradesh) Ltd., Chhattisgarh			
4.	Bengal Nagpur Cotton Mills	-17.95	-8.89	-35.00
	Madhya Pradesh			
5.	Hira Mills	-11.35	-0.69	-24.84
6.	Indore Malwa United Mills	-18.16	-14.31	-41.29
7.	Kalyanmal Mills	-16.69	-10.81	-40.60
8.	Swadeshi Textile Mills	-10.46	-2.81	-18.87
	NTC (Uttar Pradesh) Ltd., Uttar Pradesh			
9.	Atherton Mills	-11.58	-12.67	-39.02



1	2	3	4	5
10.	Bijli Cotton Mills	-2.54	-1.99	-4.81
11.	Laxmirattan Cotton Mills	-14.71	-16.54	-52.26
12.	Lord Krishna Textile Mills	-7.65	-1.40	-17.64
13.	Muir Mills	-19.29	-9.17	-54.69
14.	New Victoria Mills	-20.67	-7.11	-54.77
15.	Raebareli Textile Mills	-2.44	-4.23	-6.55
16.	Shri Vikram Cotton Mills	-4.81	-4.94	-16.33
17.	Swadeshi Cotton Mills, Kanpur	-20.81	-18.58	-16.79
	NTC (South Maharashtra) Ltd., Maharashtra			
18.	Bharat Textile Mills	-13.26	-4.97	-11.83
19.	Digvijay Textile Mills	-17.70	-5.17	-15.94
20.	Elphinstone Spg. & Wvg. Mills	-12.22	-13.56	-13.76
21.	Jupiter Textile Mills	-17.36	12.06	-3.78
22.	Mumbai Textile Mills	-15.85	-5.89	-8.09
23.	New Hind Textile Mills	-17.14	3.00	-9.70
24.	Podar Processors	-7.78	-8.39	-9.06
25.	Shree Madhusudan Mills	-8.41	-9.83	-7.94
	NTC (Maharashtra North) Ltd., Maharashtra			
26.	India United Mills No. 2	-15.69	-11.12	-15.82
27. & 28.	India United Mills No. 3 & 4	-23.34	-19.51	-19.70
29.	Jam MFG. Mills	-9.39	-11.97	-10.97
30. & 31.	Kohinoor Mills No. 2 & 3	-17.71	-19.58	-19.18
32.	Model Mills	-21.20	-9.74	-20.32
33.	R.S.R.G. Mills	-6.99	-6.20	-9.86
34.	Shri Sitaram Mills	-8.60	-10.18	-8.81
35.	Vidharbha Mills	-6.76	-6.15	-7.46
	N.T.C. (Gujarat) Ltd., Gujarat			
36.	Ahmedabad Jupiter Textile Mills	-17.10	-8.66	-17.63
37.	Himadri Textile Mills	-12.70	-3.53	-13.55

1	2	3	4	5
38.	Jehangir Textile Mills	-21.07	-7.45	-21.34
39.	Mahalaxmi Textile Mills	-13.20	-1.93	-13.98
40.	New Manekchowk Textile Mills	-14.89	-8.59	-12.94
41.	Petlad Textile Mills	-6.94	0.04	-5.88
42.	Rajkot Textile Mills	-6.06	-3.30	-4.97
43.	Rajnagar Textile Mills 2	-19.59	-8.56	-20.51
44.	Viramgam Textile Mills	-12.30	-8.65	-10.60
	N.T.C. (APKK&M) Ltd., Andhra Pradesh			
45.	Adoni Cotton Mills	-1.91	-1.04	-3.31
46.	Azam Jahi Mills	-8.71	3.59	-17.36
47.	Natraj Spinning Mills	-4.53	8.02	-3.65
48.	Netha Spinning & Weaving Mills	-2.15	-1.45	-3.57
	Karnataka			
49.	M.S.K. Mills	-10.72	-2.47	-28.34
50.	Mysore Spg. & Mfg. Mills	-8.59	0.53	-8.83
	N.T.C. (TN & P) Ltd., Tamil Nadu			
51.	Balaramavarma Textile Mills	-1.37	-2.41	-1.36
52.	Kishnaveni Textile Mills	2.08	-1.56	7.57
53.	Om Parasakthi Mills	-1.06	-2.56	-0.01
54.	Somasundaram Mills	-2.33	-4.22	-0.75
55.	Kaleeswarar Mills 'A' Unit	-10.78	-15.75	-10.28
	N.T.C. (WBAB & O) Ltd., Bihar			
56.	Gaya Cotton & Jute Mills	-7.15	-7.23	Closed
	West Bengal			
57.	Bangasri Cotton Mills	-3.94	-3.75	Closed
58.	Bengal Fine S. & W. Mills No.1	-9.01	-8.41	-3.17
59.	Bengal Fine S & W. Mills No.2	-2.77	-2.69	Closed
60.	Bengal Luxmi Cotton Mills	-10.59	-9.89	-3.75
61.	Manindra B.T. Mills	-7.51	-6.50	Closed

1	2	3	4	5
62.	Jyoti Wvg. Factory	-4.04	-4.81	Closed
63.	Rampooria Cotton Mills	-10.14	-9.77	-3.49
64.	Central Cotton Mills	-12.39	-13.40	Closed
65.	Shree Mahalaxmi Cotton Mills	-10.22	-11.55	Closed

[English]

#### Promotion of Pashmina Craft

2921. SHRI MADAN LAL SHARMA: Will the Minister of TEXTILES be pleased to state:

(a) the details of amount sanctioned and released for promotion of Pashmina Craft in Jammu & Kashmir during the last three years;

(b) whether the Government is considering promotion and development of Pashmina craft;

(c) if so, the details thereof; and

(d) if not, the reasons therefore?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) There is no craft in the name of Pashmina Craft. However, embroidery etc. done on Pashmina Shawls falls under the ambit of craft activity. The amount sanctioned and released for the promotion of this craft in Jammu and Kashmir during the last three years is Rs. 53.98 lakhs and Rs. 44.62 lakhs respectively.

(b) and (c) The steps being taken for promotion and development of this craft include training for skill upgradation; product development through design & technology upgradation; marketing and export promotion including publicity. The revival and promotion of Kani Shawl has also been taken up as part of Prime Minister's Jammu and Kashmir Package, May 2002.

(d) Does not arise.

#### Funds Allocated to NGOs

2922. SHRI G. KARUNAKARA REDDY: Will the Minister of TEXTILES be pleased to state:

(a) the funds allocated and sanctioned by the Government to Non-Governmental Organizations (NGOs) registered under Societies Act and working in textile sector during each of the last three years, State-wise particularly in Karnataka;

(b) the project of NGOs executed in each State particularly in Karnataka during the last three years;

(c) whether there is any Government authority to monitor the sanctioned projects; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) A statement is enclosed.

(c) and (d) (i) In the Handloom Sector the sanctioned projects under Deen Dayal Hathkargha Protsahan Yojana (DDHPY) are monitored by the State Level Project Committee headed by Secretary-in-charge of Handlooms of the State Government. The Integrated Handloom Training Project (IHTP) scheme is being monitored by the concerned Weavers' Service Centres and/or State Director-in-charge of Handlooms. The Technical Committee on Research & Development (R & D) is monitoring the sanctioned projects under Design Development & Training Programme [Research & Development Component (R & D)].

(ii) In the Handicrafts Sector the sanctioned projects are monitored by the field units of the Office of The Development Commissioner for Handicrafts.

(iii) In the Sericulture Sector UNDP sub-programme for development of non-mulberry silks was monitored by the Standing Committee and Sub-Programme Management Board comprising representatives of Ministry of Textiles, Central Silk Board (CSB) and State Governments. The Swarnjayanti Gram Swarojgar Yojana (SGSY) projects are being monitored by Project

Coordination Committee comprising representatives of Rural Development Departments of the concerned States. The R & D Projects and Project for the introduction of sericulture are monitored by Monitoring Committee comprising CSB and State Governments concerned.

(iv) In the Organised Textile Industry, an 18 member

Research and Development Committee under the Chairmanship of Additional Secretary and Financial Advisor, Ministry of Textiles and representatives from Planning Commission, Department of Science and Technology, Council of Scientific and Industrial Research and Directors of all TRAs, approves research projects of TRAs, IITs and other research organizations.

**Statement**

(i) Handloom Sector

Deen Dayal Hathkargha Pratsahan Yojana (DDHPY)

State	Year	Amount Sanctioned	Project Sanctioned
—	2001-02	Nil	Nil
—	2002-03	Nil	Nil
—	2003-04	Nil	Nil
Kerala	2004-05 (as on 13.12.2004)	Rs. 126.875 lakh Basic input)	25

Integrated Handloom Training Project (IHTP)

(Rs. in lakhs)

Sl. No.	State	2003-04	2004-05 (as on 13.12.04)
1.	Andhra Pradesh	3.21	14.40
2.	Assam	2.81	—
3.	Bihar	3.58	—
4.	Haryana	2.22	—
5.	Kerala	3.92	—
6.	Manipur	7.00	—
7.	Nagaland	3.21	—
8.	Orissa	—	10.43
9.	Rajasthan	—	7.48
10.	Tamil Nadu	6.12	—
11.	West Bengal	4.28	—
12.	Jharkhand	4.01	—
	<b>Total</b>	<b>40.36</b>	<b>32.31</b>

## Design Development &amp; Training Programme [Research &amp; Development Component (R &amp; D)]

(Rs. in lakhs)

Sl.No.	State	2002-03	2003-04
1.	Jammu & Kashmir	1.25	2.50
2.	Uttaranchal	—	4.16
	Total	1.25	6.66

## (ii) Handicrafts Sector

(Rupees in lakhs)

Sl.No.	Name of the State	Amount Released		
		2001-02	2002-03	2003-04
1	2	3	4	5
1.	Andhra Pradesh	70.44	32.14	80.67
2.	A. & N. Island	0.98		
3.	Arunachal Pradesh	2.82	4.63	25.25
4.	Assam	71.75	42.78	184.94
5.	Bihar	7.87	4.55	4.44
	Chandigarh			3.75
6.	Chhattisgarh	16.03	13.85	2.2
7.	Goa	1.69		
8.	Gujarat	28.86	17.02	68.94
9.	Haryana	9.90	17.79	27.51
10.	Himachal Pradesh	40.02	31.42	57.59
11.	Jammu & Kashmir	32.72	28.94	46.78
12.	Jharkhand	0.27	5.15	5.88
13.	Karnataka	16.88	15.60	37.63
14.	Kerala	7.31	11.48	47.02
15.	Madhya Pradesh	42.05	38.10	44.24
16.	Maharashtra	35.73	29.73	33.92
17.	Manipur	42.59	7.77	27.7

1	2	3	4	5
18.	Meghalaya	0.20	0.43	11.66
19.	Mizoram	0.53	0.00	
20.	Nagaland	26.85	2.92	7.25
21.	New Delhi	145.96	281.09	377.34
22.	Orissa	47.04	62.16	53.88
23.	Punjab	10.24	16.75	34.79
24.	Pondicherry	10.90	1.00	
25.	Rajasthan	19.70	44.98	91.28
26.	Tamil Nadu	16.55	22.61	51.45
27.	Tripura	13.49	20.91	28.89
28.	Uttar Pradesh	236.39	202.61	154.45
29.	Uttaranchal	37.58	19.29	56.52
30.	West Bengal	77.33	55.47	98.19
	<b>Total</b>	<b>1070.67</b>	<b>1031.17</b>	<b>1664.16</b>

**Handicrafts Sector**

Sl. No.	Name of State/UTs	Number of Projects
1	2	3
1.	Andhra Pradesh	19
2.	A & N Island	0
3.	Arunachal Pradesh	5
4.	Assam	22
5.	Bihar	9
6.	Chhattisgarh	6
7.	Chandigarh	0
8.	Delhi	7
9.	Goa	0
10.	Gujarat	18
11.	Haryana	8

1	2	3
12.	Himachal Pradesh	14
13.	Jammu & Kashmir	17
14.	Jharkhand	8
15.	Karnataka	11
16.	Kerala	14
17.	Madhya Pradesh	23
18.	Maharashtra	10
19.	Manipur	5
20.	Meghalaya	4
21.	Mizoram	1
22.	Nagaland	7
23.	Orissa	30
24.	Punjab	7

1	2	3
25.	Pondicherry	1
26.	Rajasthan	18
27.	Sikkim	1
28.	Tamil Nadu	14
29.	Tripura	12
30.	Uttar Pradesh	37

1	2	3
31.	Uttaranchal	12
32.	West Bengal	27
<b>Total</b>		<b>367</b>

Out of the total 367 project, 2 each in Delhi and West Bengal and 1 each in Arunachal Pradesh, Kerala, Tripura, Manipur and Meghalaya were executed during the last three years and the remaining are on going projects.

(iii) **Sericulture Sector**

Sl.No.	State	Fund allocated	Fund sanctioned during			
			2001-02	2002-03	2003-04	2004-05
1.	Jharkhand	2139.00	50.99	43.70	41.71	-
2.	Orissa	(No Separate Allocation)	66.16	33.96	8.45	-
3.	Assam		152.96	42.22	33.76	-
4.	West Bengal		58.42	62.28	25.29	-
5.	Meghalaya		22.42	13.42	5.26	-
6.	Uttaranchal		24.59	53.64	-	-
7.	Karnataka	14.00	-	-	14.00	0.34
8.	Tamil Nadu	15.66			6.68	-
9.	Bihar	831.49	-	126.16	79.30	77.27
10.	Jharkhand	809.39	-	73.84	228.92	90.06
11.	Uttar Pradesh	1.65	-	0.26	-	-

**Details of Projects implemented by NGOs during the last three years:**

Sl. No.	State	Name of the Sericulture Project implemented by the NGO
1	2	3
1.	Jharkhand	
2.	Orissa	*UNDP assisted sub-programme for the development of non-mulberry silks
3.	Assam	
4.	West Bengal	
5.	Meghalaya	

1	2	3
6.	Uttaranchal	
7.	Karnataka	(A)* UNDP assisted sub-programme for the development of non-mulberry silks (B) development of sericulture
8.	Tamil Nadu/Pondicherry and Kerala	R & D project for sericulture
9.	Bihar/Jharkhand	Special Swarnjayanti Gram Swarojgar Yojana project for the development of tasar and sericulture
10.	Uttar Pradesh	introduction of sericulture

\* UNDP assisted sub-programme ended on 31st December, 2002.

(iv) Organised Textile Industry

	Name of the NGOs	2001-02	2002-03	2003-04
1.	Ahmedabad Textile Industry's Research Association (ATIRA), Ahmedabad, Gujarat	210	217.42	183.5
2.	Bombay Textile Research Association (BTRA), Mumbai, Maharashtra	215	224.12	162.5
3.	South India Textile Research Association (SITRA) Coimbatore, Tamil Nadu	190	230	168
4.	Northern India Textile Research Association (NITRA), Ghaziabad, Uttar Pradesh	140	158.6	165.73
5.	Synthetic & Art Silk Mills' Research Association (SASMIRA), Mumbai, Maharashtra	255	278.88	160.57
6.	Man-made Textile Research Association (MANTRA), Surat, Gujarat	100	135	82
7.	Wool Research Association (WRA), Thane, Maharashtra	93	123.23	73.61
8.	Indian Jute Industries' Research Association (IJIRA), Kolkata, West Bengal	730	689	331.5
	<b>Total</b>	<b>1933</b>	<b>2056.25</b>	<b>1327.41</b>

**Upgradation of Cities for HRA**

2923. SHRI PARSURAM MAJHI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have a proposal to upgrade some cities and towns to a higher grade for the purpose of grant of House Rent Allowance and City Compensatory Allowance for Central Government Employees;

(b) if so, the details thereof;

(c) the classifications made in respect of cities and towns in every State; and

(d) the additional financial implication when the proposal is finally implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The upgradation of some cities and towns to a higher grade



for the purpose of HRA and CCA for Central Government employees, on the basis of 2001 census, has been approved by the Government and orders classifying different cities/towns in each of the State have been issued *vide* this Ministry's OM No. 2 (21)/04-E. II (B) dt. 18.11.2004.

(d) The additional financial implication in upgrading the cities/towns for HRA and CCA is estimated at Rs. 144 crores per annum.

#### Indo-New Zealand Trade Agreement

2924. SHRI KIRTI VARDHAN SINGH:  
SHRI VIJOY KRISHNA:

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

(a) whether Prime Minister of New Zealand recently visited India;

(b) if so, whether high level New Zealand delegation has identified areas of trade between India and New Zealand;

(c) if so, the details thereof;

(d) whether any bilateral agreements were signed with them; and

(e) if so, the details thereof with the benefits likely to accrue as a result of these agreements?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Yes, Sir.

(b) and (c) Minister for Commerce & Industry called on the Prime Minister of New Zealand during her visit to India. During the discussions between the two leaders, both sides *inter alia* underlined the need to put more momentum in the bilateral trade relations. The two leaders discussed the possibility of cooperation in the areas of tourism, forestry, IT, services sector, food processing and agriculture, in addition to the traditional areas of trade.

(d) No, Sir.

(e) Does not arise.

[*Translation*]

#### Refund of Income Tax Dues

2925. SHRI BRAJESH PATHAK: Will the Minister of FINANCE be pleased to state:

(a) whether refund of Income-tax are paid to Income Tax assessee;

(b) the duration prescribed by Income Tax Department for making refund of Income Tax;

(c) whether refund is made in time;

(d) if so, details thereof;

(e) if not, the reasons therefor; and

(f) the number of cases pending for refund of income tax as on date, State-wise?

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

(b) The Departmental guidelines are that the returns received claiming refunds should be processed within 4 months of receipt of the returns.

(c) Normally the time limit prescribed in the guidelines is adhered to.

The process of issue of refunds is monitored by the higher authorities.

(d) The details of disposal of refund claims during the last 3 financial years is as under:—

Financial Year		Disposal of Refund claims
2001-02	-	1,75,883
2002-03	-	5,15,427
2003-04	-	3,23,375

The entire process of issue of refunds in the field formations is supervised by the Commissioners and Chief Commissioners of Income-tax.

(e) Not applicable.

(f) The date for pendency of refund is not maintained on day to day basis or State-wise.

*[English]***Furthering Textile Export To US**

2926. SHRI IQBAL AHMED SARADGI: Will the Minister of TEXTILES be pleased to state:

(a) whether India has emerged top supplier in major produce categories in the cut throat US Home Textiles market;

(b) if so, whether after January 1, 2005 India suppliers are expected to consolidate their position for the US Home Textiles Market further; and

(c) if so, the steps in this regard being considered?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) India has emerged as the second largest exporter of textile made-ups, including home textiles like terry towels, pillow case, bed spreads, bed linen, curtains etc., to the US market last year.

(b) According to recent studies, India's textile exports in the post quota regime starting from 1st January 2005 would be driven by value added made-ups and apparel segments. and there are good prospects of India consolidating its position in the US Home Textile Market.

(c) Textile Export Promotion Councils are regularly undertaking export promotion measures, including for US home textile market, such as participation in overseas exhibitions/fairs, organising Buyer-Seller-Meets, overseas publicity, sponsoring trade delegations etc. in consultation with Indian Missions abroad. The Cotton Textile Export Promotion Council (TEXPROCIL) had commissioned a study of the US market by M/s. Dun & Bradstreet and has made available the study report to the Indian Exporters to understand the market fully and develop suitable strategies. The Council is also opening an office in the US to regularly monitor the market and undertake suitable promotional activities.

**New Guidelines for Funding**

2927. SHRI KAILASH MEGHWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the NABARD has issued new guidelines for funding from the banks to the farming community;

(b) if so, the details thereof;

(c) whether the banks are agreed to follow these guidelines; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) 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, National Bank for Agriculture and Rural Development (NABARD) issued detailed guidelines to Banks on 30th June and 26th July, 2004 for implementing the above package and to provide relief measures envisaged for farmers in distress, farmers in arrears, One Time Settlement (OTS) for small and marginal farmers and farmers indebted to money lenders. Subsequently NABARD convened meetings with Executives of Public Sector Commercial Banks, Cooperative Banks and Regional Rural Banks to discuss the strategy to be adopted by the banks for achieving the agricultural lending target. During these meetings the Heads of the Banking Institutions confirmed their support in implementing various measures announced by the Government and to follow the guidelines issued by the NABARD.

**Decline in Gross Capital Formation in Agricultural Sector**

2928. SHRI BALASAHEB VIKHE PATIL: Will the Minister of FINANCE be pleased to state:

(a) the percentage of the GDP in farm sector and in over all sectors in the last two years;

(b) the projected GDP in farm and other sectors for the current year;

(c) the manner in which the Union Government will achieve the projected GDP keeping in view the present scenario of price hike in petroleum products;

(d) whether the economists have expressed concerns over the possible impact on overall growth of the country due to above mentioned scenario; and

(e) if so, the steps taken by the Government to achieve the projected GDP?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The percentage shares of agriculture and other sectors in the

Gross Domestic Product (GDP), at factor cost at constant prices, during the last two years, derived from the data released by the Central Statistical Organisation are given below:—

Sectors	2002-03 (QE)	2003-04 (RE)
1. Agriculture, forestry and fishing	22.0	22.1
2. Industry	27.2	26.9
3. Services	50.8	51.0
All Sectors	100.0	100.0

QE: Quick Estimates RE: Revised Estimates

(b) The Government has not made any projection regarding GDP growth in farm and other sectors for the current year. A marginal shortfall is anticipated in kharif production on account of 13 percent deficiency in south-west monsoon. However, the prospect of a good rabi crop is likely to offset the kharif shortfall. Going by the present buoyant trends, Industry and service sectors are expected to perform well. The Reserve Bank of India in its Mid-Term Review of Annual Policy Statement for 2004-05 (October 26, 2004) has placed the overall real GDP growth in 2004-05 in the range of 6.0 to 6.5 percent, assuming that the combined downside risks of high and uncertain oil prices, and sudden changes in international liquidity environment remain manageable.

(c) to (e) There has been a growing concern over the possible impact of rise in international oil prices on the growth of the economy. Addressing these concerns, the Government reduced the duties on selected petroleum products twice in the current year, first in June and then in August to soften the impact of a continuous rise in international oil prices. The Government has also taken a number of steps to maintain the growth momentum in the current year. These, *inter alia*, include a comprehensive policy on credit aimed at doubling the flow of agricultural credit in three years, higher allocations under Accelerated Irrigation Benefit Programme, revival of Rural Infrastructure Development Fund, launching a scheme for repair, renovation and restoration of all water bodies, promotion of public private partnership for infrastructure development, setting up of an Investment Commission and additional provision of Rs. 10,000 crore of gross budgetary support to the 2004-05 Annual Plan.

[*Translation*]

#### Setting up of Industrial Units by Foreign Countries

2929. SHRI RAMDAS ATHAWALE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any proposal has been received from abroad for setting up industrial units in the country during the last three years particularly in the State of Maharashtra;

(b) if so, the details of the proposals and the funds likely to be spent thereon;

(c) whether any decision has been taken in this regard; 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) The extant policy permits Foreign Direct Investment (FDI) up to 100% in most sectors/activities on the automatic route. FDI under the automatic route, does not require prior Government approval. Government have granted 6748 approvals with proposed investment of Rs. 45359 crore of FDI into India during January 2001 to September 2004. The number of approvals for FDI into Maharashtra during this period was 1704 with proposed investment of Rs. 10057 crore.

#### Employment to Rural Women

2930. SHRI SITA RAM SINGH:  
DR. BABU RAO MEDIYAM:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government proposes to lay greater stress on the creation of employment opportunities for the women and SC/ST in rural areas while implementing the various rural development projects;

(b) if so, the details thereof; and

(c) the State-wise and project-wise achievement made regarding women/SC/ST beneficiaries during last three years and the current year?

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) Ministry of Rural Development is implementing two major Employment Generation Programmes namely; the Sampooma Grameen Rozgar Yojana (SGRY) a Wage Employment Programme and the Swarnjayanti Gram Swarozgar Yojana (SGSY), a Self Employment Programme. Under SGRY 30% of the employment opportunities are required to be provided for women and minimum 50% of the Village Panchayat allocation (inclusive of foodgrains) is earmarked for the creation of

need based village infrastructure in SC/ST habitations. Further 22.5% of the annual allocation (inclusive of foodgrains) allocated both at the level of District and intermediate Panchayats is earmarked for individual/group beneficiary schemes of SC/ST families living below the Poverty Line (BPL). Under SGSY Scheme, special safeguards have been provided to vulnerable sections by way of reserving 50% benefits for SCs/STs, and 40% for women.

(c) The State-wise and Scheme-wise women/SC/ST beneficiaries during the last three years and the current year for the above mentioned Programmes is given in the enclosed Statement-I & II.

**Statement-I**

(Lakh mandays)

Sl.No.	State/UTs	Sampooma Grameen Rozgar Yojana (SGRY)											
		2001-02			2002-03			2003-04			2004-05		
		SC	ST	Women	SC	ST	Women	SC	ST	Women	SC	ST	Women
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1.	Andhra Pradesh	79.27	35.73	110.75	105.53	58.07	139.74	113.21	71.51	167.40	39.58	21.82	56.13
2.	Arunachal Pradesh	0.00	13.41	4.14	0.00	23.69	7.33	0.00	18.36	5.28	0.00	1.49	0.42
3.	Assam	66.36	155.52	49.81	90.94	175.83	49.21	109.35	221.43	72.27	35.23	63.76	20.35
4.	Bihar	176.62	12.02	87.48	215.10	14.04	108.77	206.32	14.67	92.42	45.70	3.25	16.58
5.	Chhattisgarh	75.09	124.89	141.97	64.95	141.46	132.46	48.79	129.70	107.05	37.44	100.40	74.65
6.	Goa	0.00	0.00	0.93	0.01	0.00	0.20	0.01	0.00	0.23	0.00	0.00	0.13
7.	Gujarat	11.51	30.12	19.91	38.22	75.10	59.73	70.99	108.29	92.14	28.98	48.73	40.36
8.	Haryana	64.79	0.00	23.83	72.53	0.00	32.64	42.36	0.00	19.55	21.92	0.00	10.70
9.	Himachal Pradesh	9.78	3.73	1.75	8.71	2.53	1.24	16.54	2.78	2.25	0.03	0.00	0.00
10.	Jammu and Kashmir	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.11	1.49	0.00
11.	Jharkhand	74.39	99.76	78.45	76.01	101.14	79.90	142.98	124.57	92.32	18.18	26.72	32.43
12.	Karnataka	78.10	32.09	87.50	163.78	58.49	151.76	154.85	52.70	172.94	38.10	15.50	43.69
13.	Kerala	19.90	2.74	23.37	20.82	2.56	21.53	32.96	5.09	34.75	17.96	1.88	18.97
14.	Madhya Pradesh	119.47	185.42	171.01	141.44	208.47	202.43	166.36	217.27	212.79	65.46	117.26	96.74
15.	Maharashtra	115.25	114.32	153.49	123.88	108.03	159.27	171.61	135.32	202.71	67.48	53.51	78.25

1	2	3	4	5	6	7	8	9	10	11	12	13	14
16.	Manipur	0.00	0.00	0.00	0.80	8.83	3.71	1.46	9.36	3.73	0.00	0.00	0.00
17.	Meghalaya	0.11	28.73	8.29	0.36	22.79	8.90	0.89	33.02	11.15	0.14	5.37	1.44
18.	Mizoram	0.00	10.00	3.56	0.00	12.99	4.67	0.00	12.73	4.55	0.00	3.53	1.25
19.	Nagaland	0.00	8.05	3.69	0.00	16.39	3.81	0.00	610.06	95.66	0.00	0.00	0.00
20.	Orissa	131.97	178.34	136.50	166.21	223.47	173.14	163.96	238.04	206.66	75.62	107.12	86.98
21.	Punjab	13.68	0.00	0.50	19.35	0.00	0.46	33.78	0.00	0.26	16.29	0.00	0.39
22.	Rajasthan	51.58	45.67	60.50	129.73	124.66	153.38	99.23	74.91	108.44	51.71	44.89	61.53
23.	Sikkim	1.31	1.79	1.77	0.74	3.06	2.53	1.20	3.16	2.97	0.00	0.00	0.00
24.	Tamil Nadu	124.64	6.60	96.34	240.28	14.50	166.67	246.64	16.99	188.03	164.54	10.74	116.57
25.	Tripura	15.60	35.67	19.22	19.76	45.51	27.12	24.90	57.35	33.67	10.75	24.88	13.73
26.	Uttaranchal	13.30	0.43	7.45	2.40	0.29	3.33	29.83	4.94	16.95	13.60	2.11	7.53
27.	Uttar Pradesh	389.91	0.45	114.70	756.56	5.12	175.59	714.59	1.61	183.66	498.21	1.01	110.04
28.	West Bengal	71.79	29.57	37.00	177.54	60.21	83.20	190.16	69.66	91.54	117.28	47.32	59.95
29.	Andaman and Nicobar Islands	0.00	0.18	0.06	0.00	0.00	0.00	0.00	0.27	0.07	0.00	0.01	0.00
30.	Dadra and Nagar Haveli	0.00	0.03	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31.	Daman and Diu	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32.	Lakshadweep	0.00	0.15	0.11	0.81	0.07	0.30	0.00	0.01	0.00	0.00	0.01	0.00
33.	Pondicherry	0.30	0.00	0.11	2.37	0.00	1.12	0.99	0.00	0.47	0.02	0.00	0.00

**Statement-II**

(Numbers)

1	2	Swarnjayanti Gram Swarozgar Yojana (SGSY)											
		2001-02			2002-03			2003-04			2004-05		
		SCs	STs	Women	SCs	STs	Women	SCs	STs	Women	SCs	STs	Women
1.	Andhra Pradesh	31717	8,715	62859	25,443	7144	56847	27364	7202	66814	9070	2649	29803
2.	Arunachal Pradesh	0	1,564	472	0	1053	321	-	1220	338	-	-	-
3.	Assam	2145	2,624	5,246	8,624	15049	35229	4416	8949	26207	5256	9674	28829
4.	Bihar	46665	3,725	33997	38236	2115	24801	39383	1855	26467	9979	155	7675

1	2	3	4	5	6	7	8	9	10	11	12	13	14
5.	Chhattisgarh	3545	12,161.00	3362	3205	11533	4068	3518	9814	4181	750	7464	5240
6.	Goa	147	0	672	49	0	252	40	0	123	28	74	558
7.	Gujarat	3472	6,517	5987	2894	6385	6798	4153	6926	8304	1864	5138	6031
8.	Haryana	6956	0	7614	5575	0	6431	5308	0	7009	8321	0	21732
9.	Himachal Pradesh	3625	702	4980	2478	631	3222	3291	817	4806	1137	484	1351
10.	Jammu and Kashmir	411	1,363	7146	514	1092	4493	395	1170	2874	0	12	0
11.	Jharkhand	11621	28,898	21678	9491	23513	10867	10939	29985	26864	827	1258	2623
12.	Karnataka	12519	3,642	26391	10824	3039	26963	13879	3610	36163	4732	1646	13215
13.	Kerala	7537	449	14397	7665	483	13875	7281	601	15650	5329	189	12209
14.	Madhya Pradesh	16450	15,487	18709	12346	15364	16489	11544	13560	17373	8957	9465	15182
15.	Maharashtra	17646	14,252	314,14	13947	11872	32007	16793	12166	40019	21282	7892	67140
16.	Manipur	-	-	-	-	-	-	-	-	-	-	-	-
17.	Meghalaya	0	743	112	9	1926	857	12	5502	2284	0	5801	2474
18.	Mizoram	0	3,822	2270	0	884	291	0	1457	866	-	72	23
19.	Nagaland	0	3,681	645	0	2218	658		3536	744	-	-	-
20.	Orissa	13773	16,158	19,842	10,808	15334	21149	13527	17777	38667	2982	3248	7816
21.	Punjab	3655	-	2348	4045	0	3376	4038	0	3634	962	0	835
22.	Rajasthan	11408	6052	15807	8899	4667	12657	9139	4952	13635	2080	1316	3324
23.	Sikkim	160	899	542	119	588	264	139	886	509	18	130	303
24.	Tamil Nadu	24278	1521	50785	23221	812	54860	23574	1858	60048	15505	845	37545
25.	Tripura	3631	8792	9090	1327	3023	2532	1246	2541	2203	5967	8100	17750
26.	Uttar Pradesh	55402	225	30422	50842	196	30470	66134	239	44899	122690	853	92814
27.	Uttaranchal	3512	804	4931	2074	381	3830	2695	532	5871	888	54	1566
28.	West Bengal	3969	427	3969	6643	844	8302	5986	866	12765	38781	4674	80840
29.	Andaman and Nicobar Island	0	110	128	-	94	29	0	119	143	-	-	-
30.	Dadra and Nagar Haveli	-	-	-	-	-	-	10	115	48	-	-	-
31.	Daman and Diu	2	72	48		13	5	-	-	-	-	-	-
32.	Lakshadweep	0	0	0	0	7	1	-	26	10	-	-	-
33.	Pondicherry	194	214	29	278	-	669	382	-	706	20	-	180

*[English]***EAS**

2931. SHRI B. VINOD KUMAR: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) the number of persons benefited under the Employment Assurance Scheme during each of the last two years and till date, State-wise;

(b) whether the funds allocated under the scheme have since been utilized by the States;

(c) if not, the reasons therefor;

(d) whether the Government has received any complaints about irregularities in the implementation of this scheme;

(e) if so, the details thereof, State-wise; and

(f) the action taken/proposed to be taken by the Government in this regard?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): (a) to (c) The Employment Assurance Scheme (EAS) is no longer in existence.

(d) to (f) Does not arise.

**National Jute Manufacturers Corporation**

2932. SHRI KINJARAPU YERRANNAIDU:  
SHRI BASUDEB ACHARIA:  
SHRI HANNAN MOLLAH:  
SHRI ANANTA NAYAK:  
SHRIMATI MINATI SEN:

Will the Minister of TEXTILES be pleased to state:

(a) the accumulated loss of National Jute Manufacturers Corporation and other Jute Mills since last three years, State-wise;

(b) the reasons analysed for the loss;

(c) whether VRS is not being implemented/given for several willing workers;

(d) if not, the reasons therefor;

(e) the steps taken by the Government to revive the sick/closed jute mills; and

(f) the steps taken by the Government to rehabilitate the affected workers of sick/closed jute mills.

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The accumulated losses of National Jute Manufacturers Corporation (NJMC) since 31.3.2000 is as follows:—

	(Rs. in Crores)
2001-2002	Rs. 3126.94
2002-2003	Rs. 3554.87
2003-2004	Rs. 3991.99

The Position of accumulated losses pertaining to private jute mills in the country for the year 2000-2001 to 2002-2003 is given in the enclosed Statement.

(b) There is a combination of factors as mentioned below, which has resulted in widespread sickness and the resultant losses in the jute industry:

- (i) Instability in supply of quality raw jute of uniform specifications
- (ii) High labour cost
- (iii) Demand erosion due to competition from synthetics
- (iv) Obsolescence of machinery
- (v) Uneconomical management practices

Apart from these generic factors, the NJMC mills face some specific factors like (i) legacy of surplus labour from pre-takeover period, (ii) higher Mandays/Ton compared to the average of the jute industry, (iii) destruction of sizeable production capacity in unit National due to devastating fire in August, 1986, and (iv) inability to have a product mix depending on the price available in the market.

(c) and (d) As far as the NJMC is concerned, no VRS scheme has been offered to its employees since April, 2001 due to lack of funds on the part of NJMC. The responsibility of providing VRS benefits to workers in the private jute mills lies with the management of such mills.

(e) As per existing statutory provisions, cases of sick units are referred to the Bureau of Industrial & Financial Reconstruction (BIFR), to examine their rehabilitation and revival. Thereafter, the revival scheme of the units are prepared/examined by the Operating Agency appointed by BIFR which is normally a financial institution. On receipt of the scheme, BIFR decides the cases or rehabilitation of the individual units.

(f) Government of India has recognized and provided

measures for safeguarding the interests of workers in textile units, that have been unviable and are facing permanent closure. The Textile Workers' Rehabilitation Fund Scheme to provide interim relief to workmen rendered unemployed as a consequence to the permanent closure/liquidation of the textile units in the private sector, is also applicable to jute textile sector. Government of India offers attractive VRS benefits to the employees of Public Sector Undertakings, which fall under such category of sick mills.

**Statement**

*Accumulated Losses of Mills for the Last Three Years (Rs. in Lakhs)*

Sl.No.	West Bengal	2000-01	2001-02	2002-03
1	2	3	4	5
1.	Agarpara	-3501.91	-3425.4	-3449.97
2.	Anglo-India	-1428.71	-988.34	-886.79
3.	Angus	-6212.57	-6569.28	-6901.64
4.	Baranagore		-1492.37	-1486.97
5.	Bharat	-10330.89	-11233.05	-12141.57
6.	Soorah	-106.09	-44.94	-76.56
7.	Budge Budge	-1879.96	-1787.94	-1740.70
8.	Calcutta	-123.67	-117.81	-113.80
9.	Caledonian	-2269.99	-2217.39	-2209.36
10.	Delta	-673.51	-1536.27	-2150.24
11.	Empire	-1116.35	-1170.4	-1202.74
12.	Ganges	-2974.71	-3056.98	-3083.39
13.	Howrah	-221.32	-175.71	NA
14.	Jagatdal	-146.42	-141.02	-145.84
15.	Kamarhatty	-459.10	-258.85	-296.58
16.	Kankanarrah	-1138.71	-1052.99	-1296.77
17.	Kelvin (Trend Vyapaar)	-61.24	-114.71	-73.68
18.	Mahadeo	-21.04	-2.67	-3.93
19.	Meghna (Gajanand Coml)	-5506.66	-5608.28	-5616.64



**Proposed Facilities at Aroor and Kannur**

2933. SHRI CHENGARA SURENDRAN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the special facilities likely to be created at Aroor and Kannur in Kerala which are declared as towns of Export Excellence in the new Exim Policy; and

(b) the main features of the project?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) A number of towns in specific geographical locations which have emerged as dynamic industrial clusters and are contributing handsomely to India's exports have been granted recognition as Towns of Export Excellence. These Towns of Export Excellence are listed in appendix 41 of the Handbook of Procedures (Volume I). Towns of Export Excellence in the Handloom, Handicraft, Agriculture and Fisheries sector having a potential for growth in exports of more than Rs. 250 crores are being notified as Towns of Export Excellence. Such notified Towns of Export Excellence shall be provided the following facilities:—

1. Common service providers in these areas shall be entitled for the facility of the EPCG scheme.
2. The recognised associations of units in these areas will be able to access the funds under the Market Access Initiative (MAI) Scheme for creating focused technological services.
3. Such areas will also receive priority for assistance for rectifying identified critical infrastructure gaps from the Central Assistance to States for Developing Export Infrastructure and other Allied Activities (ASIDE) Scheme.

*[Translation]*

**Pending Industrial Licence Applications**

2934. SHRI JASHUBHAI DHANABHAI BARAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of industrial licence applications of States pending with the Union Government for approval alongwith the reasons therefor, State-wise, particularly from Gujarat;

(b) cost of each industrial project;

(c) whether additional information has been sought from the State Governments in respect of some projects;

(d) if so, whether the State Governments have re-submitted such projects with modifications;

(e) if so, the details thereof; and

(f) by when pending projects are expected to be approved?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) to (f) With the liberalization of Industrial Policy in 1991, the requirement of Industrial Licence has been progressively reduced. At present, under the Industries (Development and Regulation) Act, 1951, Industrial Licence for manufacturing is required only for (i) Industries retained under compulsory licensing; (ii) If a non-SSI Unit wants to manufacture items reserved for small scale sector; and (iii) When the proposal attracts locational restriction. Applications for Industrial Licence are filed by the entrepreneurs desiring to set up industrial projects for which Industrial Licence is necessary. No application of any of the State Government is pending for grant of industrial licence under the provisions of the Industries (Development and Regulation) Act, 1951.

*[English]*

**Foreign Companies in India**

2935. SHRI PRABODH PANDA: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) the number of foreign companies operating in each State/UT, country-wise;

(b) whether the foreign companies are increasing in numbers during the last three years; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) The number of foreign companies operating in each State/UT, country-wise is given in the enclosed Statement.

(b) Yes, Sir.

1	2	3	4	5
20.	Naihati	-92.92	-41.7	-28.44
21.	New Central	-21657.01	-22833.44	-23238.77
22.	North Brook	-2543.27	-3135.47	-3479.55
23.	Nuddea	-2110.11	-2154.76	-2560.07
24.	National			
25.	Kinnison			
26.	Khardah			
27.	Alexandra (NJMC)	-276261.00	-312694.35	-355486.71
28.	Union			
29.	RBHM			
30.	Prabartak	-76.54	-48.95	-112.23
31.	Premchand (SSG Ltd.)	-112.54	155.61	-169.75
32.	Victoria (RDB Textiles)	-1496.85	-1303.27	-1384.86
33.	Shree Gouri Shankar	-1635.09	-1633.97	-1700.77
34.	Shree Hanuman (Tepcon)	-552.84	-619.46	-810.52
35.	Tirupati	-38.92	-23.96	-27.38
36.	Titagaurh (Loomtex)		-1286.99	-1672.21
37.	Union General	-433.26	-464.99	-529.59
38.	Vijay Shree	-374.86	-166.12	-150.96
39.	Willard	-1597.45	-2970.23	-3421.51
	Total	-347155.31	-390527.67	-437630.49
	Mill in Orissa			
40.	Konark (Sanatan Comm.)	-3.65	-9.15	-15.56
	Mill in Tripura			
41.	Tripura	-6210.97	-6915.14	-7600.17
	Mills in Andhra Pradesh			
42.	Nellimarla	-919.47	-378.51	-414.59
	Mills in Bihar			
43.	Winsome	-17.20	0.00	-125.41
	Mill in Uttar Pradesh			
44.	JK	-1855.17	-2156.75	-3571.12
	Grand Total	-356161.77	-399987.22	-449357.34

Note : RBHM is situated in Bihar But Shown under NJMC Consolidated Accounts.





	15	16	17	18	19	20	21	22
Manipur								0
Meghalaya								0
Nagaland								0
Orissa							1	2
Tripura								0
West Bengal		1			2		8	106
Arunachal Pradesh								0
Mizoram								0
Western Region:								0
Gujarat					1	3	4	16
Madhya Pradesh								34
Maharashtra	5	12	4	1	8	59	61	469
Dadra & Nagar Haveli								0
Goa							1	2
Daman & Diu								0
Lakshadweep								0
Southern Region:								0
Andhra Pradesh		2		1		4	1	33
Karnataka	1		1	2		23	11	135
Kerala							3	5
Tamil Nadu	2	1	1	4		13	13	101
Pondicherry								0
Others							12	31
Total	23	23	12	22	14	168	211	1750

#### Defaulting Companies

2936. SHRI N.S.V. CHITTHAN:  
SHRI TUKARAM GANGADHAR GADAKH:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the Government is aware about the plight of small investors who have lost their hard earned money in various defaulted companies;

(b) whether the Government has prepared any list of such companies who have cheated lakhs of small investors;

(c) whether any action plan against these companies has been formulated so that small investors get their money back;

(d) if so, the details thereof;

(e) whether the Government has evolved any formula how the small investors would be protected from this type of cheating; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA):

(a) and (b) Yes Sir. At present, 122 companies stand identified as vanishing companies.

(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) has been set up to look into issues relating to delinquent/vanishing companies and their promoters and for monitoring the progress of action against them. Accordingly, prosecutions under Sections 63, 68 and 628 of the Companies Act, 1956 were launched against 111 vanishing companies. Besides, First Information Reports (FIRs) have been filed under Indian Penal Code against Directors/Promoters of 90 vanishing companies. Petitions have also been filed with the Company Law Board under Sections 397/398/402/408 read with Section 406 of the Companies Act, 1956 in respect of two selected vanishing companies.

(e) and (f) Government is committed to protecting the interests of investors in companies. In pursuance of the above, the Government has also taken a comprehensive review of the Companies Act, 1956 with a view to revise it. A Concept Paper on Company law has been released by this Ministry in August, 2004 to enable wide exposure and consultations in evolving a comprehensively revised Companies Bill. A Committee of Experts headed by Dr. J.J. Irani has also been set up to advise the Government on issues relating to the proposed new Company Law, including protecting the interests of small investors. Separately, Securities and Exchange Board of India has amended the SEBI (Disclosure and Investor Protection) Guidelines *vide* Circular dated 14.8.2003 to enforce higher disclosure requirements pertaining to promoters of companies.

#### Special Courts

2937. SHRI SANAT KUMAR MANDAL: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether there is any proposal for setting up of more number of special courts for speedy trial of cases in the country;

(b) if so, the number of such special courts proposed, State-wise;

(c) the number of such special courts set up so far; and

(d) by when the remaining number of special courts will be set up?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) The 11th Finance Commission has recommended the establishment of 1734 additional courts known as fast track courts for the purpose of speedy trial of sessions and other cases,

(b) A Statement showing the number of fast track courts proposed State-wise is enclosed.

(c) As per information available with this Department, so far 1690 fast track courts have been set up out of which 1509 are functional.

(d) The Supreme Court of India has been monitoring the establishment of Fast Track Courts in the case of Brij Mohan Lal Vs. Union of India & Ors. In its order dated 6th May, 2002, the Supreme Court had directed all the States to set up the remaining Fast Track Courts within three months.

#### Statement

##### *The State-wise number of fast track courts proposed by the 11th Finance Commission*

Sl.No.	Name of the State	No. of FTCs proposed by EFC
1	2	3
1.	Andhra Pradesh	86
2.	Arunachal Pradesh	5
3.	Assam	20
4.	Bihar	183
5.	Chhattisgarh	31
6.	Goa	5
7.	Gujarat	166
8.	Haryana	36
9.	Himachal Pradesh	9
10.	Jammu & Kashmir	12

1	2	3
11.	Jharkhand	89
12.	Karnataka	93
13.	Kerala	37
14.	Madhya Pradesh	85
15.	Maharashtra	187
16.	Manipur	3
17.	Meghalaya	3
18.	Mizoram	3
19.	Nagaland	3
20.	Orissa	72
21.	Punjab	29
22.	Rajasthan	83
23.	Sikkim	3
24.	Tamil Nadu	49
25.	Tripura	3
26.	Uttaranchal	45
27.	Uttar Pradesh	242
28.	West Bengal	152
<b>Total</b>		<b>1734</b>

#### **Tax Exemption of Associations Promoting Sports**

2938. SHRIMATI MANORAMA MADHAVRAJ: Will the Minister of FINANCE be pleased to state:

(a) Whether the tax exemption granted to associations engaged in promotion of sports was withdrawn from 01.04.2003;

(b) If so, how the Board of Control for Cricket in India (BCCI) registered as a society engaged in selling of telecom rights enjoys tax exemption privilege; and

(c) Whether BCCI does not deduct TDS on remunerations/fees paid to its players?

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

Exemption u/s. 10(23) available exclusively to a Sports Association or Institution established in India stands withdrawn w.e.f. 01.04.2003. However, exemption is still admissible to Associations or Institutions engaged in promotion of sports and games u/s. 11 of the Act, by virtue of Central Board of Direct Taxes Circular No. 395 dated 24.09.1984. Further, such associations/institutions may also claim tax exemption under the provisions of Section 10 (23C) (iv) of the Act.

(b) BCCI was granted tax exemption till assessment year 1998-1999 only.

(c) Yes.

BCCI does not deduct TDS on remunerations/fees paid to its players.

#### **FI's Assistance to States**

2939. SHRI ASHOK KUMAR RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the assistance provided by the financial institutions to various States for the development projects during each of the last 2 years and the current year till date, State-wise;

(b) whether the assistance so provided is less in case of Uttar Pradesh as compared to the assistance provided to other States;

(c) if so, the reasons therefor; and

(d) the steps being taken by the Government to improve the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Details are given in the enclosed Statement.

(b) to (d) The financial assistance from the financial institutions to any State is based on the economic viability and commercial prospect of the project proposals which are considered feasible due to economic reasons, level of development and support from the concerned State Government. The low level of financial assistance to certain States like U.P. is due to the constraints of poor infrastructure facilities, low level of socio-economic development & low level of incentives from the Government.

**Statement**

*State-wise Assistance Disbursed by Financial Institutions (IDBI, SIDBI, IFCI, Exim Bank, IIBI) During 2002-03, 2003-04 and 2004-05 (Upto Nov. 2005)*

State	2002-03					2003-04					2004-05				
	IDBI	SIDBI	IFCI	EXIM	IIBI	IDBI	SIDBI	IFCI	EXIM	IIBI	IDBI	SIDBI	IFCI	EXIM	IIBI
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Andhra Pradesh	281.8	534	12.31	338.0	7.61	653	269.5	7.39	582.0	2.53	82.1	120.2	2.30	359.0	0
Anunachal Pradesh	0	0			0	0	0.2			0	0	0			0
Assam	0.1	6.4	0.0		0	40	4.9			0	1.1	1.8			0.85
Bihar	12.6	21.8			0	2.9	4.9			3.3	2	0.1			0
Chhattisgarh	20.1	6.5	0.0		0	0.4	2.4		48.0	0	0.1	1.1			0
Goa	4.4	30.3	9.12		0	9.1	18.5	1.0		0	1.1	5.8			0
Gujarat	575.7	542.3	363.05	328.0	2.5	461.9	287	37.14	450.0	0.85	270.6	257.7	0.27	425.0	0.11
Haryana	103.4	270.2	0.0		0	50.5	70.7	26.73	50.0	0	78.6	23.9			0
Himachal Pradesh	20.2	17.7	13.78		6	26.5	12.2	37.49		0	0	15.5			0
Jammu and Kashmir	0	67		0.5	0	0	70.8			0	0	5.5			0
Jharkhand	6.5	3.1			0	0.5	0.7			0	0	19			0
Karnataka	361.1	620.7	157.27	102.0	17.13	682.8	299.3	2.59	246	0	22.4	402.8		255.0	0
Kerala	42.3	258.2	0.0	18.0	0	25.2	212.7		49.0	0	7.5	61.6		102.0	0
Madhya Pradesh	81.9	68.1	0.0	31.0	0.86	78.1	103.4		37.0	0	36.7	102.1		11.0	0
Maharashtra	2593.2	1534.1	527.65	2444.0	2.43	1040	711.6	100.62	2759	0	667.9	746	29.48	1478	0
Manipur	0	0		0.6	0	0	0.2		2	0	0	0			0
Meghalaya	2	2.4			0	0	3			0	0	0		0.3	0
Mizoram	0	0			0	0	0			0	0	0			0
Nagaland	0	0			0	0	0.1			0	0	0			0
Orissa	74.7	56	0.0		0	110.1	28.3	10.91		0	91.2	11.8			0
Punjab	62.9	297.1	19.85	106.0	0	85	107.6	4.20		0	78.8	25.2			0
Rajasthan	190.7	146.7	0.0	10.0	1.8	124	250.8		57.0	0	18.4	58.5		21.0	0
Sikkim	0	0.2			0	0	1.5			0	0	0			0
Tamil Nadu	455.4	923.4	17.66	318.0	12.69	287.9	610.6	226.0	749	6.97	216.4	267.2		896	0



1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Tripura	0	5.2			0	0	0.5			0	0	0			0
Uttar Pradesh	323.8	177.5	26.82	124	0	99.9	93.9	19.15	109	0	80.3	65.8	8.60	257	0
Uttaranchal	1.1	10.6	0.70		0	69.9	5.3	2.30		0	52.5	8.9			0
West Bengal	140.8	160	56.71	499	0	202	81.7	26.41	397	15.77	161.4	25.1	18.09	549	6.6
NCT Delhi	954.7	641.2	572.0	860	0	708.3	667		1081	0	216.8	539.3		602	0
Andaman and Nicobar	0	0.7			0	0	0			0	0	0			0
Chandigarh	1.9	34.1			0	0.5	66.2			0	1.2	23.5		0.2	0
Dadra and Nagar Haveli	24.2	10.9	3.0		0	4.5	0.8			0	11.6	0			0
Daman and Diu	0	3.1			0	0	6			0	0	0			0
Lakshadweep	0	0			0	0	0			0	0	0			0
Pondichery	0	10			0	0	16.4			0	0	0			0
Others	0	329.9			0	0	407.5			0	0	0			0

[*Translation*]

#### Licenses to Poppy Growers

2940. SHRI KAMLA PRASAD RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that the licence of poppy growers of Barabanki district of Uttar Pradesh has been arbitrarily cancelled during 2003-2004;

(b) if so, the reasons for the cancellation of licence of poppy growers;

(c) whether the Government proposes to revive the licence of poppy growers in view of their condition; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No case of arbitrary cancellation of licence of opium poppy cultivators of Barabanki District in Uttar Pradesh has come to the notice of the Government.

(b) to (d) In view of (a) above, does not arise.

#### Enforcement Activities by I.T. Department

2941. SHRI ADHIR CHOWDHURY: Will the Minister of FINANCE be pleased to state:

(a) the number of persons prosecuted by Income Tax Authorities under various provisions of Income Tax Act, 1961 from 1999 to 2003, each year separately;

(b) the number of them were convicted and sentenced for imprisonment;

(c) the number of defaulters of the Income Tax were detained at the Instance of Tax Recovery Officer under the rules and laws under the Income Tax Act, 1961 from 1999 to 2003, each year separately;

(d) whether the Income Tax Department has lock ups to detain the defaulters after arrest and before they are sent to jail;

(e) whether the Income Tax Department has issued any guidelines/instructions regarding maintenance (*i.e.* food, toilets, shelter bedding etc.) of the defaulters during their short detention with the Tax Recovery Officer before they are sent to jail under the detention order; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (f) The requisite information has been called for from the field formations/concerned office(s) and is still awaited. The same will be laid on the Table of the House, as and when received.

[English]

#### **EFC Grants for Education to Karnataka**

2942. SHRI G.M. SIDDESWARA: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have granted funds under EFC Grants for Elementary Education to the Karnataka State for construction of 1000 class-rooms;

(b) the amount utilised by the State Government till date;

(c) whether the State Government have also sent utilisation certificate in this regard;

(d) whether the Union Government have received any request for releasing the balance money;

(e) if so, whether the Union Government have considered the request of Karnataka Government; and

(f) if so, by what time the balance amount is likely to be released by the Union Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Union Government has approved to allocate Rs. 19 crore for elementary education under Eleventh Finance Commission Award. State Government has approved construction of 1000 class rooms and certain other amenities out of this grant.

(b) and (c) Rs. 708.41 lakhs for the period ending September, 2004 for which utilisation certificates have been received.

(d) No Sir.

(e) and (f) Do not arise.

#### **Foreign Direct Investment**

2943. SHRI JYOTIRADITYA M. SCINDIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has evolved a new policy to ensure that Foreign Direct Investment is promoted as India develops a global out-sourcing hub for financial services, and a trading hub for global bullion and currency market, with a single regulator;

(b) whether Government has also decided to have a common set of regulations, for securities and commodity market, as part of an integrated programme to achieve the said objectives; and

(c) the steps so far taken in that direction?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) Government has put in place a liberal and transparent policy on Foreign Direct Investment (FDI) under which FDI is permitted up to 100% in most sectors/activities. Government is also committed to the orderly development and functioning of the capital markets. A number of steps have been taken to broaden and deepen the capital markets as well as to strengthen the regulatory regime. In order to carry forward the process of making the Indian Capital market strong and attractive, the Government in the Budget for 2004-05, *inter-alia*, proposed initiation of steps to integrate the commodities markets and the securities markets.

[Translation]

#### **Loan to Poor and Handicapped Persons**

2944. SHRI KISHAN SINGH SANGWAN:  
SHRI BHUPENDRASINH SOLANKI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government formulated any new scheme to provide timely loans to the poor people, farmers and handicapped persons;

(b) if so, the details thereof; and

(c) the time-frame for granting loans of rupees twenty thousand, fifty thousand and one lakh by the public sector banks and the level at which these loans are sanctioned?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Government have not formulated any new scheme to provide loans to the poor people, farmers and handicapped persons. However, persons belonging to

Below Poverty Line (BPL) families are provided loans by the banks under the existing schemes *viz.*, Swarnajayanti Gram Swarozgar Yojana (SGSY), Swarna Jayanti Shahri Rozgar Yojana (SJSRY), National Scheme for Liberation and Rehabilitation of Scavengers (NSLRS) and Differential Rate of Interest (DRI). Under SGSY and SJSRY, there is a reservation of 3% for handicapped persons. In addition, Government have announced a package of relief measures for farmers on June 18, 2004 and impressed upon all the agencies concerned the urgent need to significantly enhance the quantity and quality of credit flow to the agriculture sector.

The time-frame stipulated by the Reserve Bank of India (RBI) for granting of loans under SGSY, SJSRY and NSLRS is indicated below:

- (i) Applications received under the SGSY scheme are to be disposed of within the prescribed limit of 15 days and at any rate not later than one month. Banks have been advised to minimize the gap between the sanction and disbursement of loans under the schemes and to vest the Branch Managers with adequate discretionary powers to sanction proposals without reference to any higher authority.
- (ii) Applications received under SJSRY & NSLRS schemes are to be disposed of for loans up to Rs. 25,000/- within two weeks and for loans above Rs. 25,000/- within 8 to 9 weeks.

*[English]*

#### **Share of States In Service Tax**

2945. SHRI GURUDAS KAMAT:  
SHRI BRAJA KISHORE TRIPATHY:  
SHRI SURESH ANGADI:  
PROF. M. RAMADASS:

Will the Minister of FINANCE be pleased to state:

(a) whether the State Government have demanded that Centre should share with them the service tax on a 50:50 basis;

(b) if so, the details thereof;

(c) the issues discussed in the just concluded meeting of State Finance Ministers with the Central Government; and

(d) the reaction of the Central Government on these demands from the State Governments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) A meeting of Finance Ministers of States/Union Territories to discuss the modalities of levy, collection and distribution of the proceeds of the Service Tax between the Centre and the States was held on 30.11.2004 in New Delhi. The State Governments, *inter-alia*, expressed varying views on sharing of the proceeds of Service Tax between the Centre and the States. Some of the State Governments also expressed the view that the proceeds of Service Tax be shared between Centre and States on 50:50 basis.

*[Translation]*

#### **OPEC Assistance to Gujarat**

2946. SHRIMATI JAYABEN B. THAKKAR: Will the Minister of RURAL DEVELOPMENT be pleased to kindly refer to my USQ No. 1181 dt. 26.11.2002 regarding OPEC Assistance to Gujarat and state the present status of this project?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA): As stated in reply to Lok Sabha Unstarred Question No. 1181 dated 26.11.2002, project proposal for supply of drinking water in Gujarat was forwarded by the Department of Drinking Water Supply to Ministry of Finance, Department of Economic Affairs on 12.7.2002 for posing to OPEC. The said proposal was posed by the Department of Economic Affairs to OPEC Fund for international development on 26.7.2002. There has been no response from OPEC Fund on this proposal.

#### **Central Sales Tax on Pharma Raw Material**

2947. SHRI MADHUSUDAN MISTRY: Will the Minister of FINANCE be pleased to state:

(a) whether Central Sales Tax on pharmaceutical raw material and medicines in the Gujarat is 2.2 percent *vis-à-vis* in other States of India; and

(b) if so, the reasons for this disparity and steps taken by the Government to immediately stop this imbalance in the rate of Central Sale Tax, which is effecting growth of pharmaceutical industry in other States?

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

#### **Imposition of Cess on Companies**

2948. SHRI VIJOY KRISHNA:  
SHRIMATI NIVEDITA MANE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has imposed cess on companies cross turnover by enactment of a new legislation;

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

(c) whether his Ministry has received request from some organizations of companies and ASSOCHAM to reconsider its decision for the said cess,

(d) if so, the action taken by the Government on each of such requests; and

(e) the time by which the Government is going to take final decisions on such requests?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No Sir. In the area of direct taxes, education cess has been imposed @ 2% as an additional surcharge on income tax. In the area of indirect taxes, education cess is calculated at the rate of 2 percent of the aggregate duties of excise, customs duty or service tax.

(b) to (e) In view of the reply to (a), these do not arise.

#### **Helicopter Services for H.P.**

2949. PROF. CHANDER KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Chief Minister of Himachal Pradesh has sent a letter to him on 8.7.2003 wherein it was requested to provide subsidy on the lines of the North-Eastern States for the helicopter services being introduced by the State Government to rescue the people from Lahol-Spiti and Kinnor Districts of the State and Pangi-Bharmaur tehsils of Chamba Districts which remain cut off from the rest of the country for almost six months due to heavy

snowfall in case of natural calamity and for treatment of seriously ill people;

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

(c) if so, whether the Planning Commission had forwarded that case to the Ministry of Finance for its being non-plan expenditure;

(d) if so, the action taken by the Finance Ministry thereon and the reasons for its lying pending till date; and

(e) the time by which a final decision is likely to be taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) A letter dated 15.9.2003 on the subject was received from the Chief Minister of Himachal Pradesh. The said letter was forwarded to the Ministry of Home Affairs on 12.12.2003 for necessary action since this subject pertained to that Ministry.

*[English]*

#### **Tax Exemption for PH Persons**

2950. SHRI M. SHIVANNA:  
SHRI VIJOY KRISHNA:

Will the Minister of FINANCE be pleased to state:

(a) whether the tax exemption ceiling for the physically challenged persons during the financial year 2003-04 has upto Rs. 75,000/-;

(b) the total amount on which tax is exempted for physically challenged (multiple-disability) persons during the current financial year 2004-2005 after extending the benefit under section 80 DD and 80 Li;

(c) what is the estimated number of such persons who could be benefited by this exemption facility during the current fiscal year; and

(d) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes Sir. From the financial year 2003-04, the Income-tax Act

provides a deduction from income of rupees fifty thousand to a person with disability, as defined under the Persons with Disabilities (Equal Opportunities and Protection of Rights) Act, 1955 and a deduction of rupees seventy-five thousand to a person with severe disability.

(b) There is no section 80 Li in the Income-tax Act. Deduction to a person with disability or a person suffering from autism, cerebral palsy or multiple disabilities is available under sections 80 DD and 80U of the Income-tax Act.

No income tax is payable by an individual, if during the financial year 2004-05, his total income does not exceed Rs. 1,00,000/- after extending the benefit of deduction under sections 80DD or 80U of the Income-tax Act.

(c) Such records are not maintained.

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

#### **Import Duty on Seamless Steel Pipes**

2951. SHRI GANESH PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether import duty on seamless steel pipes is on higher side to extend extra benefits to domestic producers;

(b) whether the Government is aware that only two domestic producers of seamless steel pipes are keeping monopolies and quote very high rates to PSUs, who are main consumers of this pipe;

(c) whether the Government is aware that seamless steel pipes are very cheap in international market, but PSUs here are purchasing on high price from domestic producers even on their international tender as import duty is on higher side; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. Seamless steel pipes in general attract an effective rate of customs duty of 20%, which is also the general peak rate of customs duty on non-agricultural goods.

(b) No representation has been received by the Ministry of Finance, from any PSU, regarding high prices

adopted by domestic seamless steel pipe producers *vis-a-vis* the international prices of seamless steel pipes on account of import duty being on the higher side.

(c) In a competitive market, PSUs can purchase their raw materials from any source and Government cannot comment on their purchase preferences.

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

[*Translation*]

#### **Dues Outstanding to Assam**

2952. SHRI ANWAR HUSSAIN: Will the Minister of FINANCE be pleased to state:

(a) Whether the Government did not release the State of Assam's dues from the Sales Tax from Petroleum products produced by IOC and other oil companies;

(b) if so, the reasons for not releasing it; and

(c) the time by which it is likely to be released?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) There is a dispute between Government of Assam and Indian Oil Corporation regarding Sales Tax liability and the matter is sub-judice.

#### **Investment Commission**

2953. SHRI ANIRUDH PRASAD Alias SADHU YADAV:

SHRI JYOTIRADITYA M. SCINDIA:

SHRI S.D. MANDLIK:

SHRI BADIGA RAMAKRISHNA:

SHRI RAMCHANDRA PASWAN:

SHRI RAMAKANT YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has set up an investment Commission;

(b) if so, the composition of said Commission;

(c) the objective for setting up of said Commission; and

(d) the areas identified for study by said Commission?

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

(b) The Investment commission consists of a Chairman, two Members and three Professionals.

(c) and (d) The objective of setting up of the Investment Commission is of wooing domestic and foreign investors to promote investment and to make the environment in India more attractive. The Commission would endeavour to secure certain level of investment every year particularly in sectors where there is a dire need for investment but adequate investment has not been flowed so far. In respect of Indian investors, the Commission would also address the issue of bridging the gap between "announcements" and "proposals" and also the gap between "proposals" and "project implementation".

*[English]*

#### **Agriculture Product Market Committee**

2954. SHRI V.K. THUMMAR:  
SHRI RATILAL KALIDAS VARMA:  
SHRI VIKRAMBHAI ARJANBHAI MADAM:  
SHRIMATI JAYABEN B. THAKKAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Agriculture Product Market Committee and State Government have represented against the imposition of Income Tax on the said Committee from the assessment year 2003-04; and

(b) if so, final decision of the Union Government in this regard?

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

(b) The State Governments have been advised that considering the need to phase out all exemptions inconsistent with a moderate tax regime, a policy decision was taken through the Finance Act, 2002, to define the term "local authority" under section 10 (20) of the Income-tax Act and thereby restrict the exemption to Panchayats, Municipalities, Municipal Committees, District Boards and Cantonment Boards, Agricultural Marketing Boards and the Market Committees do not fall within the definition and are, therefore, not eligible for tax exemption under this section.

#### **Foreign Tech. Collaborations & Franchise Pacts**

2955. SHRI P.S. GADHAVI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) details of cases of foreign tech. collaborations and franchise pacts as recommended by Project Approval Board (PAB) during the last one year;

(b) number of Technical Collaboration Agreement (TCA) were approved during the above period; and

(c) whether some trade mark agreements between Indian subsidiaries and foreign companies were also approved for fuel injection systems for petrol engines and if so, the complete details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) Since January, 2004, a total of 132 cases of foreign technical collaborations including trademarks/brand name/franchise agreements have been approved by the Government on the recommendations of the Project Approval Board (PAB). The proposal of M/s. Robert Bosch India Limited, Bangalore for trademark agreement with M/s. Robert Bosch GmbH, Germany for Fuel Injection Systems and parts thereof for Petrol Engines for motor vehicles was approved in October, 2003.

#### **Import Duty on Steel Billets**

2956. SHRI GANESH PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have no benefits from import duty on steel billets from domestic seamless steel pipe producers;

(b) whether domestic seamless steel pipe producers are not paying import duty on import of Billets and taking deemed export benefits even on sales of their products in domestic market; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The general effective rate of customs duty for steel billets is 5% for non-alloy steel billets and 15% for alloy steel billets. There is no separate import duty structure applicable only for domestic seamless steel pipe producers.

(b) and (c) Deemed export benefits are available under Chapter-8 of the Foreign Trade Policy 2004-2009. Specified deemed export benefits including Advance Licence for intermediate supply/deemed export/DFRC/DFRC for intermediate supplies are available in respect of manufacture and supply of goods qualifying as deemed exports. The domestic seamless steel pipe producers would also be eligible for the deemed export benefits, as applicable, where the goods supplied by them qualify as deemed exports.

#### MFN Status to Pakistan

2957. SHRI MOHAN RAWALE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India has conferred most favoured Nation Status upon Pakistan unilaterally whereas Pakistan has not reciprocated in the same spirit;

(b) if so, the reasons therefor;

(c) the number of items in which Pakistan has extended custom duty concession on India and *vice versa*, and

(d) the steps taken to bring parity in customs duty concessions so as to enjoy equal benefits?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) Whereas India has conferred Most Favoured Nation (MFN) Status to Pakistan, that country has yet to confer the same status to India. Even though Pakistan's denial of this status is violative of WTO Agreement, India has, however, been availing every opportunity to impress upon Pakistan to confer MFN status to us.

(c) and (d) India and Pakistan have exchanged tariff concessions in four rounds of trade negotiations under the Agreement on SAARC Preferential Trading Arrangement (SAPTA). During the first three Rounds of these negotiations, India granted concessions on a total number of 477 tariff lines (6-Digit HS) to Pakistan with an average tariff concession of 20%, whereas Pakistan granted concessions on 262 tariff lines to India. During the bilateral negotiations between India and Pakistan under the 4th Round concluded on 2-3rd December, 2003 at SAARC Secretariat, Kathmandu, India agreed to grant concessions to Pakistan on a total number of 262 tariff lines ranging from 10-20% while Pakistan agreed to grant

concessions on 223 tariff lines ranging from 10-20%. These concessions, in future, will be exchanged and negotiated keeping in mind the export interest of India and the principles of reciprocity.

#### Sales Tax Act

2958. SHRI PAWAN KUMAR BANSAL: Will the Minister of FINANCE be pleased to state:

(a) Whether the Punjab General Sales Tax Act is applicable to UT of Chandigarh also;

(b) Whether the limit for summary sales-tax exemption in UT Chandigarh is fixed at Rs. 5 lakhs whereas the State of Punjab has already revised it to Rs. 1 lakh; and

(c) If so, the reasons for not enhancing the limit in case of Chandigarh also?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. The Punjab General Sales Tax Act, 1948 is applicable to Union Territory of Chandigarh with certain amendments.

(b) and (c) As intimated by the Chandigarh Administration the limit of summary assessment in Union Territory of Chandigarh is upto Rs. 5 lakhs whereas in the State of Punjab it is upto Rs. 75 lakhs in local Sales Tax only. The enhanced limit of summary assessment of Rs. 75 lakhs in the State of Punjab has not been adopted in Union Territory, Chandigarh so far.

#### Pesticides Residue Cured Leaf

2959. SHRI BADIGA RAMAKRISHNA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the problem of pesticides residues cured leaf is a major cause for concern to tobacco production;

(b) if so, is quality of importance to get a good price for export oriented flue-cured and burley tobacco;

(c) if so, whether the country import tobacco only with acceptable levels of pesticide residues;

(d) whether Government is considering to provide better quality of pesticide residue to the tobacco growers of Karnataka: and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes, Sir. However, this is not a serious problem as the pesticide residue levels in cured leaf of tobacco are well below the Maximum Residue Levels (MRL) stipulated by importing countries.

(b) Yes, Sir. Quality of tobacco is of importance for getting good price in the export market. However world supply, demand and interests of multinational companies operating in the tobacco market also impact the prices for Indian tobaccos.

(c) and (d) In general, pesticide residues are not desirable in agricultural produce. However, as cured leaf of tobacco is not a food item, maximum tolerance limit of pesticide residues for the same has not been prescribed under the Prevention of Food Adulteration Rules, 1955.

(e) Does not arise.

*[Translation]*

#### **Effect of ITC Shrinkage on Tobacco Farmers**

2960. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether ITC has decided to shrink the share of its tobacco business as a proportion of its total business in the long run;

(b) if so, whether this decision of the company will affect the future of the thousands of the tobacco farmers in the country;

(c) if so, whether Government is considering to have an alternative arrangements of the Tobacco farmers and also provide alternative employment; and

(d) if so, what are the concrete steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Available information suggests that ITC has not taken any such decision.

(b) to (d) Do not arise.

#### **Restoration of Commuted Pension Equivalent**

2961. SHRI S.P.Y. REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Fifth Pay Commission recommended for the restoration of the commuted pension equivalent after twelve years instead of fifteen years;

(b) whether the Supreme Court of India also made a similar recommendation a few years back; and

(c) whether it is proposed to implement the recommendation and if so, when?

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

(b) No such judgment has come to the notice of Ministry of Finance.

(c) No. Sir.

*[English]*

#### **Funds For Market Development Assistance**

2962. SHRI SURESH KURUP: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has any plan to enhance the fund allocation for Market Development Assistance to the State Governments;

(b) if so, the details thereof;

(c) whether the dilution in the projected Central assistance to States will put a burden on the States; and

(d) if so, the steps envisaged by the Union Government to tackle the problem?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Budget provision for Central Schemes, like Market Development Assistance, is made with the approval of Parliament as part of demand for grants of the concerned Ministry.

(c) and (d) There is no dilution in the Central assistance to State plans.



**Tax Arrears**

2963. SHRI RAGHUNATH JHA: Will the Minister of FINANCE be pleased to state:

(a) whether steps have been taken by Union Government to get the stay orders vacated; and if so, the details thereof;

(b) the arrears of tax recovered on account of getting the stay orders vacated;

(c) whether is the policy of Government in all cases to minimize litigation and if so, the reasons for the litigation increasing day in and day out and whether the Government departments are also responsible for increased litigation; and

(d) if so, steps taken to minimize litigation so as to facilitate early disposal of cases pending in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Vacation of stay orders is a legal process in terms of the procedure prescribed by the Courts and the Tribunal. Whenever, a stay application is made before the Courts or Tribunal, the Government suitably opposes such applications on merits. Task Forces on Recovery of Arrears have been constituted to, *inter alia*, monitor the stays granted by the Courts/Tribunal.

(b) Information as to the recovery of tax on account of vacation of stay orders is not maintained. Collection of such information from field authorities located all over the country would involve substantial time and effort, which may not be commensurate with the objective sought to be achieved.

(c) It is the endeavour of the Government to minimize litigation. However, the legal interpretation of the tax laws necessitates elucidation by Courts on complex questions of law. The Government has taken steps to reduce litigation by ensuring that no matter comes to the court without its clearance by the Committee on Disputes in respect of Government Departments and PSUs.

(d) Major initiatives have been undertaken to minimize litigation as also to facilitate early disposal of cases, which include monitoring of the pending cases before the Tribunals, High Courts and Supreme Court, issue of instructions fixing higher monetary limits for filing appeals in an effort to minimize litigation, legislative measures to

correct lacunae pointed out by the courts, periodical meetings with officers concerned to resolve high demand appeals on priority basis, etc.

12.10 hrs.

**PAPERS LAID ON THE TABLE**

[*English*]

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): Sir, I beg to lay on the Table-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Wool and Woollens 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 Wool and Woollens Export Promotion Council, New Delhi, for the year 2003-2004.  
[Placed in Library. *See* No. LT. 1216/04]
- (2) (i) A copy of the Annual Report (Hindi and English versions) of the Central Wool Development Board, Jodhpur, 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 Central Wool Development Board, Jodhpur, for the year 2003-2004.  
[Placed in Library. *See* No. LT. 1217/04]
- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Wool Research Association, Thane, 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 Wool Research Association, Thane, for the year 2003-2004.  
[Placed in Library. *See* No. LT. 1218/04]
- (4) (i) A copy of the Annual Report (Hindi and English versions) of the Carpet Export Promotion Council, Noida, 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 Carpet Export Promotion Council, Noida, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1219/04]

- (5) (i) A copy of the Annual Report (Hindi and English versions) of the Exports-Promotion Council for Handicrafts, 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 Export Promotion Council for Handicrafts, New Delhi, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1220/04]

- (6) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Carpet Technology, Bhadohi, 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 Indian Institute of Carpet Technology, Bhadohi, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1221/04]

- (7) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619 A of the Companies Act, 1956:-

- (a) (i) Review by the Government of the working of the Cotton Corporation of India Limited, Navi Mumbai, for the year 2003-2004.
- (ii) Annual Report of the Cotton Corporation of India Limited, Navi Mumbai, for the year 2003-2004, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. *See* No. LT. 1222/04]

- (b) (i) Review by the Government of the working of the Handicrafts and Handlooms Exports Corporation of India Limited, New Delhi, for the year 2003-2004.

- (ii) Annual Report of the Handicrafts and Handlooms Exports Corporation of India 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. 1223/04]

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): Sir, I beg to lay on the Table-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Bar Council of India, New Delhi, for the year 2003-2004, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Bar Council of India, New Delhi, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1224/04]

- (2) (i) A copy of the Annual Report (Hindi and English versions) of the Institute of Constitutional and Parliamentary Studies, New Delhi, for the year 2003-2004, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Institute of Constitutional and Parliamentary Studies, New Delhi, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1225/04]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the International Centre for Alternative Dispute Resolution, New Delhi, for the year 2003-2004, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the International Centre for Alternative Dispute Resolution, New Delhi, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1226/04]

*[Translation]*

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): Sir, I beg to lay on the Table-

- (1) A copy of the Annual Report (Hindi and English versions) of the National Institute of Rural Development, Hyderabad, for the year 2003-2004.
- (2) A copy of the Annual Accounts (Hindi and English versions) of the National Institute of Rural Development, Hyderabad, for the year 2003-2004, together with Audit Report thereon.

[Placed in Library. *See* No. LT. 1227/04]

*[English]*

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): Sir, 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 620 A of the Companies Act, 1956:-
  - (i) G.S.R. 91 (E) published in Gazette of India dated the 3rd February, 2004, declaring four companies mentioned therein as "Nidhis", subject to certain conditions together with a Corrigendum thereto published in the Notification No. G.S.R. 575 (E) dated the 8th September, 2004.
  - (ii) G.S.R. 547 (E) published in Gazette of India dated the 27th August, 2004, declaring fifteen companies mentioned therein as "Nidhis", subject to certain conditions.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) of item No. (1) above.

[Placed in Library. *See* No. LT. 1228/04]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): Sir, I beg to lay on the Table-

- (1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619 A of the Companies Act, 1956:-

- (a)
  - (i) Review by the Government of the working of the Industrial Investment Bank of India Limited, Kolkata, for the year 2003-2004.
  - (ii) Annual Report of the Industrial Investment Bank of India Limited, Kolkata, for the year 2003-2004, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. *See* No. LT. 1229/04]

- (b)
  - (i) Review by the Government of the working of the Balmer Lawrie Investments Limited, Kolkata, for the year 2003-2004.
  - (ii) Annual Report of the Balmer Lawrie Investments Limited, Kolkata, for the year 2003-2004, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. *See* No. LT. 1230/04]

- (2) A copy each of the following Annual Reports (Hindi and English versions) under sub-section (8) of section 10 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and 1980:-

- (i) Report on the working and activities of the Allahabad Bank for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. *See* No. LT. 1231/04]

- (ii) Report on the working and activities of the Bank of Baroda for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. *See* No. LT. 1232/04]

- (iii) Report on the working and activities of the Bank of India for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. *See* No. LT. 1233/04]

- (iv) Report on the working and activities of the Bank of Maharashtra for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. *See* No. LT. 1234/04]

- (v) Report on the working and activities of the Central Bank of India for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1235/04]

- (vi) Report on the working and activities of the Indian Bank for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1236/04]

- (vii) Report on the working and activities of the Indian Overseas Bank for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1237/04]

- (viii) Report on the working and activities of the United Bank of India for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1238/04]

- (ix) Report on the working and activities of the Union Bank of India for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1239/04]

- (x) Report on the working and activities of the Syndicate Bank for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1240/04]

- (xi) Report on the working and activities of the Punjab and Sind Bank for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1241/04]

- (xii) Report on the working and activities of the Oriental Bank of Commerce for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1242/04]

- (xiii) Report on the working and activities of the Vijaya Bank for the year 2003-2004, alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT. 1243/04]

(3) A copy each of the following Annual Reports (Hindi and English versions) for the year 2003-2004, alongwith Audited Accounts and Auditors' Report thereon under sub-section (3) of section 43 of the State Bank of India (Subsidiary Banks) Act, 1959:-

- (i) Bank of India.

[Placed in Library. See No. LT. 1244/04]

- (ii) Bank of Bikaner and Jaipur.

[Placed in Library. See No. LT. 1245/04]

- (iii) Bank of Hyderabad.

[Placed in Library. See No. LT. 1246/04]

- (iv) Bank of Indore.

[Placed in Library. See No. LT. 1247/04]

- (v) Bank of Mysore.

[Placed in Library. See No. LT. 1248/04]

- (vi) Bank of Patiala.

[Placed in Library. See No. LT. 1249/04]

- (vii) Bank of Saurashtra.

[Placed in Library. See No. LT. 1250/04]

- (viii) Bank of Travancore.

[Placed in Library. See No. LT. 1251/04]

(4) A copy of the Fourth Valuation Report (Hindi and English versions) of the Life Insurance Corporation of India for the year ended the 31st March, 2004 under section 29 of the Life Insurance Corporation Act, 1956.

[Placed in Library. See No. LT. 1252/04]

(5) (i) A copy of the Annual Report (Hindi and English versions) of the Small Industries Development Bank of India, Lucknow, 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 Small Industries Development Bank of India, Lucknow, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1253/04]

(6) (i) A copy of the Annual Report (Hindi and English versions) of the National Bank for Agriculture and Rural Development, 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 National Bank for Agriculture and Rural Development, Mumbai, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1254/04]

(7) A copy each of the following Notifications (Hindi and English versions) under section 296 of the Income Tax Act, 1961:-

(i) S.O. 2081 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "Chief Minister's Relief Fund, Mumbai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.

(ii) S.O. 2082 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "West Bengal Council for Child Welfare, Kolkata" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2003-2004 to 2005-2006, subject to certain conditions.

(iii) S.O. 2083 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "Amalgamated Tamil Nadu Shares of Post War Services Reconstruction Fund and Special Fund for Reconstruction

and Rehabilitation of Ex-Servicemen, Chennai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2001-2002 to 2003-2004, subject to certain conditions.

(iv) S.O. 2084 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "Indian Institute of Management, Lucknow" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-23 to 2004-2005, subject to certain conditions.

(v) S.O. 2085 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "National Association for the Blind, India, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.

(vi) S.O. 2086 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "Joint Plant Committee, Kolkata" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.

(vii) S.O. 2087 published in Gazette of India dated the 28th August 2004 regarding exemption to the "Asian Institute of Transport Development, New Delhi" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2005-2006 to 2007-2008, subject to certain conditions.

(viii) S.O. 2088 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "Indian Council for Research on International Economic Relations, New Delhi" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2004-2005 to 2006-2007, subject to certain conditions.

- (ix) S.O. 2089 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "The Clearing and Forwarding Unprotected Dock Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1996-1997 to 1998-1999, subject to certain conditions.
- (x) S.O. 2090 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "Sri Sathya Sai Central Trust, Brindavan, Bangalore" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2005-2006 to 2007-2008, subject to certain conditions.
- (xi) S.O. 2091 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "T.T. Ranganathan Clinical Research Foundation, Chennai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.
- (xii) S.O. 2092 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "The Railways Goods Clearing and Forwarding Establishment Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1996-1997 to 1998-1999, subject to certain conditions.
- (xiii) S.O. 2093 published in Gazette of India dated the 28th August, 2004 regarding exemption to the "The Railways Goods Clearing and Forwarding Establishment Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.
- (xiv) S.O. 2153 published in Gazette of India dated the 4th September, 2004 regarding exemption to the "The Railways Goods Clearing and Forwarding Establishment Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.
- (xv) S.O. 2154 published in Gazette of India dated the 4th September, 2004 regarding exemption to the "Clearing and Forwarding Unprotected Dock Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.
- (xvi) S.O. 2155 published in Gazette of India dated the 4th September, 2004 regarding exemption to the "Clearing and Forwarding Unprotected Dock Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.
- (xvii) S.O. 2156 published in Gazette of India dated the 4th September, 2004 regarding exemption to the "Bombay Iron and Steel Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1993-1994 to 1995-1996, subject to certain conditions.
- (xviii) S.O. 2157 published in Gazette of India dated the 4th September, 2004 regarding exemption to the "Bombay Iron and Steel Labour Board, Mumbai" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1996-1997 to 1998-1999, subject to certain conditions.
- (xix) S.O. 2158 published in Gazette of India dated the 14th September, 2004 regarding exemption to the "Bombay Iron and Steel Labour Board, Kalamboli, Taluka-Panvel, Distt Raigarh, Maharashtra" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 1999-2000 to 2001-2002, subject to certain conditions.

- (xx) S.O. 2159 published in Gazette of India dated the 4th September, 2004 regarding exemption to the "Bombay Iron and Steel Labour Board, Kalamboli Taluka-Panvel, Distt. Raigarh, Maharashtra" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.
- (xxi) S.O. 2413 published in Gazette of India dated the 2nd October, 2004 regarding exemption to the "The Institute of Company Secretaries of India, New Delhi" under section 10(23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2004-2005 to 2006-2007, subject to certain conditions.
- (xxii) S.O. 2414 published in Gazette of India dated the 2nd October, 2004 regarding exemption to the "Gandhi Smarak Sanghralaya Samiti, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.
- (xxiii) S.O. 2415 published in Gazette of India dated the 2nd October, 2004 regarding exemption to the "Indian Museum, Kolkata" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2003-2004 to 2005-2006, subject to certain conditions.
- (xxiv) S.O. 2845 published in Gazette of India dated the 13th November, 2004 regarding exemption to the "Foundation Aga Khan, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2005-2006 to 2007-2008, subject to certain conditions.
- (xxv) S.O. 2846 published in Gazette of India dated the 13th November, 2004 regarding exemption of the "Bala Mandir Kamraj Trust, Chennai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2002-2003 to 2004-2005, subject to certain conditions.
- (xxvi) S.O. 2847 published in Gazette of India dated the 13th November, 2004 regarding exemption to the "The Institute of Chartered Accountants of India, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2003-2004 to 2005-2006, subject to certain conditions.
- (xxvii) S.O. 2848 published in Gazette of India dated the 13th November, 2004 regarding exemption to the "Jehangir Art Gallery, Mumbai" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment year 2005-2006, subject to certain conditions.
- (xxviii) S.O. 2849 published in Gazette of India dated the 13th November, 2004 regarding exemption to the "India Trade Promotion Organisation, New Delhi" under section 10 (23C) of the Income-Tax Act, 1961 for the period covered by the assessment years 2004-2005 to 2006-2007, subject to certain conditions.
- [Placed in Library. See No. LT. 1255/04]
- (8) A copy each of the following Notifications (Hindi and English versions) under section 31 of the Securities and Exchange Board of India Act, 1992:-
- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2004 published in the Notification No. S.O. 982 (E) in Gazette of India dated the 3rd September, 2004.
- (ii) The Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) (Second Amendment) Regulations, 2004 published in the Notification No. S.O. 997 (E) in Gazette of India dated the 9th September, 2004.
- [Placed in Library. See No. LT. 1256/04]
- (9) A copy each of the following Notifications (Hindi and English versions) issued under Regulation 5A and 6 of the Securities and Exchange Board of India (Central Database of Market Participants) Regulations, 2003:-

- (i) S.O. 954 (E) in Gazette of India dated the 26th August, 2003 so as to extend the date within which promoters or directors of specified intermediaries, as are resident outside India to enable them to obtain unique identification numbers.
- (ii) S.O. 1077 (E) in Gazette of India dated the 1st October, 2004 specifying certain conditions for the purpose of clause (a) of the Foreign Exchange Management Act, 1999.

[Placed in Library. *See* No. LT. 1257/04]

- (10) A copy of the Notification No. SBD-4/2004 (Hindi and English versions) published in Gazette of India dated the 28th August, 2004 amending the Regulation 42 of Subsidiary Banks General Regulations, 1959 under sub-section (4) of section 63 of the State Bank of India (Subsidiary Banks) Act, 1959.

[Placed in Library. *See* No. LT. 1258/04]

- (11) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 94 of the Finance Act, 1994:-

- (i) G.S.R. 787 (E) published in Gazette of India dated the 3rd December, 2004 together with an explanatory memorandum seeking to exempt taxable service provided by goods transport agency to a customer, in relation to transport of goods by road in a goods carriage, from so much of service tax as is in excess of service tax calculated in twenty-five percent of the gross amount charged provided that input or capital goods credit is not availed, subject to certain conditions.
- (ii) G.S.R. 788 (E) published in Gazette of India dated the 3rd December, 2004 together with an explanatory memorandum seeking to exempt taxable service provided by a goods transport agency to a customer, in relation to transport of fruits, vegetables, eggs or milk by road in a goods carriage from whole of service tax leviable thereon.
- (iii) G.S.R. 789 (E) published in Gazette of India dated the 3rd December, 2004 together with an explanatory memorandum seeking to exempt taxable service provided by a goods transport agency to a customer, in relation to transport of goods by road in a goods carriage, from the whole of service tax leviable thereon.
- (iv) The Service Tax (Fifth Amendment) Rules, 2004 published in Notification No. G.S.R. 790 (E) in Gazette of India dated the 3rd December, 2004 together with an explanatory memorandum.

[Placed in Library. *See* No. LT. 1259/04]

- (12) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of Section 19 of the Banking Companies (Acquisition and Transfers of Undertakings) Act, 1970 and 1980:-

- (i) The Vijaya Bank (Employees') Pension (Amendment) Regulations, published in Notification No. PER/PA & PD/PENS/150/2004 dated 28th May, 2004 in Gazette of India dated the 15th June, 2004.

- (ii) The Bank of Baroda (Employees') Pension (Amendment) Regulations, 2004 published in Notification No. HO:HRM:95:E1:REG41 (6) in Gazette of India dated the 30th July, 2004.

- (iii) The United Bank of India (Employees') Pension (Amendment) Regulations, 2004 published in Notification No. 1/2004 in Gazette of India dated the 14th August, 2004.

- (iv) The Punjab and Sind Bank (Employees') Pension (Amendment) Regulations, 2004 published in Notification No. PSB/PEN/AMEND 1/2004 in Gazette of India dated the 11th August, 2004.

- (v) The Bank of Maharashtra (Employees') Pension (Amendment) Regulations, 2004 published in Notification No. AX-1/ST/OSF/2911/2004 in Gazette of India dated the 10th August, 2004.

- (vi) The Bank of Maharashtra Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. AX-1/ST/DM/265/2004 in Gazette of India dated the 10th August, 2004.

- (vii) The Andhra Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. 666/20/IR/182 in Gazette of India dated the 11th September, 2004.

- (viii) The Syndicate Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. 1281/PD:IRD(O)/0089/Reg. 17 in Gazette of India dated the 28th August, 2004.



- (ix) The Central Bank of India Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. CO:PRS:LEGAL:MISC-3965:04-05:585 in Gazette of India dated the 25th September, 2004.
- (x) The Oriental Bank of Commerce Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. 3942 in Gazette of India dated the 4th September, 2004.
- (xi) The United Bank of India Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. 1/2004 in Gazette of India dated the 4th September, 2004.
- (xii) The Vijaya Bank Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. PER/IRD/3789/2004 in Gazette of India dated the 16th October, 2004.
- (xiii) The Union Bank of India Officer Employees' (Discipline and Appeal) (Amendment) Regulations, 2004 published in Notification No. 4 (a) /12.08.2004 in Gazette of India dated the 25th September, 2004.
- [Placed in Library. *See* No. LT. 1260/04]
- (13) A copy of the Export-Import Bank Officers' Service (Amendment) Regulations, 2004 (Hindi and English versions) published in Notification No. EXIM/Service/2004 in Gazette of India dated the 17th July, 2004 under sub-section (3) of section 39 of the Export Import Bank of India Act, 1981.
- [Placed in Library. *See* No. LT. 1261/04]
- (14) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Public Finance and Policy, 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 Institute of Public Finance and Policy, New Delhi, for the year 2003-2004.
- [Placed in Library. *See* No. LT. 1262/04]
- (15) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 15 of the Government Savings Banks Act, 1873:-
- (i) The Senior Citizens Savings Scheme Rules, 2004 published in Notification No. G.S.R. 490 (E) in Gazette of India dated the 2nd August, 2004.
- (ii) The Senior Citizens Savings Scheme (Amendment) Rules, 2004 published in Notification No. G.S.R. 706 (E) in Gazette of India dated the 27th October, 2004.
- [Placed in Library. *See* No. LT. 1263/04]
- (16) A copy of the Public Provident Fund (Amendment) Scheme, 2004 (Hindi and English versions) published in Notification No. G.S.R. 755 (E) in Gazette of India dated the 19th November, 2004 under section 12 of the Public Provident Fund Act, 1968.
- [Placed in Library. *See* N. LT. 1264/04]
- (17) A copy of the Notification No. G.S.R. 776 (E) (Hindi and English versions) published in Gazette of India dated the 25th November, 2004 together with an explanatory memorandum seeking to impose final anti-dumping duty on BOPP film, originating in or exported from Taiwan, Hong Kong, Indonesia, Oman, Singapore and Thailand, at the rates recommended by the designated authority under sub-section (7) of section 9A of the Customs Tariff Act, 1975.
- [Placed in Library. *See* No. LT. 1265/04]
- (18) A copy each of the following Notifications (Hindi and English versions) issued under sections 1 & 3 of the Industrial Development Bank (Transfer of Undertaking and Repeal) Act, 2003:-
- (i) S.O. 769 (E) published in Gazette of India dated the 2nd July, 2004 appointing the 2nd day of July, 2004, as the date on which the provisions of the Industrial Development Bank (Transfer of Undertaking and Repeal) Act, 2003 to come into force.

- (ii) S.O. 1062 (E) published in Gazette of India dated the 29th September, 2004 appointing the 1st day of October, 2004, as the date on which the undertaking of the Development Bank shall be transferred to, and vest in, the Industrial Development Bank of India Limited.

[Placed in Library. *See* No. LT. 1266/04]

- (19) A copy of the Notification No. 8/5/2004-IF-I (Hindi and English versions) published in Gazette of India dated the 18th June, 2004 regarding extension of the period for closure of Accounts of IDBI from 31st March, 2004 to 30th September, 2004, issued under sub-section (2) of section 18 of the Industrial Development Bank of India Act, 1964.
- (20) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (19) above.

[Placed in Library. *See* No. LT. 1267/04]

- (21) A copy of the Report on the Trend and Progress of Housing in India (National Housing Bank) New Delhi (Hindi and English versions) for the year ended the 30th June, 2003, under sub-section (5) of section 40 of the National Housing Bank Act, 1987.

[Placed in Library. *See* No. LT. 1268/04]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): Sir, I beg to lay on the Table-

- (1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619 A of the Companies Act, 1956:-
- (a) (i) Review by the Government of the working of the PEC Limited, New Delhi, for the year 2003-2004.
- (ii) Annual Report of the PEC 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. 1269/04]

- (b) (i) Review by the Government of the working of the Spices Trading Corporation Limited, Bangalore, for the year 2003-2004.
- (ii) Annual Report of the Spices Trading Corporation Limited, Bangalore, for the year 2003-2004, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. *See* No. LT. 1270/04]

- (c) (i) Review by the Government of the working of the State Trading Corporation of India Limited, New Delhi, for the year 2003-2004.
- (ii) Annual Report of the State Trading Corporation of India 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. 1271/04]

- (2) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Foreign Trade, 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 Indian Institute of Foreign Trade, New Delhi, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1272/04]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Central Pulp and Paper Research Institute, Saharanpur, 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 Central Pulp and Paper Research Institute, Saharanpur, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1273/04]

- (4) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Rubber Manufacturers Research Association, Thane, for the year 2003-2004, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Indian Rubber Manufacturers Research Association, Thane, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1274/04]

- (5) A copy of the Indian Boiler (Amendment) Regulations, 2003 (Hindi and English versions) published in Notification No. G.S.R. 407 in Gazette of India dated the 22nd November, 2003 under sub-section (2) of section 28 of the Indian Boilers Act, 1923.

- (6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library. *See* No. LT. 1275/04]

- (7) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Design, Ahmedabad, for the year 2003-2004, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the National Institute of Design, Ahmedabad, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1276/04]

- (8) (i) A copy of the Annual Report (Hindi and English versions) of the Engineering Export Promotion Council, Kolkata, 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 Engineering Export Promotion Council, Kolkata, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1277/04]

- (9) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Packaging, 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 Indian Institute of Packaging, Mumbai, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1278/04]

- (10) (i) A copy of the Annual Report (Hindi and English versions) of the Marine Products Export Development Authority, Cochin, 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 Marine Products Export Development Authority, Cochin, for the year 2003-2004.

[Placed in Library. *See* No. LT. 1279/04]

- (11) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 157 of the Trade Marks Act, 1999:-

- (i) The Intellectual Property Appellate Board (Salaries and Allowances payable to, and other terms and conditions of service of Chairman, Vice-Chairman and Members) Rules, 2003 published in Notification No. G.S.R. 740 (E) in Gazette of India dated the 15th September, 2004 together with an explanatory note.

- (ii) The Trade Marks (Applications and Appeals to the Intellectual Property Appellate Board) Rules, 2003 published in Notification No. G.S.R. 928 (E) in Gazette of India dated the 5th December, 2004 together with an explanatory note.

- (iii) The Intellectual Property Appellate Board (Procedure) Rules, 2003 published in Notification No. G.S.R. 929 (E) in Gazette of India dated the 5th December, 2004 together with an explanatory note.

- (12) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (11) above.

[Placed in Library. *See* No. LT. 1280/04]

12.11 hrs.

## MESSAGE FROM RAJYA SABHA

*[English]*

SECRETARY GENERAL: Sir, I have to report the following message received from the Secretary-General of Rajya Sabha:-

"In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on the 15th December, 2004 agreed without any amendment to the Special Tribunals (Supplementary Provisions) Repeal Bill, 2004 which was passed by the Lok Sabha at its sitting held on the 13th December, 2004".

12.12 hrs.

### STANDING COMMITTEE ON INDUSTRY

#### One Fifty Seventh to One Fifty Ninth Reports

*[English]*

DR. VALLABHBHAI KATHIRIA: Sir, I beg to lay on the Table a copy each (Hindi and English versions) of the following reports of Standing Committee on Industry:-

- (1) 157th Report on Action Taken by the Government on recommendations contained in the Committee's 141st report on Potential and Promotion of Coir Industries in West Bengal and Andaman & Nicobar (Ministry of Agro and Rural Industries);
- (2) 158th Report on Action Taken by the Government on recommendations contained in the Committee's 143rd report on Level Playing Field for the Indian Capital Goods Industry (Ministry of Heavy Industries and Public Enterprises); and
- (3) 159th Report on Action Taken by the Government on recommendations contained in the Committee's 145th report on Problems being faced by Small Scale Industries in the Procurement of Steel (Ministry of Small Scale Industries).

12.13 hrs.

### BUSINESS OF THE HOUSE

*[English]*

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI BIJOY HANDIQUE): Sir, on behalf of Shri Ghulam Nabi Azad, I rise to announce that Government Business during the

remaining part of Winter Session will consist of:-

1. Consideration of any item of Government Business carried over from today's Order Paper.
2. Consideration and passing of the following Bills as passed by Rajya Sabha:-
  - (a) The Payment of Wages (Amendment) Bill, 2004.
  - (b) The Delegated Legislation Provisions (Amendment) Bill, 2004.
3. Consideration and passing of the Coastal Aquaculture Authority Bill, 2004, after it has been passed by Rajya Sabha.
4. Discussion on Tenth Five Year Plan, 2002-07.

*[Translation]*

SHRI GIRDHARI LAL BHARGAVA (Jaipur): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

1. In order to solve the acute shortage of water in Jaipur the Banas Scheme may be started immediately and for this the Central Government has to assist the State Government financially.
2. The old railway line to Toda Raisingh, which was in operation since 1890 has been suddenly stopped due to which lakhs of people of my parliamentary constituency area-Sanganerh, Fangi, Malpura, Toda Rai Singh are facing problems. The gauge conversion of this railway line may be done and it should be brought into operation immediately.

*[English]*

SHRI P.C. THOMAS (Muvattupuzha): Sir, the following items may be included in the next week's agenda:-

- (i) The physically and mentally handicapped are not desirous of sympathy but are entitled to their rights under law. But the Central Legislation in this regard for them is not implemented by several States including my State Kerala.
- (ii) Dr. Ambedkar is to be honoured by putting up statues and other memorials in premises of all major Government undertakings. A strategy in

this regard has to be framed and due directions be given.

*[Translation]*

SHRI SUNIL KUMAR MAHATO (Jamshedpur): Mr. Speaker, Sir, the following items may be included in the next week's Agenda:

1. Need to undertake extension work of Jamshedpur airport at Central travel and to start the operation of flights by the Central Government.
2. Need to construct a railways over-bridge at Jugsalai gate, Tata Nagar Adityapur section of South East Railway.

*[English]*

DR. CHINTA MOHAN (Tirupati): Sir, the following items may be included in the next week's agenda:

- (i) Discussion on the definition of the Non-performing Assets land the definition of Below Poverty Line families.
- (ii) Discussion on the welfare of Scheduled Castes, Other Backward Classes and minorities.

SHRI BIKRAM KESHARI DEO (Kalahandi): Sir, the following items may be included in the next week's agenda:

- (i) Review of the Revised Long Term Action Plan being implemented in the KBK Region of Orissa which has been duly sanctioned by the Planning Commission.
- (ii) Allocation and implementation of AIBP funds for the Life Canal System of the Upper Indravati Multi Purpose Project in Kalahandi district, Orissa, as per the proposal sent by the Water Resources Department, Orissa.

*[Translation]*

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora): Mr. Speaker, Sir, the following items may be included in the next week's agenda:-

1. Need to start immediately the construction work of Dhoul Ganga (phase-II Sobala) and Gouri

Ganga Hydro electricity project of National Hydro Electricity Corporation in Pithoragarh district of Uttaranchal.

2. Need to start the operation of Nayni Sani air strip immediately in order to check effectively the increasing activities of Maoists and to provide rapid transport facilities for security purposes and promote tourism in Pithoragarh district of Uttaranchal.

SHRI RAMDAS ATHAWALE (Pandharpur): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

1. Need to provide a fresh reservation to Scheduled Castes and Scheduled Tribes in proportion to their population, with year 2000 as the base year.
2. Need to start an effective scheme in order to provide housing to the people belonging to the Scheduled Castes and Scheduled Tribes within five years.

*[English]*

SHRI SUNIL KHAN (Durgapur): Sir, the following items may be included in the next week's agenda:

- (i) To open up 100 days work to all BPL families. The requisite money may come from the de-hoarding of black money.
- (ii) To provide food, education, health and shelter to street children. The requisite money may come by imposing tax on pilgrim places where common people donate a lot of money.

*[Translation]*

SHRI HEMMAL MURMU (Rajmahal): Mr. Speaker, Sir, the following items may be included in the next week's agenda:

1. Need to implement the Malaria and Kalajar Programme effectively and provide Rabbits and Anti Venom medicines in Jharkhand district.
2. In order to follow the national population programme by the people belonging to the Scheduled Castes and Scheduled Tribes, need to give necessary direction to the Delimitation

[Shri Hemlal Murmu]

Commission of India not to decrease the number of seats of Lok Sabha and State Assemblies reserved for these communities and to enact legislation in this regard.

[English]

SHRI VARKALA RADHAKRISHNAN (Chirayinkil): Sir, the following items may be included in the next week's agenda :

- (i) The Fertilizers and Chemicals Travancore Limited (FACT) is facing a serious crisis. The demand for review of the present price concession scheme for complex fertilizers and rectification of the anomalies be sanctioned without delay.
- (ii) The long-standing demand of the Kerala Assembly and public towards the establishment of a Bench of Kerala High Court at Trivandrum.

12.19 hrs.

#### MOTION RE : SIXTH REPORT OF BUSINESS ADVISORY COMMITTEE

[English]

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI BIJOY HANDIQUE): Sir, on behalf of Shri Ghulam Nabi Azad, I beg to move the following :

"That this House do agree with the Sixth Report of the Business Advisory Committee presented to the House on the 16th December, 2004".

MR. SPEAKER: The question is:

"That this House do agree with the Sixth Report of the Business Advisory Committee presented to the House on the 16th December, 2004".

*The motion was adopted.*

12.20 hrs.

#### RE : REPORTED PROPOSAL TO INCREASE THE INTEREST RATE ON EPF

[English]

PROF. VIJAY KUMAR MALHOTRA (South Delhi): Mr. Speaker, Sir.....

MR. SPEAKER: I will call you first. I have committed to that.

[Translation]

PPOF. VIJAY KUMAR MALHOTRA: Mr. Speaker, Sir, yesterday there was a statement of an honourable member of this House, Shri Gurudas Dasgupta over all the news channels of TV and today it has been published in the various news papers that he had a talk with the Prime Minister. Prime Minister has agreed to increase the rate of interest of EPF from 8.1/2% to 9.1/2% and has said that he would do this enhancement before the next month budget session. It is a very important announcement. If this has been agreed then the Prime Minister should have told this fact in the House. But later on there was a statement of the Prime Minister to this effect that he has not said this. He said we are considering this. Mr. Speaker, Sir, keeping in consideration is also an important thing. When the House is in session and there is a diametrically opposite statement of two members, the Prime Minister should have come to the House and clarified it. Statements made by Shri Gurudas Dasguptaji and the Prime Minister are contradictory. ...*(Interruptions)*

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): Consideration does not mean taking a decision.

PROF. VIJAY KUMAR MALHOTRA: I know but this is not a small matter, two different statements are coming from Shri Gurudas Das Guptaji and hon. Prime Minister.

[English]

It is a matter of privilege of the House also.

[Translation]

The Congress Party had said to increase the rate of interest of EPF to 12%. Now statements like restricting it to 9.1/2% are being made.

MR. SPEAKER: The issue of reducing it is not in your notice. Please go ahead on the issue of principle.

PROF. VIJAY KUMAR MALHOTRA: There should be unanimity in the decision. The House should know, what the Prime Minister is doing.

[English]

We would like to know what is the position of the Government, whether they are increasing it or they are not increasing it.

MR. SPEAKER: You can demand that the Government should give a statement.

PROF. VIJAY KUMAR MALHOTRA: Yes. The Government should make a statement.

SHRI PRANAB MUKHERJEE: When the decision is taken, it will be communicated to the House, and if the House is not in Session, it will be communicated in due course.

[*Translation*]

PROF. VIJAY KUMAR MALHOTRA: Then how can they are giving statements outside the House. All the news channels are showing it.

MR. SPEAKER: Malhotraji, it is enough. Please take your seat. I have given you an opportunity. Please take your seat.

[*English*]

PROF. VIJAY KUMAR MALHOTRA: Is it the Communist Party alone with which they will do it?

[*Translation*]

Are they going to talk only with the Communist Party...(*Interruptions*). He will announce daily here...(*Interruptions*)

[*English*]

SHRI GURUDAS DASGUPTA (Panskura): Sir, let me reply...(*Interruptions*)

MR. SPEAKER: You do not have to reply. There is no necessity to reply. The reply is to be given by the Government and the Government has given the reply. Please co-operate.

...(*Interruptions*)

SHRI GURUDAS DASGUPTA: Sir, he referred to my statement. ...(*Interruptions*)

MR. SPEAKER: I earnestly request you to please co-operate.

...(*Interruptions*)

MR. SPEAKER: Shri Shishupal N. Patle.

...(*Interruptions*)

SHRI GURUDAS DASGUPTA: They are annoyed because the Government is...(*Interruptions*)

MR. SPEAKER: Please leave it. You are not in the Government.

...(*Interruptions*)

[*Translation*]

PROF. VIJAY KUMAR MALHOTRA: They were talking about fixing it at 12% and now they have come down to 9.5%...(*Interruptions*)

MR. SPEAKER: Malhotraji, please take your seat. I have called the name of a member from your party.

...(*Interruptions*)

[*English*]

MR. SPEAKER: Nothing will be recorded now except what Shri Shishupal N. Patle speaks.

...(*Interruptions*)\*

MR. SPEAKER: No, I am not permitting. Please let us conduct in a proper manner.

...(*Interruptions*)

[*Translation*]

MR. SPEAKER: I have called a member from your party, please let him speak.

[*English*]

I am prepared to sit continuously.

[*Translation*]

SHRI SHISHUPAL N. PATLE (Bhandara): Mr. Speaker, Sir, I thank you for giving me an opportunity to speak. Through you, I want to draw the attention of the House towards the paddy farmers in the country and the conventional method of paddy cultivation. There is a system of calculating the paddy yield known as Avreddy. This system is in practice since the British rule and needs to be changed today. The paddy farmers in the country

\*Not recorded.

[Shri Shishupal N. Patle]

are deprived of Crop Insurance Scheme and other facilities due to this system practised since British rule. The reason is that a paddy yield of 7 quintals in one hectare is considered to be 100%. But agriculture in those days depended up on natural resources, while the present day agriculture is based on modern system which has raised both the input cost as well as the production capacity. This means that a yield of 40 quintals in one hectare is considered as 100% crop by the farmers in the country. But the Government uses the same old system prevalent since the British times for calculating the future crop.

As a result of increased production capacity due to modern farming techniques, the farmers consider a paddy yield of 7 quintals in one hectare as 20% crop while it is 100% crop in the eyes of the Government. Due to this reason paddy growers in the country remain deprived of the facilities provided by the Government and the Crop Insurance Scheme. Therefore, through you, I urge upon the Government to formulate a special scheme to change this system so that the farmers are benefited.

[English]

MR. SPEAKER: Shri Basu Deb Acharia—not present.  
Shri Harin Pathak.

[Translation]

SHRI HARIN PATHAK (Ahmedabad): Mr. Speaker, Sir, once again I would like to draw the attention of the Government towards the financial crisis faced by lakhs of workers in the textile industry. It is a serious problem...*(Interruptions)*

[English]

MR. SPEAKER: Have patience, I am prepared to sit till 2 O'clock, or till 3 O'clock.

[Translation]

SHRI HARIN PATHAK: Due to the far reaching effects of the Textile Industry Policy of 1985 mills are closing down one after another and lakhs of people are becoming unemployed. The then Government took a good decision. The erstwhile Government formulated a scheme called "Textile Workers Rehabilitation Fund Scheme" under which funds are provided to the workers. The distribution work has started and the funds are being provided. Mills are being closed down regularly and of the 41 identified

mills, 31 are located in Gujarat and 27 in Ahmedabad. Twenty five thousand workers are yet to receive money under the "Textile Workers Rehabilitation Fund Scheme". The NDA Government had, under the leadership of hon'ble Atal Bihari Vajpayeeji made a ceiling for these workers when hon'ble Kashiram Rana was the Textile Minister and it was decided to raise the limit of the salary of Rs. 2500 at the time of closure of mill, to Rs. 3500 so that they can avail the benefits of the scheme. This is a decision passed by the Cabinet. Through you, I would like to urge upon the Government to include that worker also in the scheme who was earning Rs. 3500 at the time of closure of the mill and he should be paid money since 1986 itself. Besides, the benefits of statutory rights, gratuity and displacement benefits have not been provided to a single worker in the country so far. I want to urge upon the Government to raise their limit from Rs. 2500 to Rs. 3500 and pay them the benefits of their statutory rights.

[English]

SHRI HANNAN MOLLAH (Uluberia): Thank you, Sir. I would like to raise a very serious matter because it was not fully discussed in the House. The judiciary is very fast being engulfed in corrupt practices, and is becoming the victim of the growing degeneration in public life like in politics, Executive, and other aspects of life. So, the reform of judiciary is a very very serious matter, and it has been raised several times.

We know that justice delayed is justice denied. Our Justice system\*...\* is the slowest in the world.

MR. SPEAKER: Do not mention it. Say that it requires some reforms.

SHRI HANNAN MOLLAH: It is slowest, and \*...\*

MR. SPEAKER: No. Bring it to me, and I will look into it.

SHRI HANNAN MOLLAH: Sir, 2 1/2 crore cases are pending, \*...\* This situation is becoming very difficult for the common people, and interference in the day-to-day administrative functions will endanger the separation of power in a Parliamentary democracy.

I think, there is lack of efficiency in the management, \*...\* and there is lack of accountability, and inaction. I think, there should be a National Judicial Commission, which should be empowered for the fulfilment of the competence parameters for the post of judges, and should maintain key-performance indicators.

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\*...\* Expunged as ordered by the chair.



The Supreme Court should maintain 'key performance indicators'. On the basis of that, they can judge the performance of the judicial officers. For an effective judicial system, maintaining this aspect is most important. I think, the Government should immediately consider setting up of a National Judicial Commission for this purpose.

MR. SPEAKER: Hon. Members, I just want to tell you or remind you of the decision of the Business Advisory Committee, which is binding on all of us, that only one matter would be raised by an hon. Member per week. Let me give priority to that first. I have got a list of 21 Members who have not raised any matter this week. After that, if you have patience to sit, I shall continue.

*[Translation]*

SHRI DEVENDRA PRASAD YADAV (Jhunjharpur): Mr. Speaker, Sir, with your permission, I would like to draw the attention of the Government towards a matter of urgent public importance...*(Interruptions)* Mr. Speaker, Sir, I speak rarely.

MR. SPEAKER: You are a very experienced Member. I have called you to speak.

SHRI DEVENDRA PRASAD YADAV: Mr. Speaker, Sir, 54% population of the country belongs to the OBC category and there is a provision of 27% reservation for them under Mandal Commission. But, I am pained to say that this fact has not yet come to the notice of the Ministry of Human Resource Development especially. The Hon'ble Minister should get it checked. Institutes such as IIT, IIM and AIIMS fall under the category of Central Universities but they are not complying with the provision of giving 27% reservation to OBCs. In spite of provision of holding separate examination and giving 5% relaxation in marks to OBC students, institutes like IIT, IIM and AIIMS are not implementing the Mandal Commission's recommendations which is causing resentment among the OBC students and the people all over the country. HRD Ministry should take this matter seriously and should see to it that the provisions for reservation of OBC students under Mandal Commission are complied with in the Central Universities and equivalent institutes so that the OBC students are brought to the mainstream of the nation. The Government should take action by taking this matter seriously.

SHRI MOHAN SINGH (Deoria): Mr. Speaker, Sir, normally I do not like to raise any matter during Zero-Hour, but, I am forced to do so because the incident which has taken place involves people known to me and, therefore, I want to raise the matter to draw the attention of the Government. In a discussion held on internal security recently, the hon'ble Home Minister had claimed that the situation in Manipur is improving and there has been more than expected improvement. But, the Vice-Chancellor Shri N. Vijay and Registrar Shri R.K. Ranjan of the local university there have been kidnapped today. According to my information, the kidnappers are demanding a ransom of rupees one crore from the family of the Registrar. The Prime Minister had gone there and talked of conferring the status of Central University to the Manipur University. Yesterday, we passed the Minorities Commission Bill too. In the Bill, we have given relaxation regarding affiliation to Manipur University, which is a minority institute. Now its Vice-Chancellor and Registrar have been kidnapped and you can understand how will it be possible to implement this provision? An atmosphere of fear has been created in the educational institutes in the whole country today. While drawing attention of the Government towards this, I would like to demand a statement from hon'ble Home Minister. What action is being taken by the Government of India in regard to the kidnapping of these two persons? The Government should take initiative in the direction of creating an atmosphere of normalcy by getting these two released from the kidnappers.

*[English]*

PROF. VIJAY KUMAR MALHOTRA (South Delhi): It is a very serious matter. The Government should respond.

MR. SPEAKER: I cannot compel them, you know that. You know it better than me that as and when a matter is raised, I cannot compel them to respond. It is entirely for the Government to respond.

PROF. VIJAY KUMAR MALHOTRA: Sir, this a very serious matter. The Government should respond. It should not be so insensitive about this.

MR. SPEAKER: I am sure when matters are raised in the House the Government always considers them and it is expected to send a reply.

*[Translation]*

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora): Mr. Speaker, Sir, the question of shortage of fuel, whether it is Petrol or Diesel, is confronting the country time and again. Many important decisions in this direction of mixing 5% ethanol in petrol initially and raising it to 10% later were taken by the previous Government. In addition, it was also decided to increase the production of Bio-Diesel through cultivation of Ratanjot in the country. The initiative in regard to Petrol is taken keeping in view the fact that oil deposits will get depleted in near future. Besides, extraction of carbon gas hydrant from the sea bed will be used as an alternative fuel and a planned programme has been introduced after making a study in this regard in record time. This is being used in Locomotive and BEST buses in Mumbai etc. A proposal of Rs. 1430 crore has been put forward by the Planning Commission but the present Government is not paying attention towards this while there is a need for immediate action in this regard.

Mr. Speaker, Sir, it has come to my notice that this programme is being played down under pressure from the lobby of molasses industries and the oil tanker importers lobby.

I, through you, would like to request the Government that keeping in view the seriousness of the matter and taking into account our annual import of oil to the tune of Rs. 70-75 crores, the programmes of alternative fuel should be implemented speedily and those programmes which were initiated by the previous Government should also be given a new pace and implemented further.

*[English]*

SHRI MANORANJAN BHAKTA (Andaman & Nicobar Islands): Mr. Speaker, Sir, Andaman & Nicobar Islands is a Union Territory located in the midst of Bay of Bengal. Due to the vast open sea, a large number of people there are living on fishing. We now find that a lot of restrictions are being imposed on these fishermen and they are being subject to a lot of harassment as a result of which their livelihood is in difficulty. I would like to draw the attention of the Government to this and request that these fishermen should be looked after. After all a large number of people living in the villages go on to the sea facing very difficult conditions and without any facilities. I, therefore, request the hon. Minister in charge of Fisheries that this should be looked into and a group be sent to Andaman & Nicobar Islands to see the difficulties the fishermen there are facing so that remedial action can be taken.

SHRI P. KARUNAKARAN (Kasargod): Sir, I would like to invite the attention of the Government to the crisis prevailing in the tea industry in general and to the small tea-growers and workers in different States. In my own State Kerala, there are about 20,000 workers unemployed for the last three years. Forty-nine workers including women workers committed suicide. About eight tea estates are closed so far. In Tamil Nadu, in Nilgiri District, the situation is equally difficult. About 80,000 small tea-growers and their family members totalling to about four lakh are facing the same difficulty. Support price for tea has gone down to Rs. 5 to Rs. 6 instead of Rs. 15 and Rs. 16. As a result of that, the cost of production has gone up. So, they are not able to meet their minimum needs.

MR. SPEAKER: We had a full discussion on it.

SHRI P. KARUNAKARAN: In the last six years tea growers are struggling for a minimum price. With the intervention of the Government, the Indian Bankers' Association has prepared a special tea package but many of the banks have not implemented the same. This is also the case of West Bengal. Many of the tea estates are in the same state. ...*(Interruptions)*

MR. SPEAKER: We had a full discussion on this, Shri Karunakaran.

SHRI P. KARUNAKARAN: Sir, I would like to request the Government to at least give the support price of Rs. 15 and at the same time, time for repayment of the loan that has been taken by the small tea growers may be extended. Tea Board has to come to the field and it should take some action. Proxy bidding and the divisibility rule are the main reasons for lowering the prices of tea and the same has to be removed.

*[Translation]*

SHRI AJIT KUMAR SINGH (Bikramganj): Sir, through you, I would like to request the Government that there is a shortage of DAP, NPK and Potash Fertilizer throughout the country and especially in Bihar.

*[English]*

It is sold at a premium of something like Rs. 700 plus and it is being done because the State Government has not certified the subsidy amount. So, I would like to draw the attention of the House that the State Government may be directed as half of Bihar is in floods and half of Bihar is in drought. Mr. Speaker, Sir, I would like you to

intervene in this matter and see that potassium fertilizer is made available to the farmers.

MR. SPEAKER: I wish I had that authority.

Shri Suresh Chandel.

...(Interruptions)

SHRI AJIT KUMAR SINGH: Sir, it is very urgent.  
...(Interruptions)

MR. SPEAKER: That is why I have asked you to mention it and you have mentioned it very forcefully. I am sure the Government is noting down here.

...(Interruptions)

[Translation]

SHRI AJIT KUMAR SINGH: Only one week is left and after that sowing in the fields would not be possible.

[English]

MR. SPEAKER: I am allowing two or three matters on Bihar every day. I know the reasons for it and they are justified reasons.

SHRI AJIT KUMAR SINGH: Sir, half of Bihar is under floods and half of Bihar is under drought. ...(Interruptions)

AN HON. MEMBER: Is Bihar your favourite State?

MR. SPEAKER: It is my neighbouring State.

[Translation]

SHRI SURESH CHANDEL (Hamirpur, HP): Mr. Speaker, Sir, through you I would like to draw the attention of the House to the Himalayas. We all are aware that Himalaya has been guarding the nation since ages and this country also gets air and water from the Himalayas. We can not even imagine the existence of this country in the absence of Himalayas. Our country also gets sufficient amount of pure water from Himalayas. But it is unfortunate that there is no special institution in our country to look after the Himalayas and to study the ecological changes occurring there. At present, a number of ecological changes are occurring in Himalayas. A number of people visit there and dump a lot of garbage there. As a result of which many types of changes are occurring there.

I would like to request the Government that a Trans Himalayan Development Authority should be established in order to ensure the development and also the care of Himalayas. During his visit to Himachal, hon'ble Atal Bihari Vajpayeeji made an announcement in this regard on 24 March. Thereafter, Himachal Pradesh Government took up this issue before the Planning Commission. The Planning Commission forwarded this issue to the Resettlement Department of Ministry of Defence and asked them to prepare an approach paper. But no progress has been made in this direction. I would like to mention that I had written a letter a few days back but I have not received any reply of that. I would like to request the Government that keeping in view the importance of Himalayas and considering the seriousness of the fact about the views expressed by some people that the third world war in the time to come would be fought for water, establishment of a Trans-Himalayas Development Authority may be done as early as possible so that the carelessness, which is being committed with regard to the security of Himalayas, could be curbed.

[English]

MR. SPEAKER: Shrimati Paramjit Kaur Gulshan—not present.

[Translation]

SHRI SURESH WAGHMARE (Vardha): Mr. Speaker, Sir, I through you, would like to request the hon'ble Railways Minister that in my region about four thousand monthly season tickets are issued by the railways every month. This amount is given to the railways by the passengers in the form of STs every month before the commencement of the journey. But local trains are not run by the railways on this line. Therefore, these monthly ticket holders are forced to travel by superfast and express trains. The facility of monthly ticket is provided to the daily passengers. Under this facility, it is very much essential that passengers having the monthly tickets should be given facilities by the railways, but this facility is not available to them and it is given only to the passengers having reservations. I therefore, would like to urge upon the Government that the burden of supercharge for the passengers holding the monthly season tickets from the aforesaid railway station should either be removed or arrangement of an extra coach should be added in superfast trains for the MST holder passengers. If any objection is there on the economy ground for imposition of supercharge, then the railways should include the extra payment of minimum supercharge in the monthly

[Shri Suresh Waghmare]

season tickets and the monthly season tickets should be made available to the passengers. Therefore, Kazipet passenger 3356 up and 3356 down should be run as before. Monthly season tickets should be issued for a distance of about 300 kms. The Government provides concessional passes to the students but it is very difficult for these daily passengers and students to bear the expense of supercharge daily. Special attention may kindly be given by the Government on the above issues.

SHRI MANOJ KUMAR (Palamu): Mr. Speaker, Sir, the State of Jharkhand is affected by extremism and the police commits the acts of atrocities on the villages there quite often. Quite frequently, we get the information through newspapers and other sources that innocent people are being harassed there by the police without any reason by involving them into the false cases.

MR. SPEAKER: It's a State matter, but you please state what do you want to say.

SHRI MANOJ KUMAR: Innocent people are killed there in fake encounters. Through you I would like to make a demand to the Minister of Home Affairs that an investigation team should be sent to Jharkhand and such matters should be looked into.

SHRI RATILAL KALIDAS VARMA (Dhandhuka): Mr. Speaker, Sir, through you, I would like to invite the attention of the Government that in Gujarat, some multinational finance companies and some reputed companies have given instructions to their agents indirectly that loans should not be sanctioned to politicians and their relatives. Loan festival is held in Gujarat where the general public is availing the facility of loan but if it comes to the notice of loan sanctioning authorities that the applicant is the relative of any politician, loan is not sanctioned to him. If this is a fact, it is not a proper practice. It is an insult of all the politicians and becoming the relatives of the politicians have become a sin. If this is a fact, necessary orders should be issued from your side and indirect order given to the agents by the companies should be withdrawn.

[English]

MR. SPEAKER: We should also introspect. It is a very serious matter.

SHRI SUNIL KHAN (Durgapur): Mr. Speaker, Sir, one lady called Shrimatis Chabi Bagdi, resident of Maliara in

Bankura district, West Bengal was working as a fourth class employee in the Hind Factory, Durgapur. When she retired, she filled up the form of PF in PF Settlement Office, Durgapur, for getting the withdrawal of the provident fund. But, unfortunately, the PF Office told her that the money had already been withdrawn. For that purpose, she approached the Bhavishya Nidhi Office, Delhi. She was assured that she would get back the money...*(Interruptions)*

MR. SPEAKER: Individual matters should not be raised here.

...*(Interruptions)*

SHRI SUNIL KHAN (Durgapur): She had applied in 2003. But, till now, she has not got back the money. I appeal to the Finance Minister to please look into the matter so that the poor lady gets back her provident fund and the officer should be punished.

MR. SPEAKER: Do you mean, he should be punished without an inquiry? You write to the Minister in a proper manner. He may consider it. This is not a place for raising individual cases. This House is for raising the matters of urgent public importance.

[Translation]

SHRI BHANU PRATAP SINGH VERMA (Jalaun): Mr. Speaker, Sir, under the Prime Minister Gram Sadak Yojna Programme, being implemented by the Central Government, the work relating to construction of roads somewhere upto 100m, somewhere upto 200m, somewhere upto 500 m and somewhere even upto 1 km. has been discontinued to as the said land falls under the jurisdiction of the Forest Department. I would like to request the Government that necessary instruction should be given in all States on behalf of the Government to the effect that all the roads which are under-construction under this programme, should be allowed to be constructed. Their construction should not be stopped on account of forest land so that melted road could be constructed for the rural areas and the people of rural areas could be benefited by these roads.

SHRI HARIKEWAL PRASAD (Salempur): Mr. Speaker, Sir, the sugar industry, which makes major contribution in the economy of the country, is getting destroyed slowly due to the apathy of the Government

and the exploitation by its management. The interest of the farmers towards the cultivation of sugarcane is waning due to unremunerative price fixation and delay in payment of sugarcane price. Due to it, the area under sugarcane cultivation is shrinking gradually. For majority of farmers in Uttar Pradesh, sugarcane is the only cash crop, but most of the sugarmills in U.P. under public and cooperative sector are closed and sick. It is necessary to modernize them and increase their capacity by providing Central grants so that the deteriorating economic condition and poverty of the farmers living in the largest sugarcane producing State in general and those living in the surroundings of sugarmills can be removed. I demand that the Central Government should save the sugar industry by providing unconditional special package to the sugar-producing States.

MR. SPEAKER: Shri Ashok Argal—Absent.

SHRI KISHAN LAL DILER (Hathras): Mr. Speaker, Sir, on 15.12.2004, thousands of Balmikis from Uttar Pradesh, Punjab and Haryana at Jantar Mantar...(*Interruptions*)

[*English*]

MR. SPEAKER: Please maintain order in the House. The hon. Member is speaking. We should hear him.

[*Translation*]

SHRI KISHAN LAL DILER: Thousands of people from Uttar Pradesh, Haryana, Punjab and Delhi demonstrated at Jantar Mantar and they were demanding that those non-Balmiki Members, who have been made members of Safai Karmachari Commission, should not be retained as Members of the said Commission.

Sir, through the Chair, I want to say that while constituting that Commission, it was decided that the practice of carrying human excreta will be discontinued and the problems of those people would be solved by the Commission. But, how can a non-Balmiki member of the Commission realise the problems of the Balmikis? They neither know nor realise the problems of the Balmikis. So, how can they suggest the ways to solve their problems? This action just illustrates the proverb "Ghosi kee bhains byaye aur Kalandar Shimi bante". How can they solve their problems when they are totally ignorant about it?

Sir, it is my request that only people from Balmiki Community should be appointed as members of Safai Karmachari Commission. Furthermore, the three vacancies in the seven member Commission should be filled by members from Balmiki community.

[*English*]

MR. SPEAKER: Thank you.

SHRI BASU DEB ACHARIA (Bankura): Sir, after the partition, thousands and thousands of people from erstwhile East Pakistan were uprooted, and they settled in Uttar Pradesh, in some districts of now Uttaranchal; Chhattisgarh in Madhya Pradesh, and two to three districts of Orissa. Most of them are *namasudras*.

This *namasudra* caste is recognised as a Scheduled Caste in the State of West Bengal, Assam and Tripura. But the same *namasudra* caste is not recognised as a Scheduled Caste in the State of Uttaranchal, although, in the past, when this State was with Uttar Pradesh, the erstwhile State Government of Uttar Pradesh had recommended for inclusion of this caste in the List of the Scheduled Caste.

They have not received the right to their land, the *pattas*. The *pattas* have not been given to them. They have been fighting for the last 15 years to get justice. Yesterday, more than 10,000 persons from Uttaranchal came to Delhi and submitted memoranda to the hon. Prime Minister of India demanding that the *namasudra* caste be recognised as a Scheduled Caste.

I urge upon the Government that as the *Namasudra* caste is recognised in three States of our country, it should be recognised as a Scheduled Caste in the State of Uttaranchal.

SHRI RAMDAS ATHAWALE (Pandharpur): Sir, I am also associating with it.

[*Translation*]

SHRI HARISHCHANDRA CHAVAN (Malegaon): Mr. Speaker, Sir, through the Chair, I want to raise a serious issue. In Maharashtra and particularly in Nasik district, a large scale encroachment has taken place in seven to eight tehsils for 25 years. In those areas, in addition to some cases of smuggling, illegal cutting of entire forests is taking place. In Nasik district, 45 thousand people have given application about encroachment and they have demanded that the land should be allotted in their names.

[Shri Harishchandra Chavan]

Mr. Speaker, Sir, the Supreme Court had ordered in September, 2002 that all the encroachment should be removed and the august Court had fixed a dead line of 17th September, 2002 for vacating that land. But in Maharashtra, the Government constituted an enquiry Committee for enquiry into that matter. But, the enquiry has not been conducted till date. It is the order of the Supreme Court that forest land should be in the name of the legal applicants who have applied between the year 1972 to 1978. In our Nasik district, among the 45 thousand applications received, and among them there are many applicants whose age is below 25 years. All these applications are illegal.

Mr. Speaker, Sir, through the Chair, I want to say that this land should be in the name of legal applicants. In our region, one has to get Central Government permission even for erecting an electricity pole or for water supply. It seems that after five years, it will be difficult for people to get wood even for cremation of the deceased. Is the Government paying any attention towards such a serious problem?

MR. SPEAKER: Chavan Ji, I congratulate you for delivering your maiden speech in such a fine way.

Shri Rajesh Kumar Manjhi— He is not present.

SHRI SRICHAND KRIPLANI (Chittorgarh): Mr. Speaker, Sir, I have been informed that you are not annoyed with me, so I thank you...*(Interruptions)*

MR. SPEAKER: I have given permission to those two hon. Members also who have given notices at eleven past ten in the morning.

*[English]*

You were late by 58 minutes. Even then I am calling your name because you have not raised any other matter in this week and you have been keeping quite today.

*[Translation]*

SHRI SRICHAND KRIPLANI: Mr. Speaker, Sir, through the Chair I want to draw the attention of the Government about the dharna staged outside Parliament by All India Rural Bank Workers and Officers organization. The hon. Finance Minister is present here and the Government is aware of the fact that 165 out of 196 rural banks in the country are earning profit.

13.00 hrs.

The main problem is that those banks are not getting their due. They are empowered to provide 15 percent of

their loans to the farmers. Through the Chair, I want to draw the attention of the Finance Minister towards the main demand of these banks which is about constituting a Union of these banks so that merger of these 196 banks can be facilitated. After their merger, they should be provided those facilities which are being given by the Banks in Urban areas so that these rural Banks are in a position to provide the same facilities to their rural consumers which are being given by the banks in Urban areas. By providing these facilities to the rural banks, we can move forward towards our goal of establishing large industries in our villages and in addition to it, it will be beneficial for those rural people who have to go to distant towns to get that facility.

As far as I know, according to the survey dated the 31st, these banks have got a consolidated profit of 26 crore rupees. I believe that after merger of these banks and by establishing a rural development bank, an additional benefit of one thousand crore a year is achievable.

Through the Chair, I want to say that hon. Finance Minister should pay attention towards the demands of thousands of employees of those banks. Furthermore, I also hope that he will accept the recommendation about the National Rural Bank. All the Government Committees and even the previous Government had taken a decision to constitute such a Bank by merging National Rural Bank so that the Rural Banks can avail of those benefits. I hope that the Finance Minister will definitely consider these demands and the rural people will get maximum benefits from that decision.

This is what I have to submit...*(Interruptions)*

*[English]*

MR. SPEAKER: The following hon. Member associated themselves with the matter raised by Shri Kriplani.

1. Shri Santosh Gangwar
2. Shri Giridhari Lal Bhargava
3. Prof. Rasa Singh Rawat
4. Shri Kishan Singh Sangwan
5. Shri Jaswant Singh Bishnoi
6. Dr. Ramkrishna Kusmaria

7. Shri Suresh Angadi
8. Shri Krishna Murari Moghe
9. Shri Bikram Keshari Deo
10. Dr. Vallabhbbhai Kathiria

Hon. Members, I need your guidance. Firstly, I called those 21 hon. Members who have not raised any matter during this week. There are 19 more names who have raised issues earlier also. Now, a very respected member of the BAC is here. Let him say if all the hon. Members want to sit late. Otherwise, the remaining 19 Members can give notice on Monday, I will allow them.

SEVERAL HON. MEMBERS: Let us adjourn.

MR. SPEAKER: The House stands adjourned to meet again at 2.00 p.m.

13.02 hrs.

*The Lok Sabha then adjourned for lunch till  
Fourteen of the Clock.*

14.06 hrs.

*The Lok Sabha re-assembled after Lunch at Six  
Minutes past Fourteen of the Clock.*

[MR. DEPUTY-SPEAKER *in the Chair*]

### DEMANDS FOR SUPPLEMENTARY GRANTS (GENERAL), 2004-2005

[English]

MR. DEPUTY SPEAKER: We will not take up item No. 14 relating to Supplementary Demands for Grants (General).

Motion moved:

"That the respective supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order paper be granted to the President out of the Consolidated Fund of India to defray the charges that will come in course of payment during the year ending the 31st day of March, 2005, in respect of the following demands entered in the second column thereof—Demands Nos. 1, 3, 5 to 7, 12 to 15, 18, 20 and 21, 30, 32, 34, 36, 40, 42, 44, 47 to 50, 56 to 59, 61, 65 and 66, 68 to 70, 72 and 73, 80, 82 to 93, 95 to 100 and 104".

MR. DEPUTY SPEAKER: Shri Kharabela Swain may initiate the discussion.

SHRI KHARABELA SWAIN (Balasore): Mr. Deputy Speaker Sir, I rise to formally oppose the Supplementary Demands for Grants (General).

SHRI RAMDAS ATHAWALE (Pandharpur):  
Why?...(*Interruptions*)

[*Translation*]

MR. DEPUTY SPEAKER: Athawale ji, I have not yet resumed my chair and you start disturbing the House.

...(*Interruptions*)

[*English*]

SHRI KHARABELA SWAIN (Balasore): I say 'formally' because we still keep this Government in probation. The Government is barely seven months old and is under trial. I do not have any intention of questioning the efficiency or the motives of the hon. Finance Minister or, so to say, the hon. Prime Minister who is the father of economic liberalisation in India. Both the hon. Finance Minister and the hon. Prime Minister are well-meaning people and are trying their best. So, while dealing with the Supplementary Demands for Grants, I shall only focus on the points where, I think, things have gone wrong.

The hon. Finance Minister in his mid-year review, has painted a quite rosy picture of the state of economy. There has been greater growth in agriculture, industry and in the services in the first quarter of this fiscal year. Buffer stock is 2.2 million tonnes more than the normal. In the balance of payments case, there is a surplus in the Current Account and the Capital Account. External debt has not risen. It remains at 112.6 billion dollars. Long-term debt has declined by 1.1 billion dollars. But short-term loan rose by 1.2 million dollars. This is one of the points which I would like to definitely point out to the hon. Finance Minister because he knows the details. The major problem arises when the short-term loan increases. The Indian rupee has appreciated now. Electricity grew by 8.7 percent and electricity shortage came down from 6.4 percent to 6 percent.

The number of mobile phones has increased by 81 percent; the number of families covered under *Antyodaya Anna Yojana* has increased from 1.5 crores to 2 crores; tax collection is buoyant; collection of tax arrears in

[Shri Kharabela Swain]

respect of corporate income tax and personal income tax is more; expenditure has reduced; plan expenditure has increased by Rs. 638 crore; fiscal deficit is lower and revenue deficit is also lower by Rs. 5,473 crore. This kind of rosy picture has been painted. It is very natural because these are the dynamics of the last year's 8.2 percent growth. It is very natural that these things have not happened because of this Government, although I agree that this Government has taken very good steps within the last seven months. But these are also the dynamics of the last year's 8.2 percent growth rate.

Whenever there are any problems, the hon. Finance Minister has come out with solutions to them. He has explained as to why certain things have not happened. To start with, as far as the revenue collection is concerned, he has said that in the first half, in certain cases, it has come down. He has said that generally in the second half of the year of the fiscal it picks up. We accept it. We are waiting for that. He has said that because of the delay in passing of the Finance Bill, money did not flow into the coffer of the Government. We also agree with that. He has said that he would start a pilot project to restore the water bodies in the beginning of the next year. He has already set up an Investment Commission, which will bring in and facilitate FDI flow into India. He has said that he would tone up the tax administration. During the next year's Budget, he said, he would give priority for completing the projects. He has also said that he would try to fix the revenue deficit at 2.5 percent. He has constituted two Task Forces last August to expedite collection.

The reason as to why I said that the Government is under trial is because we want to wait for one year. We will just wait. After the completion of one year, the results will show whether he has achieved what he has said. We will also be there during the next year's Budget presentation. At that time, we will come up with our views. The entire country will see whether he has achieved his targets.

Now, let me come to one of the other major points. I am not referring to the hon. Members of the Congress Party. I am referring to the hon. Members of the Left; hon. Members of the RJD and the hon. Members of the Samajwadi Party, who during the tenure of Twelfth and Thirteenth Lok Sabhas, rushed to the Well of the House, at the drop of the hat, to see to it that the House did not run. All the time they tried to accuse the NDA

Government, saying that the NDA Government was *kisan virdohi*, *garib virodhi*, etc. In this connection, I will just read out two or three points from the Mid-Year Review. Actually, I will just come out with two or three points on the Mid-Year Review that has been presented by the hon. Finance Minister.

Now, I will come to the Minimum Support Price. All the time, all these parties accused the NDA Government of being *kisan virdohi*. They said that the farmers are not able to sell their paddy and that the NDA Government was not paying even a single pie more to the farmers. Let us come to that point. Let us see what does the Mid-Year Review of this Government, which they support, say on this point. It says that it should restrict further increase in the MSP of principal cereals.

What are the principal cereals? They are paddy and wheat. It says:

"Restrict the temptation of introducing Minimum Support Price (MSP) for new products..."

They do not want to extend it to any other product also.

"... and restrict the temptation of increasing Minimum Support Price (MSP) on existing products exorbitantly..."

They do not want to increase it now also.

"...and not to undermine the competitiveness of India as an agricultural exporter..."

Now, they say:

"Minimum Support Price (MSP) on paddy in excess of C-2 cost..."

That means, all the costs in cash and kind. They say that after all the costs are calculated, the Government is paying Rs. 29 more to the farmers per quintal for paddy and Rs. 125 per quintal on wheat.

Lastly, the Mid-Term Review says:

"Minimum Support Price (MSP) has been kept at a modest level for the last three years."

He has agreed with what we did. He says, "there is need to continue". This means, it should not increase.



Then, if the Government that you are supporting is doing the same thing, then why did you accuse us? We also followed the same principle.

Now, let me come to the point with regard to subsidy on kerosene. On the point of subsidy on Kerosene, the Mid-Term Review says:

"Reviews of the subsidy on domestic fuel, Liquefied Petroleum Gas (LPG) and kerosene have clearly established that despite their attractiveness through subsidisation and being cleaner fuels, they have not had significant impact in weaning rural households from dependence on biomass. Ninety percent of the rural households and thirty-three percent of the urban households continue to use free biomass as fuel".

This Review ultimately says:

"Such untargeted subsidy violate the canons of equity. The income transfer is primarily to the non-poor and not to the destitute and the poorest of the poor".

They say that they will not increase the subsidy on kerosene and LPG. That is what is contained in this Mid-Term Review. What did we do? Then, why did you accuse us? What for are you supporting this Government when they are also following our principles?

Now, let us come to the point of investment. The Leftist will simply jump at the issue of Foreign Direct Investment (FDI). They say 'no FDI'. They destroys the country. sold it. They sold out the country. The Leftist used to say this all the time. With regard to investment—in the Mid-Term Review—they say that "the Government alone, even after fiscal consolidation and elimination of revenue deficit, will not be able to generate the required resources needed for adequate investment to support substantial annual growth of 7-8 percent. Hence, there is a need to increase the involvement of the private sector. The Government says that they want to involve the private sector in order to attract foreign investment.

Again, I am coming to the same point. I do not oppose them on this point. I agree that whatever they have done is good. This is for the interest of this country. I agree with this. But, merely saying that They destroyed the country and sold it, is not good. When we followed our policy, we were called 'traitors'. Now you are also following the same policy and you are showing red signal outside and the green signal inside. This is one of the most hypocritic behaviour by the Left with regard to this Government.

Sir, now I come to another point. ...*(Interruptions)*

MR. DEPUTY SPEAKER: No running commentary, please.

SHRI KHARABELA SWAIN: Now, the Government says that hon. Prime Minister had declared about this. The hon. Finance Minister has also declared this thing.

They want to strengthen, deepen and broaden the reforms. They agree with these economic reforms. And still they want to deepen it, strengthen it and broaden it. My point is this: how?

When the Government came into power, the hon. Finance Minister in his Budget Speech made a commitment that he wanted reforms, but he wanted reforms with a human face. If I go through the progress of selective reform measures announced in the Union Budget, most of the things, Mr. Minister, you talk about, are these things. You talk about the pension sector reforms, introduction of VAT, setting up a Task Force for the Cooperative Banking System, drawing up a National Water Resources Development Scheme, launching a nation-wide water harvesting scheme, circulation of a model law for creating a common market for agricultural produce in the country; dereserving some 85 items from the list of items reserved for exclusive manufacture by the small scale sector; enhancing the FDI ceiling in various sectors and introduction of a new 'Senior Citizens Savings Scheme' offering an interest rate of nine percent per annum. Are they are not simply the same things which we introduced? Sir, of course, with a new name, they might have done it. But they still say that they want to do it with a human face. What is the human face?

Broadly, I have identified four factors which they wanted to introduce with a human face. One is doubling of the agriculture credit to the farmers within the next three years. As a Member of the Standing Committee on Finance, I have gone around the country. I have found certain things. Actually, the hon. Finance Minister is very sincere. He has tried to impress upon the bankers to double the credit within three years. He has already achieved a significant measure of success in this regard. I agree to these things. But, during the last seven months, 1860 farmers had committed suicide in Andhra Pradesh alone. A book has been published by Shri Yerrannaudu in this regard. So, by just providing the agriculture subsidy, if they think of checking and controlling the suicides, why could they not do it in the last seven months? During

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the time of Shri Chandrababu Naidu—against whom a lot of allegations were made by the Congress Party, against whom the Congress Party fought the elections on the basic issue of providing free electricity, free water and so many other things—by promising these things, the Congress Party came to power. But still why had 1860 farmers committed suicide during the last seven months only? It is not that the credit was not available. The credit was available—not from the Government sector but it was available from outside.

The major thing is this. Why did the farmers commit suicide? Because their produce was not being sold in the market with a good price. They did not get a good price for their produce. That is the major problem. That is the major bottleneck. No credit was available. So, this is one of the factors of human face! I do not think that this is going to make much of a difference.

The second is the Employment Guarantee Programme. They said: "We will provide hundred days work to one person from each family in the country every year." This is the human face! The Bill is yet to come. Seven months have passed. Every year, for the implementation of that programme, it will require Rs. 40,000 crore. Naturally, any Government should project from where to get the money. Naturally, this Government must be bothered about that. Now, we hear that the Cabinet Committee has cleared the Bill and it would be introduced in this Session itself. Let them come forward with the Bill.

I would like to know as to when the Bill would be brought forward. If a person wants a job and the Government is not capable of providing him with a job, can he go to the Court and sue the Government? I would like to know that if the Government does not provide a job to somebody, whether the State Government would give him an allowance. Let us come to know as to how many States come forward to provide it. In today's Newspaper, *The Asian Age*—I just went through it—the CPM has started attacking the Government that the Deputy Chairman of the Planning Commission has diluted this Act. From the very beginning, they have started attacking it. So, I would like to know as to when the Bill would be brought forward. That is why, I say that we have to wait till the end of this year. Let us know as to how the human face will come about.

The third question is about the reservation in the private sector. That is one human face, which is projected

by this Government. Nowadays, we are not hearing about this. There is a lot of opposition from the industrial sector. I do not know as to how far the Government has progressed in this regard. I would like to know from the Government whether they are bringing in any Bill in regard to this.

The last point is this. They took a lot of pride—being very ably propelled by the hon. Members from the Left—that the process of disinvestment should be stopped. Sir, it has been stopped. Let me tell you as to how the Media has reviewed about it. It has said much about the disinvestment in the industrial sector. Now, they say that the high growth rate cannot be achieved and maintained unless the level of investment in the economy increases significantly. The enhancement of investment will depend upon the augmentation of investible resources, and creating a climate that encourages private initiative. I would just like to refer it to the hon. Members from the Left. They want private initiative. They say that the Government alone, even after the fiscal consolidation and the elimination of revenue deficit, will not be able to generate the required resources needed for adequate investment to support the sustainable annual growth of seven percent to eight percent. Hence, there is a need to increase involvement of the private sector and also to attract the foreign investment. Sir, if the hon. Finance Minister is really sincere and if he really understands and believes that it is the private sector alone which can usher in the economic growth in this country, then why did he stop the process of disinvestment? Why did he do it? It is not a human face.

Sir, during the last 25 years, Rs. 30,000 crore package has been given for the revival of the public sector units. Can the hon. Finance Minister say that a single - I say 'a single' - public sector undertaking which is revived. Now, they say that they have constituted the Board of Reconstruction for Public Sector Enterprises.

[*Translation*]

MR. DEPUTY SPEAKER: I have to take up private Members' Bill at three O'clock. So I would like that it will be better if one or two members speak before that. Now you conclude.

[*English*]

SHRI KHARABELA SWAIN: Sir, I am the first speaker. You just give me five or six minutes. Within five or six minutes, I will conclude.

MR. DEPUTY SPEAKER: Okay, you may continue.

SHRI KHARABELA SWAIN: Now, they say that they have set up the Board for Reconstruction of Public Sector Enterprises. It is good. But who set up the Disinvestment Commission. Did we do that? It was set up when the United Front Government was in power and the present Finance Minister was the Finance Minister in that Government also. They just changed the name now. We only followed the recommendations of the Disinvestment Commission. The NDA Government did that. Now, they just changed it. Why have they changed it?

Sir, an amount of Rs. 2,79,000 crore is invested in public sector undertakings and it is going to give us a return of only 3.5 percent. So, how much money is going down the drain? Just to satisfy the trade unions, when they say that there should not be any process of disinvestment, I strongly oppose it. When the Government shows its intention through the Mid-Year Review and say that it is the private sector which can augment the economy of this country, then why should they go only by the savings of the Left Parties?

There are two or three mistakes that I would just like to point out. One is with regard to inflation. When the hon. Finance Minister replied to the debate on price rise in the House, he said that there are several reasons for the inflation. He said that it is due to the increase in the price of petroleum products, erratic monsoon, truckers' strike and rise in the price of metal, and because of all these factors, inflation has skyrocketed to more than seven per cent. But I would like to ask a question to the hon. Finance Minister. Did he mean to say that nothing happened during the six-year rule of the NDA? Did Orissa super cyclone not take place? Did Gujarat earthquake not happen? Did the worst drought of the century not take place? Did the East Asian financial crisis not take place? Was there no flood in Bihar, Andhra Pradesh, Assam and Orissa? Did the United States of America not impose sanctions on us? In spite of all that, the NDA Government retained inflation at the rate of 4.5 per cent and within seven months, it has skyrocketed to seven per cent. Now, the Reserve Bank of India has revised its prediction with regard to inflation. They had suggested in May that it would be 5.5 per cent. Now they say that it would be more than 6.5 percent.

I would like to point out one more thing. In the Mid-Year Review, it has been very strongly mentioned about augmenting infrastructure. When you go through this Mid-Year Review, you will find that the Government admits

that only 56 per cent of the work in the Golden Quadrilateral Project has been completed. You go to any place in India and you will find that during the last seven months, the process of construction of the four-lane National Highway Project has slowed down considerably. Sometimes, we think that probably it has been stopped altogether. From the beginning of this project, we knew that it would be completed by the end of 2004, but now only 56 per cent of the work has been completed.

Now, I will come to the river-linking project. The hon. Members from Tamil Nadu all the time say that it is an excellent project. The initiator, the harbinger of this project is sitting here. Now, simply it has been given a go-by. Then how do they say that they are really interested in augmenting infrastructure in this country? The fiscal deficit can also go up.

They have admitted it here that because of Sampoorna Gram Rozgar Yojana, Food-for-Work Programme and for all these things, it may still go on. So the fiscal deficit may go up.

There is an over-ambitious, unrealistic projection of tax collection. It cannot be collected. You go through it. Even 50 per cent have not been collected. Even if he says that it will pick up in the second part of this year, we still do not believe in that. But we will wait. We wish him good luck. If he collects it, it is very good.

Finally, I will make some suggestions. These are the points of weaknesses, which I have mentioned. During the Question Hour, I had put a question with regard to DRTs, which the hon. Finance Minister kindly answered saying that they do not have the infrastructure to collect the dues. He has already said that he is going to empower some of the people as the Recovery Officers. I thank him very much for that.

Another point with regard to DRTs is that they take up the case on first-come-first serve basis. But my appeal to him is that they should take up the high-value cases first. He should do something in this regard that the DRTs should take up the high value cases first and then the cases which are not of much value can be taken up.

Now, I come to the Mid-day Meal Scheme. They say that it is a great scheme. But what sort of a scheme is it where the cost of one meal is Rs. 1.20? Everybody knows that there was a case of food poisoning just two-three days ago and many of the children fell ill after taking this meal in Delhi. So, my appeal to the hon.

[Shri Kharabela Swain]

Finance Minister is that it should be targeted. I would request him not to give it to everybody.

In my constituency, in many of the schools, the children do not eat it. It is only sold in the black market by the Village Committee, and by selling it they do some other things with that money. In most of the schools, a teacher is engaged in cooking also. Except teaching, he is doing everything else, like cooking, going to Block Office to collect his salary, engaged in preparation of ration cards, engaged in the Census work and all sorts of other works. Now, the added work to his list is cooking for the children. That is what a teacher is doing there. He is simply not teaching, but doing everything else.

Another suggestion is that the Customs Department should be allowed to appoint its own lawyers to deal with these cases. The Law Ministry, at Delhi, is recommending some lawyers whose quality is poor. As a member of the Standing Committee, I came to know that the Government or the Finance Ministry has to give them some power to appoint their own lawyers so that they will be able to fight their cases effectively.

Now, the posts of inspectors, technical assistants, etc. in the Income Tax Department, who are the eyes and ears of the Department, who can collect more and more revenue, are lying vacant. So many posts are vacant and the hon. Finance Minister should see to it that these posts are filled up quickly.

The rate of interest that is charged from the SHGs is very high. It should be reduced. The LIC should be corporatised. They should reconsider the selection of BPL families. They should send some outside agency to do the job. It should be a one-time job and every year they need not send a teacher, who will simply write down the names of everybody and that is all.

In my constituency, 84 per cent of the population has been labelled as BPL. This is a total fraud. I would request the hon. Finance Minister to see to it. Actually, the number of poor that we have projected is not that much.

What is this investment climate that we are just making? Take the example of Bangalore and Mumbai. Because of lack of infrastructure, the outsourcing job is not going to come. They simply want to run away from that place. I went to Bangalore. It has become so crowded. The roads have become so crowded and all sorts of difficulties are there. So, I appeal to the hon.

Finance Minister to look into it.

Lastly, I will read three-four sentences with regard to Orissa. The coal royalty should be revised because Orissa is losing a lot of money just because of that.

On interest on loan payment, it should be given a moratorium. Paradip Petro Refinery should be completed quickly. Burla Engineering college should be elevated to the status of an IIT. Jharsuguda should be developed as an airport because so many steel plants are coming up in Orissa. Jaleswar-Chandeneswar road in my constituency, which is now under construction under the CRF, should be completed. It should be given more money so that it could be completed quickly. It is one of the worst roads. Central assistance should be given for the development of Udaipur and Chandipur-on-sea for tourism purpose. Badahalpur in the district of Balasore should be developed as export promotion port and Balaramgadi should be developed as a model fishing harbour.

Last but not least, I would like to appeal to you, on behalf of all the Members of this House, that the amount of MPLADS should be increased from Rs. 2 crore to Rs. 3 crore. ...*(Interruptions)* Your Members are raising their hands. In spite of all motivated campaigns against this, this is the best-managed Scheme in India because all the Members are interested in it. They take personal interest in it. So, I would appeal to you - we are also going to the Prime Minister and to the Speaker - to increase it. I am not asking about Rs. 5 crore, I am just saying that it should be increased from Rs. 2 crore to Rs. 3 crore. It is because. MPLADS Committee have recommended it. You increase it at least for the Members of Lok Sabha.

With these words, I conclude. ...*(Interruptions)*.

SHRI TATHAGATA SATPATHY (Dhenkanal): It should be totally scrapped. ...*(Interruptions)*.

*[Translation]*

MR. DEPUTY SPEAKER: Please do not disturb. Whatever he is speaking concerns you.

...*(Interruptions)*

MR. DEPUTY SPEAKER: We have time upto 3 o'clock.

*[English]*

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI BIJOY

HANDIQUE): He has spoken for 45 minutes. He has spoken a lot. ...(*Interruptions*).

[*Translation*]

MR. DEPUTY SPEAKER: We will continue discussion, however I would like to take up private members' Bill of three o' clock.

[*English*]

SHRI ADHIR CHOWDHURY (Berhampore, West Bengal): Sir, I rise to support the Demands for Grants. As we know the regular Budget was placed on 8th July, 2004, and this is the first batch of 56 Supplementary Grants.

According to Hannah Mollah, sound economy is a sound understanding brought into action. It is a calculation realised. It is the doctrine of proportion reduced to practice. It is foreseeing exigency and providing against it. It is expecting exigencies and being prepared for it. ...(*Interruptions*).

MR. DEPUTY SPEAKER: Please do not disturb the House.

SHRI ADHIR CHOWDHURY: ...(*Interruptions*) by the dynamic and eminent economist of India. The Finance Minister has been pursuing very consistently the commitment that we have made to the people of India under National Common Minimum Programme. We cannot create any rosy picture on our own because economy of this country is reflected in our lives. Therefore, it is not a rosy picture, rather it is a real picture that has been already reflected in Mid-Term-Review.

Sir, the Government is vigorously pursuing the reform agenda. The Government has put special emphasis on the investment in agriculture sector and rural economy. We have introduced a next generation tax reform by widening the tax base. The Government is promoting the integrated development perspective specially in areas of water, oil, transport, energy and infrastructure. Sir, in co-operation with the State Governments, the Union Government has taken special initiative for a single national market by introducing the Value Added Tax throughout the country.

This Government desires to dismantle agriculture control. If we peep into the Mid-Year Review, we will find that the Supplementary Demands for Grants have been

placed in the background of increase in oil market volatility. That cannot be denied.

Sir, the Finance Minister has already candidly admitted that due to the spiraling prices of oil market, which were earlier expected to be managed, there has been a slippage. He has admitted that post-Budget duty concessions and other expenditure commitments have become the reasons that we cannot reach the ambitious revenue and fiscal targets. On the other hand, the revenues which are supposed to be derived from other taxes, such as education cess, service tax, and security exchange tax, are yet to pore into the coffer, are yet to pore into our exchequer. However, the Fiscal Responsibilities and Budget Management Act is in vogue. So, we have to abide by the laid down norms and prescriptions under FRBM Act, where it is found that only 0.5 per cent annual percentage reduction of revenue has been met.

Sir, the earlier Government had ignored the most vital sector of our country, that is, the agricultural sector. Agricultural sector had been sacrificed at the altar of secondary and tertiary sectors. In the name of industrial development, the primary sector was paid scant attention resulting in a policy gap which this Government is striving hard to correct itself.

As per the Budget proposals, seven objectives have been identified. The first objective is to maintain a growth rate of seven to eight per cent per year for a sustained period. As per the Central Statistical Organisation, this expectation has not yet been fulfilled because the rainfall was not normal. Sir, 13 divisions of our country have experienced deficient rainfall.

The second utmost vital thing is that there is shooting up of crude oil price in the international market. The second objective, as was placed in the Budget this year, is for providing universal access to quality basic education and health. This is the most ambitious plan that the Government has conceived because as per the United Nations Development Programme, out of 177 countries, we have ranked 127. It is much below than in the year 2001. But the reason cited is that we are lagging behind in education. That is why this is the first time that an education cess has been imposed.

The third objective is for generating gainful employment in agriculture, manufacturing and services sectors, and promoting investment. A new deal for agriculture has already been announced by the hon.

[Shri Adhir Chowdhury]

Finance Minister. It has been committed that within three years, agricultural growth will be doubled. Also, the agricultural credit has been increased by more than Rs. 1,00,000 crore.

Furthermore, as we have observed, in the year 1950-51, the agricultural share of our GDP was to the tune of 61 per cent which has now been reduced to 24.2 per cent. However, dependence of Indian population on agriculture has been marginally reduced. In the year 1950-51, it was 77 per cent, now it has been brought down to 67 per cent only. That is why, we cannot ignore the importance of agricultural sector in view of the fact that India has the highest potentiality in the growth of agriculture.

It is because we are second in the world in terms of wheat and rice production. Ten per cent of world's vegetables and fruits are being produced by our farmers. Therefore, the Government has been vigorously pursuing the National Agricultural Policy which was framed to increase the growth of our agriculture to the tune of 4 per cent per year. But in order to materialise the growth of agriculture, we have to explore new ideas in other sub-sectors, such as horticulture, pisci-culture, live-stocks, etc. Already various Task Forces have been constituted to make further progress in other agricultural sub-sectors.

Sir, the fourth objective, as was expressed in the Budget, is to assure hundred days' employment to the breadwinner in each family at the minimum wage. Sir, before a child is born, somebody was acquiescing against that child. Still the legal implication of National Employment Guarantee Act is being examined and considered by various experts. The UPA Government is only 7 months' old and. ...*(Interruptions)*.

SHRI TATHAGATA SATPATHY: A baby.

MR. DEPUTY SPEAKER: No running commentary please.

SHRI ADHIR CHOWDHURY: Right. Before a baby is born, people start asking whether it is a male or a female child. But we must appreciate this Government that in view of the deteriorating situation in our rural India- where penury and poverty have been striking hard, where starvation deaths have become the order of the day - the Government has identified 150 districts where "Food for Work" programme is going to be introduced. Naturally, it is a first step towards meeting the commitment of assuring hundred days' employment to the breadwinner in each family at the minimum wage.

The fifth objective is focusing on agricultural infrastructure, the sixth objective is to accelerate fiscal consolidation and reform, and the seventh objective is to ensuring higher and more efficient fiscal devolution. Sir, as I have earlier stated, this year, the 7 to 8 per cent growth has not been achieved.

As per the Central Statistical Organisation, we have achieved a GDP growth rate in the range of six to 6.5 per cent for the year 2004-05.

MR. DEPUTY-SPEAKER: Hon. Member, please take your seat. You can continue later. We have to take up Private Members' Business now.

15.00 hrs.

**MOTION RE: FOURTH REPORT OF COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS**

*[Translation]*

SHRI JAI PRAKASH (Hissar): Sir, I beg to move:

"That this House agree with the Fourth Report of the committee on private maembers' Bills and resolutions presented to the House on the 15th December 2004".

MR. DEPUTY SPEAKER: The question is:

"That this House do agree with the Fourth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 15th December 2004".

*The motion was adopted.*

15.01 hrs.

**(I) Constitution (Amendment) Bill\*, 2004  
(Insertion of new article 100 A)**

*[English]*

SHRI C.K. CHANDRAPPAN (Trichur): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India".

*The motion was adopted.*

SHRI C.K. CHANDRAPPAN: I introduce the Bill.

15.02<sup>1</sup>/<sub>2</sub> hrs.

15.01<sup>1</sup>/<sub>2</sub> hrs.

(ii) **Constitution (Amendment) Bill,\* 2004**  
(Amendment of article 239AA, etc.)

[*English*]

SHRI C.K. CHANDRAPPAN (Trichur): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India".

*The motion was adopted.*

SHRI C.K. CHANDRAPPAN: I introduce the Bill.

[*English*]

MR. DEPUTY SPEAKER: Item No. 21- Shri Chandrakant Khaire. He is absent.

Item No. 22 - Shri Yogi Aditya Nath.

15.02 hrs.

(iii) **Ban on Cow slaughter Bill, 2004\***

[*Translation*]

YOGI ADITYA NATH (Gorakhpur): Sir, I beg to move that leave be granted to introduce a Bill to prohibit the slaughter of cow and its progeny.

[*English*]

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to prohibit the slaughter of cow and its progeny".

*The motion was adopted.*

[*Translation*]

YOGI ADITYA NATH: Sir, I introduce the Bill.

(iv) **Constitution (Amendment) Bill,\* 2004**  
(Insertion of new article 45A)

[*English*]

SHRI SURAVARAM SUDHAKAR REDDY (Nalgonda): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India".

*The motion was adopted.*

SHRI SURAVARAM SUDHAKAR REDDY: I introduce\*\* the Bill.

15.03 hrs.

(v) **Constitution (Amendment) Bill,\* 2004**  
(Insertion of article 47A)

[*English*]

SHRI SURAVARAM SUDHAKAR REDDY (Nalgonda): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India".

*The motion was adopted.*

SHRI SURAVARAM SUDHAKAR REDDY: I introduce\*\* the Bill.

15.03<sup>1</sup>/<sub>2</sub> hrs.

(vi) **Constitution (Amendment) Bill,\* 2004**  
(Amendment of article 43A)

[*English*]

SHRI SURAVARAM SUDHAKAR REDDY (Nalgonda): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

\*Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 17.12.2004.

\*Published in the Gazette of India, Extraordinary, Part-II, Section-2 dated 17.12.2004.

\*\*Introduced with the Recommendation of the President.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India".

*The motion was adopted.*

SHRI SURAVARAM SUDHAKAR REDDY: I introduce the Bill.

15.04 hrs.

**(vii) Constitution (Amendment) Bill\*, 2004**  
**(Insertion of new article 21B)**

*[English]*

SHRI SURAVARAM SUDHAKAR REDDY (Nalgonda): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India".

*The motion was adopted.*

SHRI SURAVARAM SUDHAKAR REDDY: I introduce the Bill.

15.04<sup>1</sup>/<sub>2</sub> hrs.

**(viii) Heritage Cities (Development) Bill\*, 2004**

*[English]*

KUNWAR MANVENDRA SINGH (Mathura): I beg to move for leave to introduce a Bill to provide for the development of heritage cities in the country and for matters connected therewith.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the development of heritage cities in the country and for matters connected therewith."

*The motion was adopted.*

KUNWAR MANVENDRA SINGH: I introduce\*\* the Bill.

15.04<sup>3</sup>/<sub>4</sub> hrs.

**(ix) Constitution (Amendment) Bill,\* 2004**  
**(Amendment of article 85, etc.)**

*[English]*

SHRI PAWAN KUMAR BANSAL (Chandigarh): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI PAWAN KUMAR BANSAL: I introduce the Bill.

15.05 hrs.

**(x) Special financial assistance to the State of**  
**Uttaranchal Bill\*, 2004**

*[English]*

SHRI K.C. SINGH 'BABA' (Nainital): I beg to move for leave to introduce a Bill to provide for special financial assistance to the State of Uttaranchal for the purpose of promoting the welfare of Scheduled Castes, Scheduled Tribes and Other Backward Sections of People and for the development, exploitation and proper utilization of its resources.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for special financial assistance to the State of Uttaranchal for the purpose of promoting the welfare of Scheduled Castes, Scheduled Tribes and Other Backward Sections of People and for the development, exploitation and proper utilisation of its resources."

*The motion was adopted.*

SHRI K.C. SINGH 'BABA': I introduce the Bill.

*[English]*

MR. DEPUTY SPEAKER: Shri Sunil Khan - Not present.

\* Published in the Gazette of India, Extraordinary, Part-II, Section-2 dated 17.12.2004.

\*\* Introduced with the Recommendation of the President.

\* Published in the Gazette of India, Extraordinary, Part-II, Section-2 dated 17.12.2004.

\*\* Introduced with the Recommendation of the President.



15.05<sup>1</sup>/<sub>2</sub> hrs.**(xi) Rapid Action Force Bill\*, 2004**

SHRI IQBAL AHMED SARADGI (Gulbarga): I beg to move for leave to introduce a Bill to provide for constitution of a Rapid Action Force to control communal riots in the country and for matters connected therewith or incidental thereto.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for constitution of a Rapid Action Force to control communal riots in the country and for matters connected therewith or incidental thereto."

*The motion was adopted.*

SHRI IQBAL AHMED SARADGI: I introduce\*\* the Bill.

15.06 hrs.

**(xii) Reservation in educational institutions (For children of parents living below poverty line) Bill,\* 2004**

*[English]*

SHRI IQBAL AHMED SARADGI (Gulbarga): I beg to move for leave to introduce a Bill to provide for reservation of seats in all educational and technical education institutions for children whose parents are living below poverty line.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduced a Bill to provide for reservation of seats in all educational and technical education institutions for children whose parents are living below poverty line."

*The motion was adopted.*

SHRI IQBAL AHMED SARADGI: I introduce\*\* the Bill.

15.07 hrs.

**(xiii) Adoption of children (Regulation) Bill,\* 2004**

*[English]*

SHRI IQBAL AHMED SARADGI (Gulbarga): I beg to move for leave to introduce a Bill to regulate the adoption of children and for matters connected therewith.

\* Published in the Gazette of India, Extraordinary, Part-II, Section-2 dated 17.12.2004.

\*\* Introduced with the Recommendation of the President.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to regulate the adoption of children and for matters connected therewith."

*The motion was adopted.*

SHRI IQBAL AHMED SARADGI: I introduce\*\* the Bill.

15.08 hrs.

**(xiv) Computer training centres (Regulation) Bill\*, 2004**

*[English]*

SHRI IQBAL AHMED SARADGI (Gulbarga): I beg to move for leave to introduce a Bill to regulate computer training centres and for matters connected therewith or incident thereto.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to regulate computer training centres and for matters connected therewith or incidental thereto."

*The motion was adopted.*

SHRI IQBAL AHMED SARADGI: I introduce the Bill.

*[English]*

MR. DEPUTY SPEAKER: Item No. 35 - Shri Suresh Chandel - not present.

Item No. 36, Shri S. K. Kharaventhana.

15.09 hrs.

**(xv) Constitution (Amendment) Bill\*, 2004 (Amendment of article 130)**

SHRI S.K. KHARVENTHAN (Palani): Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted for leave to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI S.K. KHARVENTHAN: Sir, I introduce\*\* the Bill.

\* Published in the Gazette of India, Extraordinary, Part-II, Section-2 dated 17.12.2004.

\*\* Introduced with the Recommendation of the President.

15.12 hrs.

## CONSTITUTION (AMENDMENT) BILL, 2004

### (Insertion of New Article 21B etc.)

[English]

MR. DEPUTY SPEAKER: The House will now take up item no. 37, further discussion on the motion moved by Shri Basu Deb Acharia. Shri Bachi Singh Rawat was on his legs. He may continue his speech.

[Translation]

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora): Mr. Deputy Speaker, Sir, the discussion on this issue started on third of December. The time for discussion was increased by half an hour as the subject of social security is very important. Hon'ble Shri Basu Deb Acharia raised issues related to the problem of unemployment, employment and public health covered under Directive Principles of State Policy and proposed to include them in the Fundamental Rights under the Article 21 of the Constitution of India. I was referring to the same that the Himalayan region is a mountainous area where there are inaccessible areas predominantly inhabited by the tribals who are involved in various types of professions like handicraft artisans, blacksmith, carpentry, masonry, carpet weaving, marking woodens and bamboo baskets and ringal industry. Major castes among them are -Bhotia, Sauk, Tharu, Boksa, Jaunsari etc. ...*(Interruptions)*.

MR. DEPUTY SPEAKER: Now, only 22 minutes are left in concluding discussion on this Bill. So I would like that the discussion should be concluded at the earliest. Thereafter hon. Minister has to reply as well.

SHRI BACHI SINGH RAWAT 'BACHDA': I will put some points in brief. I will not further elaborate those points. ...*(Interruptions)*. Last time I wanted to state 5-6 points but at that time I was asked to continue next time. I was submitting that Bhotia, Sauk, Tharu, Boksa, Jaunsari etc. castes should be covered under credit card scheme for artisans, handicraft. However, hon'ble Prime Minister had announced in January 2004 in Dehra Dun that Jaunsari caste would be included in tribal areas as it is concerned with social and educational criteria. There was a demand to declare it as tribal area and it was also announced however, Sakalana Patti Village was left out. The demand in this regard is being made from

several quarters. Special attention is required to be paid in the matter of social security. I hope that the Government will pay attention in this direction.

'Antayodaya Ann Yojana' which is a good programme is being continued. However, there are several shortcomings in the public distribution system of the Government. The Government is facing difficulties in selecting the eligible persons for BPL cards. The Government should pay special attention towards it. Along with this, the previous NDA Government had launched a major programme of women Empowerment under which Raj Rajeshwari, Bhagyashree, women empowerment group and joint account group were constituted. A loan of Rs. 50,000 at the rate of 4 percent was being provided for the empowerment of tribal women. The said scheme is required to be further enhanced. Emphasis should be given on Swyamsidha, Swaadhar scheme as there is a need to empower the women. Sanjivani programme was launched in the health sector. Besides, the 'Janani Suraksha Yojana' was also launched under which Rs. 1000 was given to the mother in case of birth of a baby girl and Rs. 500 in case of birth of a baby boy. There are some hindrances in the implementation the scheme. Hence, there is a need to remove those hurdles and to streamline it. Announcement is being made time and again about Employment Guarantee Scheme. As the matter is concerned with employment, the Government propose to formulate Employment Guarantee Law to provide guaranteed employment for 100 days.

My submission is that only name of the scheme is being changed. There is nothing new in it as Employment Assurance Scheme is being implemented continuously for last decade. So far as the 'hundred days employment' scheme is concerned, the scheme is the same and the amount is also the same. There will be no improvement by changing the form of the laws alone. Earlier it was implemented in the entire country. Now it has been confined to only 150 districts. Several districts will be adversely affected by this...*(Interruptions)*. There is nothing new in it, rather it will have opposite effect. I would once again like to submit that a good start was made with ethanol and bio-diesel in the field of bio-fuel sector. However, under the pressure of molasses lobby and oil tanker lobby associated with the field of transportation or for some other reasons, the bio fuel programme that is likely to generate employment for two crore people in rural area is being discontinued. The Government should pay special attention to it and make efforts to further implement the biofuel programme.

I would like to submit that it is due to short supply of fly ash that labourers employed in brick kiln are being affected because without proper deliberation, a provision was made to add 30 percent fly ash in bricks but they are not getting fly ash in sufficient quantity resulting in closing down of brick kilns. It has been instructed to increase the height of the chimney to 30 metres. It is on account of this that there is scarcity of bricks for construction work. ...*(Interruptions)*”.

[English]

MR. DEPUTY SPEAKER: It is not to be recorded.

[Translation]

SHRI BACHI SINGH RAWAT 'BACHDA': Besides this I would like to submit that labourers are the most affected. It is on account of the closure of the brick kiln that nearly one crore labourer are on the verge of unemployment. There is a need to pay attention towards this at the earliest.

I support the Bill moved by Basu Deb Acharia ji and laud the attention with which it has been moved. I hope for a positive response as weightage is given to his opinion. The Government is surviving with their support and not on its own. So, I hope that the Bill for bringing the provisions made in Article 41-42 under the Fundamental Rights that has been moved by Achariaji will certainly be passed. While supporting the Bill I conclude.

SHRI FAGGAN SINGH KULASTE (Mandla): Mr. Deputy Speaker, Sir, my colleague Shri Bachi Singh Rawat ji had made a special mention of social security pension in rural areas and also the condition prevailing therein. The Bill brought by Shri Basu Deb Acharia has very good motive behind it and intention of the House is also good. But in this regard, it would be good if the Government takes initiative with regard to social security and at the same time, it is difficult to say how far we are able to do justice to the poor people as per the norms set by the Government especially those living in hilly areas. Therefore, I feel that there is a need to remove the shortcomings at lower levels in this area and also what can be its practical solution. Unless we ponder over it, we cannot remove this anomaly. Therefore, when we talk to provide justice as well as protection to them, we should definitely consider over it or another Government scheme.

\*Not recorded.

Whenever we visit various parts of the country, we find that the benefits of social harmony related programmes do not reach the required beneficiaries. May be, the lower level implementation staff engaged in such programmes do not get proper information. Therefore, my submission is that first we should identify the areas when we prepare schemes for any particular area such as hilly areas, and then we should implement so that we can fulfil the desired objective.

In fact, extant Bill is exactly in spirit with everybody's intention. Intention of the Bill is aimed at development of such areas. The Government should pay special attention toward the areas, such as, rural and hilly arid tribal areas. In rural segment, we identify one village which comprises of ten mohallas. But, in case of widely spread areas such as Tola Par whom we call 'Majhra Tola' such schemes are not able to be properly implemented. Therefore, attention should be paid to it.

Now, so far as several schemes which are in progress, are concerned, in this context it has been observed through reports of many surveys conducted that such schemes are not being implemented fully at lower levels especially in areas which have been identified not with regard to the work but in view of importance of that area. The Government have identified 150 districts in the country which come under BPL category. There is a need to ponder over the basic reason for their poverty and also as to how far the Government are concerned about it. Therefore, my submission is that the Government should bear the condition of the area in mind.

I would like to tell Shri Basu Deb Acharia ji that the present Government is running with their support. Therefore, he should request the Government to ponder over this issue seriously including any Bill or Amendment, it brought.

Supporting the extant Bill, I conclude my speech.

[English]

SHRI K.S. RAO (Eluru): Sir, I honestly appreciate Shri Basu Deb Acharia for bringing this Private Member's Bill in this House. It was my long cherished desire to bring a similar Bill in the Parliament, and get the support of all the Members of Parliament, above party lines.

There is a principle of giving pension to the employees working in the Government, even if they have worked for 20 year or 25 years, and not for life-time.

[Shri K.S. Rao]

There is a provision of taking voluntary retirement, and still all these people are being given pension for all their life. Whom are we giving the pension? We are giving it to those people who are privileged, and whose salary or remuneration is substantially very high. In addition to their salary, they also get all other perks like getting support from various Government agencies by way of accommodation, transport, healthcare, and so many other things. What would be the position of those underprivileged or unfortunate poor, who are living in the villages and who have been working right from the age of 10 years right up to 65 years or 70 years, if those people were to be eligible for a pension for all their life?

Sir, you are also a Member representing some constituency, and you must be having your own experience of visiting the villages, and seeing those old people living in huts, where their own sons and daughters were not in a position to support them with meagre food, shelter, healthcare, etc.

Many of them have lost their eyesight. They required cataract operation; they require treatment from the hospital. They are not getting anything and they are living like orphans. Once we go to those areas and see these people, we really feel very bad about it. Our thoughts go back and we, as People's Representatives, ask ourselves, "What are we doing to these people?"

Sir, we discuss so much in the Parliament that the pension being given to the Members of Parliament should be increased. Sometimes, we demanded that even if a Member of Parliament serves for one term, he should get pension for his lifetime. Amendments are made in the House to say that notwithstanding the fact that whether a Member of Parliament has completed one full term of five years or one-and-a-half years term or two years term, still, a Member of Parliament can claim pension for lifetime. If we, the Members of Parliament, who are privileged people — we not only got enough to live, we got enough to live, at least, for decades to come; some of us have got enough for generations to come — consider ourselves eligible to get pension for lifetime and justify it with reasons, why are they not eligible for pension? Why are they not eligible for social security from the Government? Why should they be at the mercy of somebody?

The Andhra Pradesh Government gives Rs. 75 per month — of course, with the assistance of the Central Government — as old age pension to all those people

who are above the age of 65. Seventy-five rupees is the amount which is given to them. What do they get for Rs. 75? Still, they are happy. When we go to our constituencies, at least, 50 or 60 old people from the villages come to us and ask us, "Sir, what about my pension? What about my pension?" How much is the amount? It is only Rs. 75, and even that is also not being given properly. It was not given for six months. The present Government, under the leadership of Dr. Y.S. Rajasekhara Reddy, understood the difficulties of these people and he promised, both before and after the elections, to do something for these people. He has seen the pathetic conditions of these old people; he understands that they are not being looked after and that they are living as orphans. The Chief Minister promised that he would talk to the Government of India and impress upon the Prime Minister and the Members of Parliament the need to increase the pension from Rs. 75 to Rs. 225. He is on that job. I humbly request the Members of Parliament to rise above party lines and support the demand for increasing the pension that is being given to these people. It is not a question of any one State or any one Government; whether it is the Congress, non-Congress, B.J.P. or whatever party it is, we all have to rise above party lines. If they are not looked after, what is the use of the discussions that we all have everyday? Some party may ferociously argue and make allegations against another party and we may make allegations on some other party. For whose benefits are we doing these things? Can it be at the cost of neglecting these underprivileged and unfortunate people? If we do not take care of them, who else will take care of them?

Believe me, from the age of ten, I have seen with my own eyes, and you must have also seen, that there is no health care and that there is nobody to take care of them. Even if they are suffering from serious diseases, there is nothing that they can do; in case of minor diseases, like cataract operations costing Rs. 1,000 or Rs. 1,500, they do not go for it because they do not have that much money.

On this matter, discussions are going on possibly for decades. Every time, the discussion takes place on a Private Members' Bill and not on Government Bill. The Government must take the initiative and bring forward a legislation. It is neither a mercy nor a favour; it is our duty. Those people who have worked for so many years have nothing to save. They do not even have a house of their own. They do not even have Rs. 100 to go to a Government hospital, leave alone a private hospital.

Do you not think Sibal ji, not as a Law Minister, but as a man renowned for his command over issues relating to law, that it is our responsibility and the Government should bring forward such a legislation?

It must be made compulsory. As a matter of fact, it must be made a fundamental right. We made it also. Everybody is equal, everybody must have the access to education, etc. If that were to be so, why are we seeing all this with our own eyes and tolerating it? We are just walking past. We just talk with the media; talk on the dais; give great lectures. We say, "We will do everything for you; we will bring this and we will bring that." However, there is nothing when it comes to reality. I am not talking about any party. It may be any Government. No Government is taking initiative.

I request the leaders who are sitting here, more particularly the Ministers who are sitting here, to take the initiative and impress upon the Prime Minister of the country that this is our duty and that this is not a mercy that we are showing. We are not doing any favour. We have to look after them.

Why should a person work all his lifetime? What is the incentive he will have? If he were not to be looked after, who else should be looked after? The things may vary from place to place; it may be in a city or a village; the amount may change; but it must be made compulsory. It must also not be like sending some money and making the local Secretary or the Revenue Inspector or the Tehsildar to distribute money. Some of them are making money by writing letters. Computerisation has come all over the country now. The money must go from Government of India or through the State Governments directly to the person. There must be a mechanism where it should not be passing through some officer, some middleman or someone of that kind. It must go directly to those people. They must have the satisfaction that having worked for so long the Government has looked after them at the end of 60 or 70 years.

MR. DEPUTY-SPEAKER: Shri K.S. Rao, please wait for a minute.

I have six names with me. If the House agrees, we can extend the time by one hour.

SEVERAL HON. MEMBERS: Yes.

MR. DEPUTY SPEAKER: The time is extended by one hour.

SHRI K.S. RAO: I am speaking about all those unfortunate people who are living not only in villages but in cities also. Even in cities there are slums in which people are living in very bad and unhygienic conditions.

MR. DEPUTY SPEAKER: Please conclude also.

SHRI K.S. RAO: Sir, I expressed my view and my worry. Any human being with a little conscience, any human being with a little consideration for a fellow human being who is in a very unfortunate state must voluntarily come forward to support this. I humbly request all of you, I think we must all take a procession or a delegation to the Prime Minister and request him to bring this legislation first and go to other legislations later on. We do not want any other law, any other Bill, to be brought in the House unless this Bill is brought by the Government and not by a Private Member.

SHRI C.H. VIJAYASHANKAR (Mysore): We wholeheartedly support it.

SHRI K.S. RAO: Everyone of us will support it wholeheartedly. By virtue of our being people's representatives, we are in constant touch with the people. ...(*Interruptions*). We are not Members of the Rajya Sabha. We are Members of the Lok Sabha. We have got direct connection, face to face interaction with people. We have looked into the eyes of the people. We have seen the desperate conditions of those people. What are we to answer? ...(*Interruptions*).

MR. DEPUTY SPEAKER: Shri Rao, please address the Chair and not other Members individually.

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (Shri Bijoy Handique): Sir, the hon. Member has done extensive study on the subject. We want to hear him.

SHRI K.S. RAO: Sir, actually, from day one after I became a Member of Parliament in 1985, I always wanted to bring this Bill forward. I wrote several letters to the Prime Ministers also that it is our basic duty to bring this Bill. Though I did not say, as my hon. colleague Acharia said, that it must be made a fundamental right and that it must be incorporated in the Constitution as a right, not to depend on that, I still agree with him. If people work for generations together and we do not take care of them, people lose interest in the system. If there are people who are not working, who are not sweating, who

[Shri K.S. Rao]

are just cheating other people and living, people would lose interest in the system.

Today, I wanted to say this to the hon. Finance Minister during the discussion on Supplementary Demands for Grants in the afternoon. Hardcore criminals who have cheated the Government and the public and the country for hundreds of crores of rupees are taking help of the judiciary. They are living like heroes in the cities. They are the gentlemen in the society. No court, no judiciary, no Act, no Bill can do anything to them.

How many crores of rupees? In the morning, we heard that these people who had taken the money, the loanees were not paying a sum of Rs. 64 thousand crore. I can understand if they are poor people, if there are some genuine reasons for their failure in an industry or trade. But, it is not so. There is a wilful default. They are siphoning off the money and diverting it to other industries. I can understand if a promoter of a company fails. Let me give the example. Suppose, I have got four companies by name 'a', 'b', 'c' 'd'. If I earn millions of rupees as profit in company 'a', I enjoy that. If I incur a loss in company 'b', I put it to the bank as NPA. Is it genuine? Should I not be punished? What is the meaning of a private business or a private entrepreneurship? If I earn a profit, I must enjoy it and if I incur a loss, I must suffer it. I must be responsible for both the things. I cannot enjoy only the profit and allow the loss to be suffered by the poor people and the Government. These people are taking too much advantage of it. They are earning hundreds and thousands of crores of rupees. How much does it cost?

It is mentioned that the total number of people living above the age of 65 is seven per cent in the country. Out of that, if 40 per cent are living below the poverty line, it comes to only three per cent of the population. It is they who require all our support. This does not cost more than Rs. 10,000 crore. Is Rs. 10,000 crore a big amount? These poor people have sacrificed everything in their life time for the country. It is not a question of money only. My humble request is also to you, Sir, because you are also a part of it. You must also have felt the same thing that I felt, when I visited a village. I request you humbly, with folded hands, to take the initiative and tell in the Business Advisory Committee tomorrow to bring this Bill first than any other Bill. We are all here to support it, above party lines, and, if necessary, without discussion. We do not want to give a long lecture. We want the Bill to be passed.

With these words, I congratulate my friend Shri Basudeb Acharia and many other Members who have taken part in this discussion and who have supported this Bill. I am with you. I wish that this Bill should come in this year, at least in 2005. This will create a hope, create a faith and motivation in any individual to work with his sweat, produce wealth and help the nation.

[English]

MR. DEPUTY SPEAKER: Before I call the next hon. Member to speak, I would like to take up Item No. 30. Shri Sunil Khan to introduce the Bill.

15.38 hrs.

(xvi) **Buy Indian Bill\*, 2004**

SHRI SUNIL KHAN (Durgapur): Sir, I beg to move for leave to introduce a Bill to provide for compulsory buying of indigenous goods by Government establishments and also for public works or industry being established or run with the aid or assistance of public funds and for matters connected therewith or incidental thereto.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for compulsory buying of indigenous goods by Government establishments and also for public works or industry being established or run with the aid or assistance of public funds and for matters connected therewith or incidental thereto."

*The motion was adopted.*

SHRI SUNIL KHAN: I introduce the Bill.

15.39 hrs.

**CONSTITUTION (AMENDMENT) BILL, 2004**

—Contd.

**(Insertion of new article 21B, etc.)**

MR. DEPUTY SPEAKER: Shri Varkala Radhakrishnan to speak.

SHRI VARKALA RADHAKRISHNAN (Chirayinkil): Sir, I am happy to support the Private Member's Bill introduced by Shri Basudeb Acharia. I congratulate him also. I had some experience, as a legislator, with regard to social security. When I was in the Kerala Assembly in the 1980s, a Bill was introduced in the House. That was for old-age

\*Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 17.12.2004.

pension to all the agricultural workers who have attained the age of 60 years.

It is the first of its kind in India. All the agricultural workers are entitled to get pension if they had attained the age of 60 years. That Bill was passed. It came into the Statute Book, and the Government is bound to give pension to all the agricultural workers who have attained the age of 60 years. That is the first social security Act in my memory, so far, passed in any Legislative Assembly in India.

Subsequently when I was serving as the Speaker of the Kerala Assembly, there were 16 Welfare Fund Bills passed. The first of its kind was the Coir Workers Welfare Fund Bill giving all the coir workers who have attained the age of 60 years, the benefit of pension. As many as 16 such Welfare Fund Bills were passed including the coir workers, cashew workers, bidi workers, and all the working people were entitled to get the benefit of pension after the attainment of 60 years. Not only that, even the Advocates Welfare Fund Bill was also passed. In Kerala, if an advocate who has practised for 15 years or more and if he wants to stop his practice, he would get Rs. 3 lakh as an amount when he retires from practice. Similarly, the Advocate Clerk Welfare Fund Bill was also passed in the House. They will also get fairly a big amount when they stop the practice of the Advocate Clerk. This is the position in my State. All these Welfare Fund Schemes are functioning properly. There is a Committee which will administer the distribution of pension and other benefits to all those workers who retire from service.

But this is not enough. Something more has to be done, and this has to come as an all India measure. Lastly, there was an attempt by the All-India Traders Association to have a welfare fund applicable throughout India. That also was discussed thoroughly, if I remember correctly, in the 13th Lok Sabha, but we could not pass it. We will have to pass it. The hon. Labour Minister promised also to bring such a legislation.

Sir, such a legislation is highly essential in the present context also because unemployment is also very much on the increase. We all know that the public undertaking in India were providing employment to a large section of communities especially, the Scheduled Castes, the Scheduled Tribes and the backward classes. They are entitled to get the constitutional reservation in all these public sector undertakings.

Now, the present position is that all these public sector undertakings are more or less privatised. The guarantee that was available previously is not available now to all these people. These Scheduled Caste and Scheduled Tribe people are not entitled to get any benefit from these companies, which they were enjoying when they were working in the public sector undertakings. After privatisation of the public sector undertakings, their chances of getting jobs have diminished. They are, in a way, thrown out of the employment. So, the number of these people who are thrown out of employment is on the rise.

Therefore, we will have to find some method or some legislation making it compulsory that even in a private firm, which has started functioning in India, this social inequality will be taken into consideration. So, some safeguards should be incorporated so that the Scheduled Castes, the Scheduled Tribes and the backward communities get proper representation even in the private companies. This is also one of the social security measures that is contemplated in this Bill. I think, he will also agree with me.

SHRI BASU DEB ACHARIA: Yes, I fully agree with you.

SHRI VARKALA RADHAKRISHNAN: That is also an important point.

Moreover, nowadays, we see that suicide has become the order of the day. In my State, more than 400 farmers have committed suicide. The alleged reason behind this is that most of these farmers are incapable of paying back the loan that they had taken from the banks — cooperative banks or scheduled banks.

They may take loans for repaying in instalments. But they are not able to repay the loan. So, they are, more or less, committing suicide. The reason behind this is not political but economical. We will have to find it out.

Nowadays, our average death age is more than 60 years. In my State, it is 65 years or 70 years. So, the people, who are beyond the age of superannuation, is increasing year by year. This can be tackled only if we take some sufficient social security measures to meet the situation. Otherwise these old people will be thrown out in the streets and will be treated as beggars or vagabonds. Some of them will commit suicide. Such a deplorable and pathetic condition would arise in the country if we do not take prompt social safety and security

[Shri Varkala Radhakrishnan]

measures to save these people. Therefore, we will have to support old-age homes; we will have to provide them with sufficient health-care facilities. All these measures will have to be properly dealt with in the present set-up. For these things, it is essential that we should have a statute to give protection to all the people who are thrown out of employment.

Now, Sir, it may be pointed that, in the Constitution, it has been provided as a non-judicial Fundamental Right. That is the policy of the State. Directive Principles of State Policy is the position given to such philanthropic measures if they are taken. It is not a birthright or Fundamental Right under the Constitution. There is no judicial remedy for these measures. All these have been included in Chapter IV of the Constitution, namely, Directive Principles of State Policy, and no citizen is entitled to get the benefits under this.

That is why, my learned friend, has brought this Bill to amend the Constitution to make it obligatory for the Central and the respective State Governments to see that, as a social security measure, something is done for all these downtrodden, thrown-out and aged people. This is an appropriate statutory measure. So, it is high time that we make this Amendment to give way to the demands of such people.

With these words, I support this Constitution (Amendment) Bill brought forward by Shri Achariaji.

[*Translation*]

SHRI SHAILENDRA KUMAR (Chail): Honourable Deputy Speaker, Sir, I would like to say something in support of the Bill regarding social security brought out by our senior member (Shri Basu Deb Acharia) in this House. After seeing the picture of Dr. Ram Manohar Lohia in Central Hall of the Parliament it reminds me a slogan of him — 'Roti Kapada Sasti ho aur dawai parhai multii ho'. As sunlight and water naturally are available to the human being in the same manner citizens of this country, irrespective of his caste, religion, category, or region must get free medicines and education. A lot has been done by the Uttar Pradesh Government in this field and I congratulate the Government.

My another submission is that the Central Government must also take initiative in this regard. As our essential needs are being met naturally in the same way the need for medicines and education, which is essential for all the people, irrespective of the class, should also be met naturally. We normally talk about

our rights but we never think about our duties, due to which we face several problems.

I would like to draw your attention, there is a caste by name 'Pasi' which is spread not only in Uttar Pradesh but all over the country. They work as watchman of the police stations of the villages. They used to get Rs. 10 as honorarium during the period of freedom struggle. Even after the lapse of so many years they are getting just Rs. 300/-. People of this class do all work like chowkidari of Police station, making arrangements for drinking water in the police station, personnel service of 'Daroga' or in other words, they do all sorts of work but even then they are getting just Rs. 300/-. In a way it is straight case of violation of human rights. In Bihar State this community has been declared a class four employees and they are getting salary on par with other class four category but in Uttar Pradesh, even today they are paid Rs. 300/- p.m. and their services are being utilised 24 hours. If any quarrel takes place in the village, they have to report the matter to the police station and they have to still work there for the remaining part of the day. The Central Government should consider this matter seriously and they should see that they are declared class four employees and are paid the salary on the par with the other class four category employees in Uttar Pradesh also.

Just a few minutes back some of our honourable members raised a matter that although there is a constitutional provision for reservation in services in Government and non Government institutes for SC, ST and other backward classes but as on date these reservation have not been filled. They are neglected in giving promotion also. An effective legislation has to be brought out so that the constitutional rights provided to the people of SC and ST must also be provided in the matter of services also and they should be given timely promotion.

I would like to mention one more thing which is very important for the treasury and opposition Benches and that is we have been elected to the biggest 'Panchayat' of the country i.e. Lok Sabha with great difficulty and hard work. We come here with the hope that we would be able to bring forward the problems of our area and would be able to put the nation on the paths of development but political uncertainty always prevails. I was member of 10th Lok Sabha which lasted just 11 months. While raising here the issue of social security of the people. I demand that the tenure of Lok Sabha should also be fixed for full five years. For any reason the tenure



of the Lok Sabha should not end in one and half to two or three years. Frequent election causes burden over the nation and situation of instability arises. So, I demand through this House that the tenure of the House should be atleast for five years.

SHRI FAGGAN SINGH KULASTE (MANDLA): Is there any possibility?

SHRI SHAILENDRA KUMAR: We are keeping our point, there are many possibilities.

[English]

MR. DEPUTY SPEAKER: No running commentary, please. Nothing will go on record.

...(Interruptions)\*

[Translation]

SHRI SHAILENDRA KUMAR: My another submission is that the exercise of franchise must be made compulsory. Now a days we see that only 35 to 40 percentage of people exercise this franchise. It is our fundamental right. I wish that a legislation should be brought by which it should be made compulsory for the person whose name is there in the voter list to caste his vote. The day this is done the prestige of this House and the democracy will be saved and good people will be elected as member and our country will march towards the paths of development.

As of now 70-80% of the people in the country live in villages and there main occupation is cultivation. We get elected and talk about farmers. Our rural development Minister, Raghvuansh Prasad ji is in the House and is smiling. I would like to draw his attention that this matter is related to his Ministry. I would like to say that we talk about the problems of farmers but we should assure that the farmers get water and electricity free of cost.

If the farmers prosper then the country will advance. Today farmer is on the brink of ruin. He is not getting the remunerative price of his product. Farmers are committing suicide due to burden of loan. So far 5000 farmers of the country have committed suicide. We have to take a serious view of this.

One of our colleagues has raised the point to mix ash in the brick kiln. Today 25 thousand brick kilns in the country have closed down. Fifty lakh workers have

been rendered jobless. They are migrating to cities from the villages. There is an order of the Supreme Court. I do not level charges against them. We deeply respect the Supreme Court, but the matters connected with public welfare have got to be considered and the Government had to pay attention towards this and all the hon. Members of Parliament will have to think over it.

I thank you for the opportunity given to me to speak and conclude with these words.

[English]

MR. DEPUTY SPEAKER: Before I request the next hon. Member to speak, I would like to go to Item No. 35. Shri Suresh Chandel to introduce a Bill.

15.56 hrs.

**(xvii) Constitution Amendment Bill, \*2004  
(Amendment of Article 275)**

SHRI SURESH CHANDEL (Hamirpur, H. P.): Mr. Deputy Speaker, Sir, I move that leave be granted to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India.

SHRI SURESH CHANDEL: Mr. Deputy Speaker, Sir, introduce\*\* the Bill.

[Translation]

15.56<sup>3</sup>/<sub>4</sub> hrs.

**CONSTITUTION (AMENDMENT) BILL, 2004  
(Insertion of new Article 21 B, etc.)—**

*Contd.*

[English]

SHRI S.K. KHARVENTHAN (Palani): Sir, I thank you for giving me this opportunity to participate in the discussion on this Bill to further amend the Constitution to insert a new article 21B for paving the way for the security of the poor citizens of this country.

15.57 hrs.

(SHRI VARKALA RADHAKRISHNAN *in the Chair*)

First of all, I want to thank our hon. senior Member, Shri Basu Deb Acharia as he thought about 70 per cent Poor People of the country and brought forward this Bill. Hon. Member, Shri Rao has elaborately explained how the people living in rural areas are affected as they are not getting any benefits.

\*Not recorded.

\*Published in the Gazette of India, Extraordinary, Part-II, Section-2 dated 17.12.2004.

\*\*Introduced with the Recommendation of the President.

[Shri S.K. Kharventhan]

At the outset, I want to say that those people who are living in rural areas want a dwelling house. They want safe drinking water, electricity for their houses, and some guaranteed work for their livelihood. We got independence in 1947. But even after a lapse of so many years, we have not been able to give all these benefits to the poor people of this country. If you go to any village of this country as a Member of Parliament, you would get the applications from the down-trodden community for providing houses under Indira Avas Yojana and for providing free electricity. For example, in my constituency, within a period of six months, I received 3000 applications for jobs. What is the safety and security which we are giving to them?

The State Government receives the funds from the Union of India for implementation of many schemes. We have to think whether these benefits are reaching the poor masses. When late Rajiv Gandhi was the Prime Minister of this country, he convened a meeting of all the District Collectors of the country. At that time, he said that if the Government of India gives Rs. 100, only Rs. 15 reach the masses and Rs. 85 do not reach. That is the situation. If a poor man or an agricultural labourer goes to a Taluk Office for getting community certificate, he has to spend Rs. 500. Otherwise, he cannot get the community certificate. This situation is prevailing in rural areas. For example, there is a Centrally-sponsored programme called Kutir Jyoti Programme for giving at least one light to all the huts in all the villages. If the State Government wants, it is giving this benefit. If the people do not vote for the party in power, they immediately cancel the scheme.

When Shri Karunanidhi was the Chief Minister of Tamil Nadu, he introduced so many schemes for the people who are living below poverty line. One of the schemes was Marriage Benefit Scheme under which a beneficiary was entitled to get Rs. 10,000 for his marriage.

16.00 hrs.

Sir, the name of the scheme was Moovalur Ramamirtham Ammaiyar Scheme. The former Chief Minister of Tamil Nadu, Dr. Karunanidhi introduced another scheme by name Dr. Mathulakshmi Reddiar Scheme. The scheme was meant to give an assistance of Rs. 500 to pregnant women for 4 months, two months before delivery two months after delivery. The former Chief Minister introduced another Scheme for the women Self-help Groups, namely, the Bangaru Ammaiyar Scheme.

Under the Dr. Tharmambal Ammaiyar Welfare Scheme, he had given 10,000 to each widow for remarriage. He made provision for employment of 10,000 young men as labourers in the highways with a salary of Rs. 2500 per month. The new Government formed in 2001 cancelled all the schemes that were announced by the former Chief Minister Dr. Karunanidhi with just one stroke of pen. One of my learned friends here brought a Bill to discuss about the conditions of the jobless youths in this country. In the State of Tamil Nadu, the Government under Dr. Karunanidhi made provision for appointment of 10,000 youths as Highway labourers. 4000 youths as Rural social workers. But all of them were removed in 2001. They were sent back. The affected Highways Labourers appealed to the High Court against the order of Tamil Nadu Government and the High Court subsequently gave a direction to the Government to re-appoint them. But the present Government has gone to the Supreme Court against this decision of the High Court. The question today is whether we are living in a democratic country or in a country ruled by a dictator. Hence I request Union Government to interfere and reinstate all Highways Labourers in Tamil Nadu immediately. This is almost the situation all over the country. The present Tamil Nadu Government has cancelled all the welfare schemes announced by the previous Government.

Sir, I would like to cite an example here. A scheme was announced by the previous Government under Dr. Karunanidhi whereby the old people belonging to all category of weavers, fishermen, Farm Labourers and other old people who were not having any male child would be given a sum of Rs. 200 per month as an assistance to support their lives. But that scheme is not implemented properly now. Where will the poor people, the old people, the senior citizens living in the rural areas go? Who would they be able to get their food, cloth and shelter? Such is the pathetic condition prevailing in the State. The time has come now to really think over all these things.

Sir, I belong to an agriculturist as well as an advocate family. I am really bothered about the lawyers working in the *mufassil* courts. If you go to any *mufassil* court, then you would find that lawyers in such courts are virtually struggling hard for Rs. 5 per day. Some of the State Governments, with the help of the lawyers themselves, have created a Welfare Found Scheme for the lawyers. Kerala provides a sum of Rs. 3,00,000 on the death of a lawyer. Tamil Nadu provides a sum of Rs. 2,00,000 on the death of a lawyer. But in some of the States sometimes a lawyer who dies at the age of

90 years after having 50 years Bar experience is not left with even a thousand rupees for his burial expenses. That is the situation of the lawyers working in the *mufassil* areas. Some of the lawyers working in Delhi earns about Rs. 1,30,000 per day and on seeing that we cannot conclude that all lawyers are rich enough. That is not the condition of the lawyers residing in the villages and working in the *mufassil* courts. They are working in the *mufassil* courts for the welfare of the poor people in the villages.

Sir, during the regime of the previous Government we requested them to provide for a Welfare Fund for the lawyers throughout the country. A Centrally-sponsored Fund must be created to help the lawyers throughout the country. I would now like to request the hon. Minister to consider amending this article suitably in order that the provisions of the new Act would help not only the poor people but also the lawyers working in the villages and the poor workers. It is only then that we can expect a bright future for this country.

[Translation]

SHRI SUNIL KHAN (Durgapur): Mr. Chairman, Sir, my senior colleague Shri Basu Deb Acharia has moved the Constitution (Amendment) Bill, 2004 in the House. I stand to support that. He has requested to include a new article 21B in the Constitution. I agree with him that even after 58 years of independence the development has not taken place for which the common public struggled and made the sacrifice, but they have not got that. Their aspirations and ambitions remained unfulfilled.

Sir, the common man of the country such as Riksha puller, worker, brick kiln worker, farm worker and small farmers have not got the social security. Those who work as Bidi worker and if suffer from T.B., then they have no social security to bank upon. Likewise ninety percent of the worker's class comprises of unorganised workers. For the unorganised workers of the country there is no social security. So there is a need for the Government Bill to provide social security to the poor people and unorganised workers of the country.

Sir, just a while ago my predecessor has told that this is a Private Member's Bill. In lieu of this, seeing the situation prevailing in the country a Bill should have been introduced from the Government side in the House.

The Government has cut down the interest rate of EPF to 8.5 percent. Earlier there was 12 percent interest

rate. This should be at least 9.5% if not 12%. Sir, those who retire, are worst affected. The rate of interest of MIS and National saving schemes has also been cut. If a further cut is made the total cut will amount to 6% and not 5%. After attaining the age of 60 years if someone deposits the money in the bank, the person will suffer a huge loss.

Sir, the price of L.P.G. is increasing and the price of every commodity is increasing. The price of petrol is increasing and the price of every essential commodity is increasing. So the retired people are finding it very hard to survive. Those who even don't have Provident Fund such as our Bidi workers, Agriculture labourers, Landless labourers and Riksha pullers don't have any security to fall back upon.

Mr. Chairman, Sir, entire public fought for the freedom. We support UPA Government and for the want of that support we also favour that by introducing such a Government Bill social security can be assured to all. As far as the hundred days work programme only with the provision of 39 thousand crore is concerned, 40 percent people living below the poverty line will get a job for hundred days. All that we want to say is that those in power should pass a Bill here. A large amount of money is wasted. There is a lot of black money in our country. We have a number of religious places, may be of Hindus, Muslims or Christians. Many mutts are getting a lot of money; they should be taxed, Tirupati temple and Mosque are receiving large amounts and if it is taxed by the Government, then the common man will get benefited. A University degree will fetch no result. If someone has not got the right type of mindset and he gets a first class university degree or even a Ph.D. degree, it is of no use for our country.

Mr. Chairman, Sir, I don't have much time as I have to go back to my constituency. So I have to say that those who are present will make speech but for those who are not present we will speak on their behalf. Our Government must introduce such a Bill as has been introduced by our Senior Member of Parliament, Shri Basu Deb Achariaji. If such a Bill is introduced by the Government then the common public will be more benefited. With this I conclude and thank you for the opportunity given to me to speak.

SHRI HARIBHAU RATHOD (Yavatmal): Mr. Chairman, Sir, the Bill brought by Shri Basudeb Achariaji can be considered a revolutionary one. We apprise this House with various such problems through Private Member's Bill.

[Shri Haribhau Rathod]

In this context, the Constitution Review Committee, constituted under the chairmanship of Venkatchalajayi two years back has presented its recommendations. These contain such things and details which have not come before us so far.

I would like to tell that there are such people in our country who do not have ration cards, whose names are not entered in voter lists, who do not have any home to live in. Now, are they not fit to be called the citizens of our country? I am talking about those people who are called the scheduled de-notified tribes. However, they are called tribes but they have not been given the status of a tribe so far. There are about 15 crore such people in this country who are still running from pillar to post to get work.

Rural Development Minister is sitting here, is there any provision for them? As their names are not in ration cards, they do not belong to any village, they have no shelter, no home and even the below poverty line card, will he do some favour to them? Respected Atal Bihari Vajpayeeji had set up a Commission for these people which have completed one year on last 20 November, but this commission have done nothing further. After the elections, six months have elapsed and this Commission is still inactive even today. I would like to draw the attention of the Government through you that this Commission may be made active again the names of such 15 crore people. I was talking about who still do not have any house to live in, who do not have ration cards, are also not entered in the voter list. They do not get education. Such people can be found in every State. The recommendation of the Constitution Review Committee received and the revolutionary recommendation put up before you by Venkatchalajayi is lying with the Government. He should implement it. One more commission was set up for Neumatic Tribes, he should priority to it too.

We talk about the poor. We talk about alleviating poverty. But whatever schemes are there, they have remained much behind to deliver the goods for the poor. When we go to villages such poor people come across who do not have homes, cultivation, nor work. They ask for help. They think that since we are Members of Parliament, we must be having some scheme. But we cannot give them anything. We do not have any scheme to solve their problems. The Ministry of Rural Development schemes are attractive in principle, but they do not reach the villagers. The Government have so far paid attention

towards Scheduled Castes and Scheduled Tribes, but this Parliament would not have come across the name of scheduled de-notified tribes. It is perhaps the first time that we have paid attention to 15 crore people of scheduled de-notified tribes. Today, they need social security. Some provision should be made in the Constitution for that and when this is done we will support him on this Bill.

[English]

MR. CHAIRMAN: Chaudhary Lal Singh - not present.

Shri M.P. Veerendra Kumar.

SHRI M.P. VEERENDRA KUMAR (Calicut): Sir, I thank you very much for giving me the time.

I am happy that the hon. Member Shri Basu Deb Acharia has brought forward this Private Member's Bill. We are very much concerned about the social security system. What is happening to the social security system? There is no social security system as such. About 90 per cent of the agricultural labourer in other sector — are unorganised.

I had an experience when I was the Labour Minister of this country. I tried to bring forward a Bill to give pension and other benefits to the agricultural labour. I remember that I addressed the AITUC meeting — the National Conference — as well as the HMS Conference and promised them that it was the endeavour of the Government to bring forward a Bill in favour of those labour who were almost neglected. I tried my best. A Cabinet Sub-Committee was formed, if I remember right. But I could not move that Bill.

I called a Labour Ministers Conference. I pleaded with them that we must have a legislation. Only Kerala has a legislation in this regard. I think West Bengal has also passed a Bill and it is now being implemented. There is one in Tripura. There is no legislation in any other State to give any succour to the agricultural labour. This is the mindset. So, I pleaded with the Labour Ministers from all the States. I think it must be the Sixth or Seventh Labour Ministers' Conference. I could find one thing.

We talk of the agricultural labour. Actually, we talk of agriculturists and not the agricultural labour. Then, I understood the mindset. We talk of the poor people of

this country but we are not prepared to take them to heart to do something. I also remember that some bonded labours were brought from Uttar Pradesh, somewhere from a quarry. Swami Agnivesh brought all of them to Delhi. Somebody asked me: "Why do you not go and visit them.?" So, I went with my colleagues and visited them. I still remember what I saw there. So many women, so many old labourers were there who were supposed to be quarrying. I saw one woman with a child. She told me that she was chained for 15 years. She further told me that they did not even get Rs. 5 a day. And, the woman had only one *saree*. Half of it she washed and waited for the other half to dry. That was the *saree* that she was wearing for 15 years! When I saw the plight of them, I could understand that that was the rural picture of India in the villages. So, now, I would urge upon the hon. Labour Minister — my friend is here — to seriously consider about the unorganised sector people and do something.

We talk of globalisation and liberalisation. What is happening now? Actually, I do not want to take a lot of time of the House. Now, what is happening not only here but also everywhere in the world? Only some big corporations want to corner the resources. It is not to give any succour to the poor people. It is only to make everything a commodity, to make even water a commodity. Would anybody believe if somebody says that one should never sell water, the river should never be sold? I read in the *Washington Post* an advertisement which was given by the Kerala Government saying that *Malampuzha* is for sale. We never knew about it. The people of Kerala never knew about it but the Washington people knew about it. The Vivendi Corporation, whose head office is right in Paris, deposited \$500 and came to bid for the *Malampuzha* Dam.

Who are staying there? The Adivasis and poor people are staying there. You might have heard about a struggle going on for water there. The adivasis, the poor people and the agriculturists are struggling for water. In Plachimada in Palakkad District, the place in Kerala from where I come from, that struggle is going on, and on the coming 15th of January, that struggle will reach 1000<sup>th</sup> day. The Adivasi women walk 10 to 15 kms. every day to bring water, but right under their leg, there is ground water. About 10 TMC of ground water is there in Palakkad. The Coca-Cola and Pepsi Cola companies are draining out the whole thing. They drain out 20 lakh litres of water every day, but the poor people do not have drinking water. Who will give them water? Who will

give them shelter? Who will listen to them? We are talking about multinationals here. If something happens in the Stock Market, we are all worried about it. But nobody will go to Warangal and nobody will go to the place I come from where agricultural labourers and other people are committing suicide.

So, it is time for us to rethink our priorities. Everything is not glittering in this country. I do not want to dwell upon all those subjects. But it is relevant here in the sense that every day, day after day, the people who should be looked after by us are turned into victims. The battle that is going on in this country is the battle of those victims. They have all become victims of these great grabbers of resources.

I would like to submit that we have enough resources to look after the poor people and to give pension to old people. What is the NPA from the industrial sector? How many thousands of crores of rupees are due to be repaid to the banks? Do you think that the banks are going to get it? They have no compunction in saying that they are Non-Performing Assets. But if there is NPA to the extent of Rs. 2,000 crore or Rs. 4,000 crore in the agricultural sector, it is a big issue for us. Where is our thrust? The thrust is towards urbanisation. In that process, our villages are becoming more and more poor.

Sir, day-before-yesterday, Dr. Raghuvansh Prasad Singh was holding a discussion with our MPs. He said that crores of people have no lavatory in this country. They have no place to ease. The women have to wait till sunset so that they can go to the fields and ease themselves. We are talking of the great progress made by our country, but we could not even provide ample place for the village women to ease out. We are talking that everything is glittering and say, we are a great country and we are proud of our progress. But the test lies with the man who is at the lowest ebb of the society.

Looking from that angle, I think it is the social responsibility of the Government, whichever Government it may be, to provide the basic amenities to our people. I talked about our Government, when I was in the Government. We could not do it. I do not think anybody will do it. But do you think we can ignore these people for a long time? Even the organised political parties are not taking up these issues. There are other movements in this country for that. The time has passed when the people were looking towards political parties for solution

[Shri M.P. Veerendra Kumar]

to their problems and leadership. I think, now political parties have to go to the people and draw their agenda. The agenda is drawn right down there. We say that some people are taking up arms somewhere. We may say that it is a law and order problem. But it is not a law and order problem, it is a battle to live.

Sir, I would like to make one more point and then conclude. I come from Waynad and there is a village called Pulpalli. In that small village, the people were once having about 500 vehicles. That was the affluence they had. Now, all those people who had vehicles are going for free ration. The whole area is devastated. Nothing is there now and they are committing suicide. From suicide to terrorism, what is the distance? A man decides to die because of poverty and because he cannot pay back his debt? Can you say why he is becoming more violent these days?

If 50 people in that area become violent, will that district survive? From suicide to terrorism, the distance is not that much. Slowly, the people are realising that they are neglected. Unless we take it seriously, we cannot solve their problems. But is that not trying the patience of the people? They will rise one day.

Shri Basu Deb Acharia has brought the Bill and he has opened our eyes that we have to go into the social and economic problems of the people. They are much deeper. And not to say that the poor people are the liability of the country; the population of this country is the backbone of this country. If we want to give them succour, we should have a social security system.

I congratulate Shri Basu Deb Acharia for bringing this Bill and I urge upon the Labour Minister to bring a Government Bill in this regard.

[*Translation*]

The Minister of Rural Development (Dr. Raghuvansh Prasad Singh): I could not refrain myself from taking part in the discussion and take benefit even hon'ble Members were saying that they have not got a chance to hear my speech for a long time. It will also fulfil their wish.

SHRI RATILAL KALIDAS VARMA (Dhandhuka): Give your speech in the same style.

DR. RAGHUVANSH PRASAD SINGH: Mr. Chairman, Sir, the popular parliamentarian of our country, Shri Basu Deb Achariaji has taken pains to bring the Constitution

Amendment Bill Shri Achariaji has brought a very good proposal for the poor, deprived and exploited people in the country. The Government's reply will be given by our friend, hon'ble Minister, Chandrashekhar Rao ji, who is a leader from Telangana. Since the subject is very important and the hon'ble member was speaking about the rural development, I could not refrain myself and became interested in participating in the discussion. And, thankfully, you have allowed me that is why I am taking part in the discussion.

It is a fact that 70 crores out of a population of 100 crores in India, live in villages. Mahatma Ghandhiji used to say that the soul of India resides in villages. As long as villages are not developed, poverty and unemployment will not be removed from villages. India can never make progress and can never be included among the developed countries. Therefore, the proposal for amending the Constitution is a very good one. Acharia ji raises questions for the poor people regularly. This involves the subject of rural development and 19 crore people are still living below poverty line in the country, out of which 1.5 crore families are homeless and anyhow live in slums. There are 15 lakh families in the Indira Awas Yojana and our budget this year has increased from 1900 crores to 2500 crores. Earlier, Rs. 20,000 per unit was provided for normal areas. While Rs. 25,000 per unit is being provided now. For difficult areas *i.e.* hilly areas Rs. 27,500 is being provided. We can provide houses to 1.5 crore families in ten years at the rate of 15 lakh families per year but then, there is an increase of 10 lakh families every year too.

That is why we are able to bring down the number of homeless families to only 5 lakh per year. Sampurna Rozgar Yojana is being implemented for the landless, poor people in the villages who are unable to find work. There is a budgetary provision of Rs. 4,500 crore and 50 lakh tonnes of foodgrains under the scheme. Besides, Rs. 1,500 crore, which is about 25%, has to be provided by the State Governments. In all, there is Rs. 6,000 crore in cash and 50 lakh tonnes of foodgrains which helps in generating 85,000 crore man-days and thus employment is provided.

In addition to this, provision of Rs. 2,020 crore in cash and 20 lakh tonnes of foodgrains for the selected 150 districts has been made under the ambitious food for work scheme which was recently implemented. These provisions are made for the remaining period of this financial year only and its budget will be doubled in the

next financial year. Members are demanding that more districts should be covered under the scheme. But the criteria for the selection of these 150 districts is high proportion of SC/ST population in the district and the situation of wages and productivity there. Sir, more districts will further be added to it. The Bill presented by hon'ble Shri Basu Deb Achariaji in this regard, provides for employment or payment of unemployment allowance to any unemployed person from the age of 30 years till getting profitable employment or achieving the age of 60 years, whichever is earlier.

Sir, carrying forward the same sentiments, a Bill under Employment Guarantee Act will be introduced in this August House. Hon'ble Members will be able to express their views on the Bill when it will be introduced in the House. It is a great historic task. It is like giving right to work. It will have a provision for at least 100 days employment in a year. This was the main commitment of our National Common Minimum Programme. What do we do for the poor people of our country? Rich people can avail loan from Banks at 7% interest rate for purchasing a car or building a house. NPA's worth Rs. 1.50 lakh crore were written off which were related not to the poor people but rich people. There is black money in the country worth Rs. 8 lakh crore. But on the issue of poor people, question is raised about from where will funds come for them? Economists in the country started asking how will the Employment Guarantee Act be implemented, and from where money will come for it?

It is a grave conspiracy against the poor and I want to expose this conspiracy. According to the spirit of the Bill, which has been presented by the hon'ble Member, a Guarantee Act for the employment is likely to be brought under the National Common Minimum Programme which will provide right to work to the poor and a guarantee of employment for 100 days will be given to them. If they are not provided the employment, they will be paid unemployment allowance.

[English]

MR. CHAIRMAN: Now, the allotted time for this Bill is over. If the House agrees, I can extend the time by half an hour.

SEVERAL HON. MEMBERS: Yes.

MR. CHAIRMAN: The time of this Bill is extended by half an hour.

[Translation]

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora): Sir, after this one next item, Item No. 38, is to be taken up.

PROF. RASA SINGH RAWAT (Ajmer): Mr. Chairman, Sir, through you, I would like to ask the hon'ble Minister with regard to the Employment Guarantee Bill that only four days are left now; when will this Bill be presented and when will the discussion on this Bill be taken up?

DR. RAGHUVANSH PRASAD SINGH: Today, I am speaking on Constitution amendment. I am likely to bring a bill to this effect in this House very soon. We have also requested His Excellency, the President to accord his assent to this bill as soon as possible. I have also requested the hon'ble Speaker to give permission to present this Bill soon. I have prepared its draft and other related documents. But I want to expose the conspiracy which is being hatched against the poor people. A Bill is likely to be presented relating to the poor. Our common minimum Programme is committed to provide employment in order to become poor-oriented, village-oriented and to eradicate unemployment. Sir, subsidy is given on LPG but what kind of subsidy is provided to the poor people who cook their food by lighting sticks, wood and leaves? But when the issue of poor people comes up for discussion, a question is raised as to where the money will come from?

Therefore, this Bill which seeks to amend the Constitution, contains the spirit of welfare of the poor and the Government will bring this bill in this session only. A provision of providing employment to the jobless poor people will be made in the Bill by giving them work and engaging them into employment. We are talking about generating man days of 85 lakhs to 100 crores. But when we shall give it a legal shape, it is obvious that expenditure in the budget would increase. When we are asked that from where we would generate money for this task, I would like to state that the way in which other schemes are implemented, the arrangement of funds is also made for them from the Government exchequer. Similarly, money from Government exchequer will be made available for this scheme meant for the poor people. *Sare jahan se achcha hindustan hamara, rahene ko ghar nahi hai, lekin hindustan hamara*, (our country is the best in the world no matter we don't have a house to live in; still our country is the best). The poor people don't even possess a yard of land but still the entire country is ours. How can he feel that the land of India belong to him as well and he also has a share in it.

[Shri Raghuvansh Prasad Singh]

Today, there are about 1 crore 13 lakhs landless people in our country. We shall see to it that they also get some land and do not remain landless. The question as to where the money will come is, raised in the House but the question of real India *i.e.* the rural India is parried under a conspiracy. When we talked about India, it was said that 'India is shining - India is shining. But that time is over now. Now the time has come for 'Bharat shining' and time has come for shining of villages.

[English]

PROF. RASA SINGH RAWAT: I asked a pointed question. When will the Bill be presented in the House? This was my question.

[Translation]

DR. RAGHUVANSH PRASAD SINGH: I am also giving a pointed answer. Rasa Singh Rawatji is an experienced Member of the House. He knows how a Bill is presented. Assent from the hon'ble President is required for this purpose. We have already filed a request. Permission from the hon'ble Speaker is also required to be get and we have also requested him to grant permission.

PROF. RASA SINGH RAWAT: You have been repeating this for the last six months.

DR. RAGHUVANSH PRASAD SINGH: But when the Bill will be presented you will take one year to read it. We are bringing it in the Parliament very soon. We have already implemented Food for work scheme with the same intention prior to presenting the Bill. So far as the question of poor people is concerned, the UPA Government is not going to back out from its commitment. The time has gone when there was a lot of procrastination on the issue of the poor people and the issues pertaining to the rich people used to get top priority.

The Hon'ble Members expressed their curiosity about the schemes being implemented for rural development so I thought it necessary to provide them information and state as to what is the condition of the villages, condition of poor people and condition of the farmers. If you look at the figures, you will come to know that unemployment had increased and the percentage of providing employment had declined during the reign of the NDA Government. They were ousted by the public because they had neglected the poor, the farmers and the villages. *(Interruptions)*

SHRI FAGGAN SINGH KULASTE (Mandla): How many poor people have been given employment by you?

[Translation]

PROF. RASA SINGH RAWAT: The scheme to construct National Highways was launched during the regime of NDA Government and lacs of people got employment through it. *...(Interruptions)* I refute the allegation that unemployment increased during the NDA regim. *...(Interruptions)*

[English]

MR. CHAIRMAN: Hon. Minister, you please address the Chair. You do not address them.

*...(Interruptions)*

MR. CHAIRMAN: Please conclude.

*...(Interruptions)*

SHRI S.K. KHARVENTHAN (Palani): You sold out everything in these four-and-a-half years *...(Interruptions)*.

KUNWAR MANVENDRA SINGH (Mathura): Are you not feeling good? *...(Interruptions)*

MR. CHAIRMAN: Hon. Members, please co-operate.

*...(Interruptions)*

MR. CHAIRMAN: Please come to the Bill.

[Translation]

DR. RAGHUVANSH PRASAD SINGH: Hon. Members expressed their desire that I should show some of my old traits. Now, they are not able to tolerate when I am telling them *...(Interruptions)*. This issue is related to the poor, the millions of rural folks and the unemployed. Parliament is the Supreme organisation of this country. The people know about the issues which are being discussed in this House; they know about the works which are being done and about the plans which are being formulated. This Government will introduce a Constitution Amendment Bill to cater to the aspirations of the millions of rural people. An amount of 4500 crore has been sanctioned under SGRY. It is directly allocated to DRDA and there are instructions for DRDA to allocated 20 percent to Zila Panchayat Samiti, 30 percent to Taluka Parishad and Block Panchayat Samiti and 50 percent to



rural Panchayats from the fund allocated to that particular district within 15 days.

Sir, now I shall tell about the provisions. Half of the sum allocated to the villages will be utilised for the welfare of the Scheduled Castes and the Scheduled tribes at Zilla Parishad and Block Panchayat Samiti level in the ratio 20 and 30 respectively. Twenty two and a half percent of the money so allocated will be given as help to the individual beneficiaries belonging to the Scheduled Castes and the Scheduled Tribes communities. It will enhance their income. From that money, the Scheduled Castes and the Scheduled Tribes will be allocated 700 crore rupees in cash and the remaining amount of 700 crore rupees will be given in terms of foodgrains. In terms of ASGRY scheme, a monitoring of vigilance committee under the Chairmanship and co-Chairmanship of hon. Members of Parliament has been constituted to monitor the whole process so that the poor can get employment and means of livelihood and they can also feel themselves as the citizens of India like other people.

SHRI BACHI SINGH RAWAT 'BACHDA': Mr. Chairman, Sir, this is Private Member's Business and the item 38 raised by me is far behind in the list, it will remain undiscussed; so, please be brief in your speech.

DR. RAGHUVANSH PRASAD SINGH: Mr. Chairman, Sir, they have provoked me to show some of my old traits. Because of that, I was saying all that. Sir, there is Social Security Bill for the benefit of the senior citizens who are above 60 years of age. It is the responsibility of the States to implement it. Through the Planning Commission, we just monitor it. Even in that, there is some kind of a scheme and hon. Basudeb Acharia has requested that it should be implemented in a better way. All these clauses have been incorporated in this Constitution (Amendment) Bill to provide a sense of respect and a means of livelihood to even those citizens of the country who are feeble and poor and who have neither any food to eat nor any means of livelihood. All the feeble and old persons are provided help from Prime Minister's Relief Fund. But, they face a lot of difficulties in getting treatment. So, all these clauses incorporated in this Bill are poor-oriented and this Bill reflects the intention to help the rural poor, the downtrodden and the discarded. We care for the problems of all those people. Mahatma Gandhi used to say that while formulating any scheme, the authorities should keep in mind its intended benefit for the poor. In this way, Mahatma Gandhi has provided us a litmus paper to test our plans and schemes keeping in mind the poor and downtrodden. ...*(Interruptions)*

SHRI RATILAL KALIDAS VARMA: You are delivering a speech which should be delivered by us. ...*(Interruptions)*.

DR. RAGHUVANSH PRASAD SINGH: You did nothing for the poor when you were in power. Now, it is our turn to speak and act and you will see no discrepancy in our speech and action. So, my speech is just a reflection of the thinking of the poor. They are doing this. I challenge those people. He has raised just one question. I used to sit on fourth seat when Shri Jaswant Singhji had been presenting budget. I challenged him. I told him that there is no provision for the poor persons in the budget. Poor persons, farmers and labourers were not in their agenda. Why was it so? I want to give an example.

PROF. RASA SINGH RAWAT: There was Congress rule for 45 years. It did nothing for the upliftment of the poor persons. ...*(Interruptions)*

DR. RAGHUVANSH PRASAD SINGH: Bhishm Pitamah was lying on a bed of arrows in the war of Mahabharat. Draupadi laughed when he spoke words of wisdom. Bhishm Pitamah asked her as to why she is laughing? Draupadi replied that when my chastity was being robbed where was your wisdom and philosophy? You kept quiet at that time and now you are talking words of wisdom. Bhishm Pitamah replied that my wisdom failed me at that moment as I was in service of Duryodhan at that time. A great man like Bhishm Pitamah said that a man is known by the company he keeps. Similarly their wisdom has failed as they have always favoured capitalist, multinational and foreign companies. Poor farmers were not in their agenda. Our agenda is in favour of the farmers. We are giving highest priority to villages. UNO has supported our common minimum programme. UNO has appreciated it. You would not find such a programme anywhere else. No other country in the world has an agenda addressing the problems of its people. UNO has appreciated it. Our national common minimum programme is pro-poor and pro-villages and contains solutions for the problems of the country. I expect from the House and I believe that we would be able to implement the programme which is for the poor farmers and labourers who are the builders of the nation and who would build the nation in future. Poverty and unemployment are stigma for us. Implementation of programme would remove poverty and unemployment and India would emerge as the number one nation of the world and our country would move ahead as a powerful nation. With this I thank the hon. Member for bringing this bill.

[English]

MR. CHAIRMAN: Thank you for your very lengthy intervention. Shri Rati Lal varma to speak now.

[Translation]

SHRI RATILAL KALIDAS VARMA: Mr. Chairman, Sir, I do not want to speak at length as Bachi Singhji's bill is coming and I have to speak on that Bill. I would express my views in few lines only.

Hon. Minister has said a lot about poor persons but I regret to say that poor persons are in very bad condition in the area from which he comes. He has done nothing for their welfare though he has expressed his concern about them here. There is no supply of drinking water and electricity and people there cannot afford to wear sufficient clothes. Young girls do not have enough clothes to wear. People say that they are independent now but the poor persons say that they are ruined. They have not got clean water and enough food even after 56 years of Independence. What they have got is only speeches from Ministers like him.

[English]

MR. CHAIRMAN: Hon. Minister to reply now.

[Translation]

SHRI RATILAL KALIDAS VARMA: The poor persons do not have any hope. The poor persons do not have clothes to wear, a shelter to live in, still they say our country is great. We have had enough of speeches. Instead of giving speeches and slogans, we should translate them into action.

[English]

THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRA SHEKHAR RAO): Mr. Chairman, Sir, I am thankful to Shri Basu Deb Acharia, an hon. senior Member of this august House, for introducing the Constitution (Amendment) Bill, 2004 (Insertion of new article 21B, etc.) on the unemployment problem and the problems of the aged and disabled people, which are directly connected with human life. I also extend my wholehearted thanks to the 14 Members of this august House, along with Shri Basu Deb Acharia, who have participated in this debate and gave very valuable suggestions. I am really thankful to them. I have been enlightened by their speeches.

...(Interruptions)

Shri Basu Deb Acharia, through his Bill, wanted to address the issues relating to employment or unemployment allowance to unemployed persons, and provision and assistance for decent livelihood to the old-aged and disabled persons. In actual discussion, he has raised the issue of social security for the work-force engaged in various sectors of the economy, like agricultural labourers, bidi workers, workers in unorganised sectors, etc. and pleaded for right to social security as a Fundamental Right. No doubt, the matters raised by Shri Basu Deb Acharia are of great concern. These are being addressed through various special welfare measures, which I shall not deliberate upon since these cannot be covered within the purview of the present Bill introduced by him. I shall talk on the issues raised by him in the Bill only.

The Government is taking all the necessary steps to deal with the problem of unemployment by promoting growth of labour-intensive sectors, such as construction, real estate and housing, transport, tourism, small-scale industries, modern retailing, information technology-enabled services and a range of other new services which need to be promoted through supportive policies.

Besides taking planned initiative, the Government has also taken special measures like implementation of various employment generation and poverty alleviation programmes. Some of these are Swama jayanti Shehari Rozgar Yojana, Prime Minister's Rozgar Yojana, Pradhan Mantri Gram Sadak Yojana, Swarnajayanti Gram Swarozgar Yojana, Sampurna Grameen Rozgar Yojana, Golden Quadrilateral Scheme, Rural Employment Generation programme of Khadi and Village Industries Commission and various schemes of handloom and handicraft sectors for generation of self-employment.

I also thank Dr. Raghuvansh Prasad Singh who has associated with me in replying. He has also explained to the hon. Members and the House what are all the programmes and initiatives which are taken by the Ministry of Rural Development.

Shri M.P. Veerendra Kumar was also telling about the pathetic situation in the remote areas of our country. Shri K.S. Rao and so many other Members who have taken part in the debate, have also shown their concern about the situation in the rural areas and the people living there. As it is known to the hon. Members and the House, allocation of funds for rural development has been substantially enhanced from Rs. 42,874 crore to Rs. 76,774 crore in the Tenth Plan.

Keeping in view the problem of unemployment in the country, our hon. Prime Minister is greatly concerned for providing at least 100 days of minimum guaranteed employment. Accordingly, there is a proposal under consideration of the Government to enact a Central legislation in the form of National Rural Employment Guarantee Act, which aims to enhance livelihood security to poor households in rural areas by providing at least 100 days of guaranteed employment to every poor household whose adult members volunteer to do unskilled labour.

Shri Raghuvansh Prasad Singh just now made it very clear to the House that he is trying his best to introduce this Bill in this very Session. I hope, the hon. President will accord permission, and the hon. Speaker will also grant permission for introduction of this great Bill, which concerns the rural poor, in this House.

The State Governments would be responsible for implementation of National Rural Employment Guarantee Programme (NREGP) in the areas where the Act is made applicable. Also, a National Food-for-Work Programme has been launched on 14.11.2004 by the hon. Prime Minister in 153 backward districts of the country with a view to provide an employment assurance of at least 100 days' per family in these areas.

The Ministry of Social Justice and Empowerment is the nodal Ministry for the welfare of the senior citizens. It has announced a National Policy for old-aged persons. This policy, *inter alia*, visualises support for financial security, healthcare, nutrition, shelter, emphasis upon information needs, provision of appropriate concessions, rebates and discounts, etc. The National Policy for old-aged persons recognises a person aged 60 years and above as a senior citizen.

The measures taken for disabled persons are grant-in-aid to NGOs, assistance for purchase and fitting of aids and appliances, soft-loans, national scholarships, comprehensive rehabilitation services through various Governmental agencies. Thus, it may be seen that the Government is already taking necessary measures for the generation of employment opportunities for the unemployed persons, and also to provide necessary facilities and concessions to senior citizens and persons with disabilities.

Besides the initiatives taken by the Central Government, State Governments are also taking various measures for additional employment generation, and also for welfare of old-aged and disabled persons.

The suggested unemployment allowance would constitute a much larger burden on the scarce financial resources of the country. Therefore, the Central Government is not in favour of payment of unemployment allowance due to resource constraints.

In the light of what I have mentioned in this context, I would request Shri Basu Deb Acharia, hon. veteran Member of this House, to withdraw the Private Member's Bill.

SHRI M.P. VEERENDRA KUMAR: Sir, is the hon. Minister thinking of bringing an Agriculture Labour Bill?...(Interruptions).

SHRI K. CHANDRA SHEKHAR RAO: Sir, all the hon. Members are aware that I have only recently taken charge of the Labour Ministry. ...(Interruptions).

SHRI C.K. CHANDRAPAN: Sir, I would like to ask one question. ...(Interruptions).

SHRI M.P. VEERENDRA KUMAR: Sir, at least, the hon. Minister can show a sympathetic approach towards it....(Interruptions).

SHRI K. CHANDRA SHEKHAR RAO: Sir, I am sympathetic towards it. The hon. Prime Minister is also greatly concerned about the workforce, which is working in the unorganised sector. ... (Interruptions).

MR. CHAIRMAN: You can answer in the light of the reply.

SHRI BASU DEB ACHARIA (Bankura): Sir, I have the right to reply. He has intervened, but the mover of the Bill has the right to reply.

[Translation]

Mr. Chairman, Sir, I am grateful to all the members except one who have supported this bill.

Dr. Raghuvansh Prasad Singh, the Minister of Rural Development has also supported it strongly.

[English]

Sir, the social security encompasses not only the employment or unemployment allowances, old-aged pension, assistance to disabled and disadvantaged persons, but it also encompasses social security of both

[Shri Basu Deb Acharia]

organised and unorganised workers. He did not mention about the plight of unorganised workers.

Today, we have 40 crore workers in our country, and out of 40 crore, 37.5 crore are in the unorganised or informal sector.

Of these 37.5 crores, 22 crores are agricultural labourers. These agricultural labourers are the most exploited of the unorganised or informal workers. They do not get minimum wages. They have no job security, and they have no other social security.

17.00 hrs.

(DR. LAXMINARAYAN PANDEY *in the Chair*)

Two or three States have introduced the Provident Fund Scheme for agricultural labourers. There is a demand for a comprehensive legislation for agricultural labourers. Shri Veerendra Kumar, when he was the Labour Minister, sincerely attempted to bring a legislation and, for that purpose, he convened a meeting of Labour Ministers of all the States. There were some objections from a Labour Minister or Labour Ministers of some States and, therefore, he could not do so. There may not be any consensus. Even if there is no consensus, for the welfare of the workers, the poorest section of our society, for the welfare of the underprivileged sections of our society, a welfare Government should bring a legislation or enact a suitable legislation for the protection of the interests of the poorest section of our society. The Minister has not said anything about these 22 crores agricultural labourers.

The Minister has mentioned about beedi workers. He said that it is not within the ambit of the Bill, as if social security of beedi workers is not within the ambit of the Bill. There are 40 or 44 lakh beedi workers in our country. What is the plight of these beedi workers? Despite large amount of foreign exchange that the Union Government earns from the beedi industry, it continues to disregard the welfare of poorly paid workers. They are deprived of minimum health and educational facilities. The workers have not been issued identity card. There are a large number of workers who have not been issued identity cards, in spite of Supreme Court's direction. Despite repeated demands made by various Central trade unions, including the Centre of Indian Trade Unions, they are depriving the beedi workers of pension, gratuity, and medical facilities.

Beedi workers are constantly afflicted with lung disorders and skin infections because of hazardous nature of their job where they are constantly exposed to inhaling fine tobacco dust and chemicals daily, as they make beedis by hand. Nothing has been done by the Union Government to ameliorate the situation in any manner whatsoever. Beedi workers do not enjoy insurance facilities. Yet, thanks to the nature of the work they are engaged in, most of them have to retire prematurely since the ageing process gets speeded up through constant exposure to toxic processing elements. There is also a vital necessity of bringing together every section of unorganised beedi workers under one banner to fight the battle for the workers' rights in a more effective manner.

Sir, this is the plight of the beedi workers. I received a reply to an Unstarred Question of mine in regard to hospitals of beedi workers. The Minister stated in that reply that there were five hospitals running for 40 lakh beedi workers. There is only one hospital in my State, West Bengal where more than seven lakh beedi workers are there. For seven lakh beedi workers and their families, there is only one hospital!

One hospital was sanctioned in principle in my District three years back. The land was made available to the Ministry of Labour. However, till date, no action has been taken to set up a beedi hospital, to provide hospital facilities to the beedi workers there. The previous Government decided not to have a separate hospital for the beedi workers. It was a wrong decision of the NDA Government that the beedi workers could be treated for their Tuberculosis in the general hospitals. That was the decision of the earlier Government.

These hospitals are constructed out of the fund collected from the Welfare Cess. It is not provided by the Ministry of Finance. Money is provided from the Beedi Workers Welfare Fund. What is the difficulty in providing a hospital, providing health care, providing dispensaries? If there is a dispensary, you will not find medicines in it, or there will be no doctor. I visited the Dhulian hospital. It was opened four years back. There are at least seven vacancies of doctors which are not filled up. Without doctors and without the medicines, we can expect as to what kind of treatment can be given to the beedi workers. Because proper health care is not provided to these beedi workers, their average maximum age limit is much less than that of workers of other categories.

The number of people engaged in construction work is much higher. Lakhs of them are engaged in the construction work. They are engaged in hazardous work. There is a legislation which provides for setting up a Welfare Fund for them. Only three States have set up this Welfare Fund for so far. Seven States have framed the rules. Though the legislation to provide for Welfare Fund for construction workers was enacted a decade back, most of the States are either yet to implement, or have not enacted, the law in their own State for the protection of thousands and thousands of construction workers.

I made a number of suggestions. The Minister has said that there is a pension scheme for the old-aged. How much money is given under that and what is the percentage? I have seen in one Panchayat Samiti that hardly 40 or 42 old-age persons get pension of about Rs. 100.

MR. CHAIRMAN: Shri Acharia, try to conclude now. You have already made a speech in the beginning and the hon. Minister has replied to that.

SHRI BASU DEB ACHARIA: He has intervened. I am raising the points which he has not covered. These are very important points, Sir.

MR. CHAIRMAN: I know that.

SHRI BASU DEB ACHARIA: About the pension scheme, the Government has changed the policy for Government employees. It is now contributory pension scheme. The pension scheme has been changed for those persons who have joined the service from 1st of January, 2004, Payment of pension was the responsibility of the Government. Now, it will be the responsibility of the employee himself.

The provident fund and the interest on provident fund are the only social security available to the employees and the workers. There are a large number of workers who are not covered under the pension scheme. After retirement, they depend on the interest on provident fund for their livelihood. I have seen the statement of the hon. Minister that the Government will take a decision in regard to enhancing it. It means that it will retain the existing rate of interest of 9.5 per cent. I would like to know from the hon. Minister whether the Government has taken any decision or whether the Government will be taking a decision on this. I would like to know whether the decision to that effect would be announced during the current

session of Parliament. This has been agitating the minds of the people of our country.

When the Opposition took over the Government, the rate of interest was 12 per cent. They reduced it from 12 per cent to 9.5 per cent. The proposal of the Ministry of Finance was to further reduce it to eight per cent. The majority decision of the Trustee Board was to reduce the rate of interest. But the employees and workers of our country have been demanding that if it cannot be restored to 12 per cent, it should be at least kept at 9.5 percent. I would like the Labour Minister to clarify this point whether the Government has already taken a decision or whether the Government has made up its mind that this will not be reduced. Hon. Minister has not given an assurance that in order to remove the lacuna in the existing legislation like the Payment of Wages Act, a comprehensive legislation would be brought to the House. There are a number of lacunae in the Minimum Wages Act, Contract Labour (Regulation and Abolition) Act, Workmen's Compensation Act. They are to be removed. He has not given any assurance that those would be removed and a suitable amending legislation would be brought before this House in order to protect the interests of the workers, in order to provide social security.

In the United Kingdom, there is the National Health Policy. The treatment is free and medicine is given free. Everyday, I am approached by a number of people, particularly the poorer sections of our society about getting the treatment in the hospitals. Some innovative schemes should be evolved definitely. I have not seen the draft. What we have been demanding is that this Employment Guarantee Scheme should not be dovetailed with other rural development schemes. It should be a completely separate scheme. That was the idea. That was the reason why it has been incorporated in the Common Minimum Programme.

It should not be linked with other employment generation schemes which are still existing.

MR. CHAIRMAN: Mr. Acharia, please conclude now.

SHRI BASU DEB ACHARIA: Sir, unemployment problem is existing not only in rural areas, it is there in the slums of the urban areas also. In the slums of the urban areas, a big percentage of population is living below poverty line.

Therefore, the Employment Guarantee Scheme should not only cover the people of the rural areas but also

[Shri Basu Deb Acharia]

should cover the people living in the slums of the urban areas. Otherwise, the purpose of bringing in a legislation for providing guarantee for employment will not be fulfilled.

I urge upon the hon. Minister to please explain it. He has seen the sense of the House. Even his Cabinet colleague has also extended full support to the proposal that in future, he would bring such measures for the protection of the workers who are in the unorganised or informal sector. Then, I would consider to withdraw it.

So, I want an assurance from the hon. Minister.

MR. CHAIRMAN: The hon. Minister has already assured you that he would look into the matter. He has also requested you to withdraw your Bill.

SHRI BASU DEB ACHARIA: Sir, he should assure me first that he would bring such measures. How can I withdraw without his assurance? ...*(Interruptions)*

*[Translation]*

He should speak with regard to the EPF rate.

*[English]*

SHRI K. CHANDRA SHEKHAR RAO: Sir, I very sincerely appreciate the concern of our veteran Member, Shri Basu Deb Acharia about the workforce of the country. Let me assure Shri Achariaji that the UPA Government under the leadership of Dr. Manmohan Singh very firmly believe that the healthy workforce makes a wealthy nation.

I do not want to hide anything. He was asking me to clarify about the amendments to various Acts including the Wages Acts and other Acts of the Labour Ministry. I for one am also not happy about certain of the present procedures followed by the Labour Ministry.

Before coming here, I was attending the ESIC Board meeting. I have also told them that wherever amendments are necessary, they should please bring them to my notice so that we can discuss with the floor leaders and make necessary amendments to those laws.

Sir, I assure the hon. Members that very shortly, I would be calling a meeting of all the floor leaders and senior trade union leaders, and take their opinions before drawing conclusions. I would definitely come before the House with the required amendments in the interest of the social security of the workforce of the nation.

Sir, he has expressed concern about the construction workers. We are preparing a draft Bill. That is underway. Very soon, I hope, I would come before the House with a Bill to help the construction workers of the nation.

Sir, there was a point about a comprehensive legislation about the agricultural labours and the labours who are working in the unorganised sector. Shri K.S. Rao also, though he is a ruling party Member, has shown great concern about the tragic, pathetic and neglected life of the unorganised workforce who are facing a trauma. I assure the hon. Members that discussion are underway. The hon. Prime Minister has also shown his thrust. We are also expected to maintain the pace with the global and liberalised trends which are operative onto our nation also.

Unless we are hand in hand with the trends, we will not be able to save our industry, will not be able to save the interests of our work force, the labour. That is why a comprehensive Act, a comprehensive idea, about the whole issue is under serious discussion of the Ministry. I assure the veteran leader, because he is more exposed and knows the labour problems, that very shortly I will have a meeting with him. I will definitely take all the constructive suggestions from all the senior Members who are interested to help me in this venture.

Regarding Dhulia hospital, the hon. Member has also told me in personal discussion and given me a letter also. Let me not hide the policy, which is presently followed for taking care of the health problems of the beedi workers. Yesterday, I was discussing it with the Director-General who looks after this matter. Some hospitals are in the State Sector, others are run by the Department. It is a typical mix kind of a thing. I assure the hon. Member that vacancies in the Dhulia hospital will be filled very soon. I will take special steps.

SHRI BASU DEB ACHARIA: What about the hospital at Jhalda?? ...*(Interruptions)*

MR. CHAIRMAN : Kindly be brief. We have to take up the next item.

SHRI K. CHANDRA SHEKHAR RAO: Hon. Defence Minister, Pranab Da also has sent me a letter. I am looking into this and very shortly I will inform the hon. Member ...*(Interruptions)*.

SHRI BASU DEB ACHARIA: Jhalda hospital falls in my district. It was sanctioned three years back.

SHRI K. CHANDRA SHEKHAR RAO: We will definitely take it up, Sir, I am having the matter looked into.

MR. CHAIRMAN: You can meet the Minister in person.

SHRI BASU DEB ACHARIA: What about the interest rate? It is very important.

SHRI K. CHANDRA SHEKHAR RAO: It takes me a long time to explain the whole background of the interest rate paid to the workers on the EPF. Now, the speculation, which is coming from the media side is, yesterday, some delegation met the hon. Prime Minister and they have also told that the Prime Minister has agreed to it. It is not correct. Actually, the request was made to the hon. Prime Minister and he assured the delegation that he would sympathetically consider the matter. The Finance Ministry is seized of the matter. The matter is under discussion by the Government. As a Labour Minister I will definitely try my best for a higher rate because I have to work in the interest of the labour of the country. I will definitely try my best but what is the outcome, right now I cannot say. I once again earnestly appeal to Shri Basu Deb Acharia to withdraw the Bill.

SHRI BASU DEB ACHARIA: Sir, since the hon. Minister has given an assurance that he would bring a suitable legislation to remove the lacuna and also bring a comprehensive legislation for the unorganised sector, particularly agricultural labour and also the Labour Ministry is in favour of increasing the interest rate of Provident Fund, I would withdraw the Bill.

I beg to move that leave be granted to withdraw the Bill further to amend the Constitution of India.

MR. CHAIRMAN: The question is:

"That leave be granted to withdraw the Bill further to amend the Constitution of India."

*The motion was adopted.*

SHRI BASU DEB ACHARIA: I withdraw the Bill.

17.24 hrs.

## COMPULSORY VOTING BILL, 2004

*[English]*

MR. CHAIRMAN: The House shall now take up Item No. 38. The time allotted for this Bill is only two hours.

Shri Bachi Singh Rawat.

*[Translation]*

SHRI BACHI SINGH RAWAT 'BACHDA' (Almora): Mr. Chairman, Sir, I beg to move.

"that the Bill to provide for compulsory voting by the electorate in the country and for matters connected therewith be taken into consideration."

It is not a new idea, infact out of all the democratic nations of the world there are 33 nations where voting has been made compulsory either by law or by constitutional measure and there are several nations where there are strict provisions for penalty or reduction in salaries if a voter does not caste his vote and is not able to give genuine cause for not casting it.

Australia, Belgium, Cyprus, Fiji, Luxembourg, Singapore, Switzerland, Uruguay, Argentina etc. are prominent names. The 33 countries which I have mentioned include Italy too where provision has been made for compulsory voting. Some of these countries have carried out amendments in it from time to time. The complete procedure of election is given in Article 324 to 329 in volume 15 of the Constitution that was formulated after the Independence of India and it talks about the citizen's absolute right to vote and that the Election Commission would make all the arrangements for voting. Right to vote has been considered as the important right. Citizenship of India is discussed in Part-II. Part IV (a) was added later on after fundamental rights. The fundamental duties of the citizens have been defined in article 51 (a) voting has neither been made mandatory not has it been described as a duty, to ensure that the voter participates in the voting as a matter of his defined duty or his responsibility.

We are in 14th Lok Sabha after so many elections. It is unfortunate that the percentage of voters has fallen. In Delhi which is the capital of the country, only 30-32 percent voters participated in elections and results came out on that basis only. In our democratic setup the Government is to be elected by the people but here the majority did not participate directly in the elections. It is the appropriate time that we discuss this issue comprehensively and pass this bill to make it mandatory for the voters to caste their votes. I have brought a very small bill, if a person is seriously ill and physically unfit and he can produce a medical certificate by an authorised medical practitioner and it is clear that he has a genuine

[Shri Bachi Singh Rawat 'Bachda']

reason, then he could be exempted from voting. Otherwise there should be a provision for reduction in salary or delay in promotion as a penalty. It is not only that there should be provisions for punishments but at the same time there is also provision of giving incentives in section 4, that a Government employee should be given preference in service if he has been casting his vote regularly for the last 20 years and also despite illness. Such persons should be given preference in high technical educational institutions. The Union Government may decide upon other incentives. ...*(Interruptions)*

PROF. RASA SINGH RAWAT: Mr. Chairman, Sir, who is the Minister related to this bill ...*(Interruptions)*

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH): I am listening to him besides, Law Minister is present ...*(Interruptions)*.

MR. CHAIRMAN: Bachi Singhji, you would be able to continue your speech in the time fixed for this bill, now we would take up half-an-hour discussion.

17.30 hrs.

## HALF-AN-HOUR DISCUSSION

### Production In Small Scale Industry Sector

*[English]*

DR. CHINTA MOHAN (Tirupati): Sir, I am thankful to the hon. Speaker for admitting this Half-an-Hour discussion and to your goodness for giving me this opportunity to speak about the Small Scale Industries. It was supposed to be listed last week but for various reasons it had to be postponed to this week.

Sir, before I dwell on the Small Scale Industries, I would like to give a historical background of the evolution of the Small Scale Industries. The issue of the Small Scale Industries was first discussed in 1938. It was under the Chairmanship of the late Pandit Nehru in a regional conference of the Indian National Congress this subject of the Small Scale industries were discussed. The late Dasgupta was the convenor of that Conference and Shri K.T. Shah piloted the Resolution on this subject. After Independence, in 1948, the Government of India passed an order to have Small Scale Industries in this country. But it was only in 1954 finally that the Small Scale

Industries' Board was formed. In 1954, there were about 20,000 Small Scale Industrial units in this country. Today, there are about 2,31,000 such units.

Sir, what is the philosophy of having the Small Scale Industries? The main philosophy of having such industries were to reduce regional imbalances, encourage entrepreneurship in the backward areas and to remove unemployment and to boost exports. This was the main philosophy behind having Small Scale Industries. What are basically Small Scale Industries? They include the handloom industry, the shoe-makers, the *beedi* workers, the toy industry, the handicrafts industry and etc. There are about 800 types of Small Scale Industries. When it was started in 1954 about 800 types of industries of this nature were included.

Sir what is happening in this industry today? In backward areas of Andhra Pradesh, in places like in the Chittur district of Andhra Pradesh, in Rangareddy district of the same State, even in your constituency, Mr. Chairman, Sir, namely, Mansaud, there are a large number of Small Scale Industries which are in a very bad shape. Even in Delhi, owing to a judgement of the Supreme Court, the Small Scale Units are facing a lot of hardship. What is the condition of such units at the international level? In a small country like Bhutan, the growth of Small Scale Industries is about ten per cent. In Indonesia, the growth of Small Scale Industries is about ten per cent. I would not like to compare ourselves with a country like China where the growth of such industries is about 16 per cent. Today, as per records, the growth of Small Scale Industries in our country is about 7.9 per cent. It is quite a small percentage.

Sir, what are the problems being faced by these industries? The main problem that these industries is facing is that of finance. The banks are not giving proper attention to this sector. The interest rates for loan is very high and the moratorium given to these industries is very less. The repayment time given to these industries is very less, it is hardly six or seven years. They also are not getting proper raw materials. They also are not getting proper marketing facilities and proper incentive for exports on time. The financial institutions are not coming forward to help them. As a result of these, most of the assets of these industries are being rendered as NPAs and becoming sick.

Sir, here I would like to mention about the NPAs. When the late Indira Gandhi was the Prime Minister, the definition of NPA was different. When the late Rajiv



Gandhi was the Prime Minister, the definition of NPA was different. Today, the definition of NPA is that if a person fails to repay the interest within a stipulated period, then the assets of the units become NPAs.

He becomes sick and nobody gives him any support. Government is not prepared to help them. In America, the definition of Non-Performing Asset is, if a man does not pay back within six months, then that becomes a Non-Performing Asset. The interest rate in America is one or two per cent. Here, in India, the interest rate for a small scale borrower is about 15 per cent. Sometimes, they are increasing it to 18 per cent. With a huge rate of interest, without any proper support from the Government and outside, how will small scale industrialists flourish in the country? At least, we should try to give them soft loans. As regards the loans we give them, we should give them more moratorium, less interest and more time for repayment. We must see that they are given some export subsidy or export incentives. Without this, no small scale industrialist can survive in this country.

We should relax the definition of NPA for the small scale industrialists. The small scale industry has got its own history and philosophy. With this philosophy, big industrialists can afford to pay the interest on time but the small scale industrialist is not in a position to pay it on time. He will become sick.

You have established a Bank called the Small Industries Development Bank of India, SIDBI. They are not able to relax the rules. The CMD who was sitting there did not have any sympathy for poor people. Recently I was told that he had been transferred to some other place. It is headless today. You need to have a person with pro-poor thinking, pro-unemployed thinking and pro-small scale industrialists thinking. Without any philosophy, without any proper commitment, I think the small scale industry cannot flourish.

Kindly look at the RBI today. The functionaries of RBI do not have sympathy for the poor. Not even one person has got sympathy for the unemployed people. Not even one functionary knows what is poverty and the sufferings of the people. The same thing applies to the Department of Banking also. The Secretary (Banking) does not know what happens to the small scale industrialists. We have to have our own people with a firm commitment. We should try to reduce unemployment and remove poverty. We should try to remove starvation. Only God knows what is happening to the unemployed people. We have to think of going to their rescue.

The SIDBI while giving loans to the small entrepreneurs are taking post-dated cheques from them. Mr. Hannan Mollah was mentioning in the Zero Hour that cases are piling up in the courts. What are these cases? Actually they are not criminal cases. When poor people or the unemployed persons take loan, they are getting post-dated cheques from them. If they do not repay the loan on time, they are fixing a criminal offence on them and taking them to the court. These are the cases which are piling up in the courts today.

Section 138 has to be repealed. Unfortunately, without knowing the pros and cons, we have brought section 138 and all the middle class people, the poor people and women are suffering before the courts today. They do not have advocates to argue their cases and they are going to jail. This is the situation in SIDBI.

There is another problem with the banks. When an MP or the District Collector or when even the Finance Minister goes to them and asks them to help these poor people under Prime Minister's Rozgar Yojana, the bankers are not prepared to help them. When we ask them the problem, they say that it is the problem of Central Bureau of Investigation, the CBI. When Mr. Rajiv Gandhi was the Prime Minister, there was no link between the CBI and the banks. They were given autonomy and freedom. They were given responsibility. They were taking decisions.

17.39 hrs.

(MR. DEPUTY SPEAKER *in the Chair*)

Today, because of the CBI, the banks are not in a position to help them. Nobody is willing to help them. So, we must remove this CBI link with the banks. We must give them full autonomy. While selecting the CEOs of banks, we should select such people who have a pro-poor and pro-small scale industry attitude and who know the problems of those people. Today, none of the CMDs of banks has sympathy for the unemployed persons.

None of them got any sympathy for the poor. We are selecting these types of people. We have got the Governor and so many Deputy Governors in the Reserve Bank. None of them knows what is unemployment, what is starvation. None of them knows the sufferings of the people. With these types of people, how can we help these industries? How can we help the unemployed people? I am afraid that unless we change these people, with the people who have good thinking, who have

[Dr. Chinta Mohan]

commitment and who have conviction, we cannot help these industries.

Somewhere in the statement, I saw that Small Scale Industrial Development Bank is giving about 60 per cent of its loans to these small industries; financial institutions and banks are giving about 16 per cent of their money to the small scale industrialists; and State financial corporations are giving about 70 per cent of their loans to these industries. On books, they are saying that they are giving this much of money. But in reality, they are not giving any money. Nobody is coming up.

I request that this definition of Non Performing Assets be changed; try to delink the CBI cases from the banks; and repeal section 138 to save all these small scale industries from their sufferings.

I request that more commitment be shown. Our philosophy is to develop these entrepreneurs in the backward areas. It was started by Pandit Jawaharlal Nehru in 1938. We have got a commitment to help these small scale industries. The Indian National Congress has got a commitment to help these small scale industries.

So, I request you to do the needful. With these words, I conclude.

[Translation]

SHRI SANTOSH GANGWAR (Bareilly): Mr. Deputy Speaker, Sir, my friend Chinta Mohanji has given its introduction quite elaborately. Hon. Minister is also aware of the problems of SSI. He is in touch with the common man. Everybody is aware that SSI is the identity of our country. It accounts for almost 40 per cent production and it employs 2.75 crore labourers.

I am not going to give a long introduction, I would come straight to the point. The present Government has given such statements after coming to power, I do not know how it would be solved. That is why I requested the hon. Minister to discuss this issue in detail in the Question Hour. The hon. Minister has said that he would bring a bill in this regard and hon. Prime Minister has said that a commission would be constituted to assess the problems related to this sector, I would only say that it would only waste time. The result would be that the main problem would not be addressed.

I would like to draw the attention of the hon. Minister towards certain issues. With the era of liberalisation goods

have started pouring in from all over the world in our country due to conditions of World Trade Organisation how would our SSI units face such competition. How the Government would find market for our products and how we would run our small units when foreign goods are available at very low rates? It would not do just to lower the interest rates and extend loans at easy terms. It was said a short while ago that Inspector Raj would be dismantled. I am unable to understand how the role of the banks would be changed. The erstwhile Government tried to lower the interest rates of banks and make it 10 to 15 per cent. But I feel that these interest rates are still quite high as at the international level the interest rate is between 4 per cent to 5 per cent. However, it was the Government's statement that it would give a package of 10,000 crore rupees and SIDBI too would extend financial help. But it has come to my knowledge that as of now only Rs. 600 crore have been provided. I feel that SSI is on its last legs. I asked in question hour too as to how the Government would tackle the problems of SSI which is the soul of India and for whose survival Mahatma Gandhi and Pandit Nehru made efforts?

My submission is that if he doesn't clarify his viewpoints on certain subjects then the problem for SSI will keep increasing. I urge him to clarify his viewpoints on SSI otherwise how SSI will survive when conditions of World Trade Organisation are implemented in the era of globalisation.

He said that the Government are bringing a Bill, but certain steps can be taken urgently. How will SSI be provided loan as SSI needs small loans which often banks do not lend. He had told that the Bill will be brought in Winter Session and Winter Session is in progress. So, since it has not been introduced now it is likely to be introduced in Budget Session. Can he promise that the Bill would be brought in next Session? I know its process is lengthy one. SSIs are linked with the production of the country and if the Government does not give them concession, be it environmental or any other kind of clearance and if it fails to provide any relaxation in clearance norms then these units would die. More than quarter to three crore people are employed in these units. Therefore, revival of SSIs is much needed. As he has told that it gets converted into NPA in 6 months, I would not like to reiterate it. But, it is good if he takes good steps for smooth functioning of SSIs.

PROF. RASA SINGH RAWAT (Ajmer): Mr. Deputy Speaker, Sir, I would like to ask hon. Minister whether the Government would try to bring any new small scale

industry policy in view of the importance of SSIs in the country and that the more we promote them for making the country self-reliant the more it would be in national interest. In view of loss making condition of PSUs, the Government should endeavour to promote such small scale units which have more employment generation capacity, whether the Government have held talks with the Industry Ministers of the states for formulation of a policy in this regard? Though the Government, have granted them excise rebate upto Rs. 2 crore, yet it is meagre in view of depreciation of rupee. I want to know. Is the Government taking any step for increasing the rebate amount and for providing the cheaper loan?

Thousands of people are associated with Khadi and village industries. Though, Gandhiji wanted promotion of rural industries and all round development of villages and SSIs, yet Khadi and village industries are in pitiable condition. I would like to know whether the Government propose to formulate any new scheme for their revival and promotion?

*[English]*

MR. DEPUTY SPEAKER: I have received so many chits. The hon. Member wants to speak but, unfortunately, it is not possible for me to give the time. The Rule says:

"Provided that not more than four members who have previously intimated to the Secretary-General may be permitted to ask a question each for the purpose of further elucidating any matter of fact."

*[Translation]*

It would be difficult for me to give time to everyone.

*[English]*

Shri K.S. Rao. You have to put only one question.

SHRI K.S. RAO (Eluru): Sir, the Small Scale Industry is an area which everyone of us has to support. The reason being that people who are involved in this Small Scale Industries are only lower-middle-class people, middle-class people and possibly between lower-middle-class and self-employed people.

The advantages of these are, the establishment cost is very less, the transport cost is very less, the employment potential is extremely high, but unfortunately, when you see the statistics, a lot of small-scale industries are a failure, not because of the people who started those industries, but because of the unfortunate red-tapism

and untimely credit. When a small person approaches a bank for credit, the time taken by the bankers to give him the loan is too much. They make him go round and round like anything, timely finance will not be given to him and this poor man will get crippled. That is the main reason why small-scale industries have suffered all these years. Nobody has got sympathy for them.

Secondly, when they produce the material, proper marketing facility is not there. Certainly small-scale industries cannot compete with major industries. Naturally the Government has to provide certain incentives to them. For example, soap, washing powder, pickles and phenol are manufactured in villages. The Government must ensure that these things are used by Government organisations. Pickles can be used in Government hostels, phenol and soap can be used in municipalities. But the rampant corruption existing in these Government organisations are making those officers to look towards major industries where they can get a substantial cut rather than encouraging these small industries. So, it must be ensured that these materials manufactured by small industries or agro or rural industries are preferred and utilised in Government organisations.

Similarly, the Government must ensure that garments manufactured by small industries are used by police officers and even politicians can use them. All the people who come under that sector must be encouraged to use all those materials that are being manufactured by small-scale industries. It is not being done now.

Let me now come to agro industries. We are making a lot of noise that the farming community is not getting remunerative prices because value addition is not there. When the farmer produces his material, when it is lying in his farm, there is no proper price for it. Even if it is there, it is unremunerative. But the moment the material is lifted from the farmer and taken to the trader, suddenly the price goes up. So, the beneficiary is only the middleman or the trader and not the producer, the farmer. Suppose, if the Government and the financial institutions were to go to the farmer to add value to his product, he will feel very happy because he can provide employment in the village itself. This also has to be encouraged.

Sir, we are spending a lot of money, thousands of crores of rupees, on small industries. One fine morning, we declare that we would distribute Rs. 10,000 crore loans to small-scale industries. I would like to submit that the youngsters, the rural unemployed people must be trained scrupulously, their skills must be improved and

[Shri K.S. Rao]

then they must be linked to financial institutions. If the skilled people are linked to financial institutions and timely credit is provided to them, if facilities for storage are provided to them and if marketing facilities are provided to them, automatically the small-scale industries will flourish and there will be extensive employment in rural areas. If this is done, we do not need to give protection to the poor people or the middle class people who are there in the villages. So my humble request to the Government and more particularly to the Minister is that these people must be properly trained and they should be given the required credit and other facilities.

Recently, the Self-Help Groups of women are doing wonderfully well. So, they must also be encouraged. We should not limit the credit facility to them and give only small amounts of money to them. They must be encouraged to start small-scale industries, rural and agro industries in the villages. They have got character, they are very jubilant and they think that they have now got the authority to utilise the money to create income-generating assets.

Sir, Shri Chinta Mohan has raised a very good issue. The Minister should not rest with simply answering the questions raised here or he should avoid the issue. He should take it to the heart and see that these small-scale industries, rural and agro industries flourish in our country. He should ensure that proper financing is provided to them by cutting down red-tapism and corruption and help these skilled people in the rural areas.

MR. DEPUTY SPEAKER: Shri Faggan Singh Kulaste. You may ask only questions in two or three minutes.

[*Translation*]

SHRI FAGGAN SINGH KULASTE (Mandla): Mr. Deputy Speaker, Sir, I would like to apprise hon. Minister of pitiable condition of small scale industries in rural areas. These units are being closed gradually since neither they get loan nor infrastructural facilities.

Often, there has been talk of a package in this regard and we should be concerned about it. It is good if the Government provide them package as it would benefit small scale industries. If we promote Khadi Gramodyog and other agro-industries, we would also help the agro-implements industry. It would provide scope for local industries for which local market can be created. Therefore, the Government should ponder over this issue.

Mr. Deputy Speaker, Sir, I would like to make one more point. As far as loan system is concerned, it has been observed especially in case of such industries in tribal areas that many people take loans and also avail subsidy benefit but the entrepreneur shifts his base after getting finances and the unit set up by him is closed down. My submission is that there should be a check on it. I request the Minister to consider this point.

[*English*]

MR. DEPUTY SPEAKER: Before I request the hon. Minister to reply, if the House agrees, we may extend the time of the House till this debate is over.

SEVERAL HON. MEMBERS: Yes Sir.

[*Translation*]

SHRI RAMDAS ATHAWALE (Pandharpur): Mr. Deputy Speaker, Sir, please give me also permission for a question.

[*English*]

MR. DEPUTY SPEAKER: According to rules, I cannot accommodate you now. I am really sorry. I cannot go beyond the rules.

[*Translation*]

I will accommodate you some other day.

[*Translation*]

THE MINISTER OF SMALL SCALE INDUSTRIES AND MINISTER OF AGRO AND RURAL INDUSTRIES (SHRI MAHAVIR PRASAD): Mr. Deputy Speaker, Sir, today one of my learned colleagues, Dr. Chinta Mohan has raised following three points on an important issue through a notice in this August House:

- (a) production in small scale sector
- (b) how to reduce sickness of SSIs
- (c) effect of globalisation and liberalisation on SSIs.

In addition to it my several other colleagues such as Shri Santosh Kumar Gangwar, Prof. Rasa Singh Rawat, Shri K.S. Rao also expressed their views on this important issue. I would like to give information regarding follow up action by my Ministry on the points raised by hon. Members and our other future schemes.

First of all, I would like to apprise everyone of definition of Small Scale Industries. At present, units, in which cost of plant and machinery is upto Rs. One crore is known as Small Scale Industry. At present there are 114 lakh such units in the country, out of which, 15.5 lakh are registered and 98.5 lakh are unregistered. These have played a pivotal role in India's economic development and their share in total industrial production is 39 per cent. Total value of their production works out to Rs. 3.58 lakh crore and such units have exported goods worth Rs. 86 thousand crores which is 34 percent of the total export of current year. It provides employment to about 2.75 crore persons.

18.00 hrs.

Contribution of unorganized sector in employment generation is 80 percent. In view of its employment generation potential, our Government have given an important place to it in our Common Minimum Programme. Its speciality is that it contains units of all the sizes.

Under Common Minimum Programme, the Government have made following announcements with regard to SSIs.

- (a) a national commission will be set up to look into the problems being faced by industries in organize and unorganized sector. Such commission will be empowered to recommend comprehensive recommendations related to providing technical, marketing and financial help to the entrepreneurs. A national fund will also be created for this purpose.
- (b) All round assistance should be provided to service sector so that it can lead to development and create employment opportunities.
- (c) A big promotional package will shortly be announced for small scale industries sector. It will be freed from Inspector-raj and it will be provided all kinds of loan, technological and marketing assistance. Immediate attention will be paid towards enhancing infrastructural facilities in large industrial areas.

It is evident from the data available that the number of SSI units, its production, employment creation and the export is increasing every year. The growth rate was 8.6 per cent during 2003-04, and on an average it remained 8.13% during the first two years of Tenth Five year Plan whereas, during 2003-04 growth rate was 6.9 percent.

The Ministry has taken various measures to increase growth rate of small scale industries Sector:

Capital investment cap for 71 high technology and export oriented items has been hiked from Rs. One crore to Rs. Five crore.

Gradually, the list of reserved items is being shortened so that the products become qualitatively comparative and can challenge the products of foreign units. 85 items have been de-reserved under this process during the current year.

"Small Scale Industries Development Bill, 2004" will be introduced in the Parliament shortly to free SSIs from "Inspector-raj".

Loan being granted to Small Scale Sector and has been included under priority Sector Lending Scheme of Public and private sector banks.

The limit of collateral free loan from RBI has been hiked from Rs. 5 lakh to Rs. 25 lakh.

Composite loan limit has been hiked from Rs. 50 lakhs to Rs. One crore.

The limit of project cost under National Equity Fund Scheme has been hiked to Rs. One crore from Rs. 50 lakh.

497 Special Small Scale Industries sector bank branches have been opened and efforts are being made to open a branch in each district in the country.

Commercial banks have been advised to keep interest rate of their loan granted to SSIs 2% above or below prime lending rate.

An SMI Fund has been set up w.e.f. 1.4.2004 with a corpus of Rs. 10,000 crore and so far loans totalling Rs. 600 crore have been disbursed out of that.

The cap on small Industry Credit Card has been increased to Rs. 10 lakh from Rs. 2 lakh to facilitate loan to small scale industries.

The Ministry of Small Scale Industries has launched Credit Rating Scheme under which 75 percent of the fee payable by these units (maximum of Rs. 40,000) will be reimbursed. Units will be asked to contribute towards credit Guarantee Fund. The Government are considering hike

[Shri Mahavir Prasad]

in limit of subsidy under Credit Linked Capital Subsidy Scheme. The Ministry under its Integrated Infrastructural Development Scheme normally provides 40 per cent grant on project cost of Rs. Five crore. But in specialised area, such as North-Eastern States including Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttaranchal Such grant is paid up to 80 percent.

It is considered that if all the units under one cluster are given collective training on high technology then it would lead to development of entire cluster. Therefore, the Ministry has selected 59 industrial clusters in various parts in the country. They are given comprehensive training in high technology, loan and other facilities. Work is also in progress in these 59 clusters under five national programmes. Scope of these national programmes is far greater than cluster schemes. Items selected under national programmes are toys, stone, machine-tools, locks and hand tools. Units have participated in these national programmes.

As has been announced in common Minimum Programme, my Ministry is in process of preparing a package which includes loan to small scale sector, its technological upgradation, marketing, and providing infrastructural facilities.

SHRI SANTOSH GANGWAR: Mr. Deputy Speaker, Sir, my submission is that if the reply was so lengthy, hon. Minister should have sent a written reply and we would have read it. I have raised certain points. It would have been better if the reply to those points was given. .... *(Interruptions)*.

SHRI MAHAVIR PRASAD: Mr. Deputy Speaker, Sir, please have patience, Shri Santosh Gangwar is a very senior Member. He is aware what the Ministry has done for SSI Sector and it is necessary to apprise hon. Member of that. He has asked a question and I am giving a detailed reply of the same.....*(Interruptions)*.

*[English]*

MR. DEPUTY SPEAKER: Please address the Chair and not the individual.

*[Translation]*

SHRI MAHAVIR PRASAD: Mr. Deputy Speaker, Sir, hon. Members have asked what steps the Government propose to take with regard to this sector? In this regard, the Government are drafting Small Scale Industries Bill,

2004 with a view to free this sector from Inspector-raj, which will be placed in the House shortly. I know some of the Members have expressed apprehensions but I can tell you that this bill is backbone of small scale industries sector. And our Government is committed to extend full support to it under Common Minimum Programme. When the Bill is brought, all learned hon. Members particularly Dr. Chinta Mohan would be able to appreciate it.

Besides this our Government are implementing two schemes-Prime Minister's Employment Scheme and Rural Employment Generation Scheme for providing more and more employment in rural areas. During the Tenth Five Year Plan a target of generating 16.5 lakh additional employment under Prime Minister's employment scheme and 25 lakh additional employment under Rural Employment Scheme has been fixed.

As far the concern of the hon'ble Member regarding the sick units is concerned, I would like to clarify to my learned colleague as to what are the sick units.

Mr. Deputy Speaker, Sir, as per the definition of the Reserve Bank of India, sick units are those units whose principal or interest are outstanding for more than one year in credit account or during the last accounting year its net worth has declined to 50 percent. That means these units are under performing in comparison to its installed capacity and as a result of this it is not able to pay back in time the loans taken from the banks...*(Interruptions)*.

Hon'ble, Sir, as per the figures of the Scheduled Commercial Banks compiled by the Reserve Bank of India, the number of sick units in Industrial sectors has declined. The number of sick small scale units in the country has declined to 1.67 lakh at the end of 2003 from 2.21 lakh at the end of 1998. That means with the gradual advancement in technology, the number of our sick units are declining.

Sir, as per the third all India survey of the small scale industries conducted during the year 2001-2002 the number of sick/becoming sick units was 8.23 lakh which was 7.82 percent of the total units. Eight main reasons of sickness were identified during the survey about which Hon'ble Dr. Chinta Mohanji has expressed his concerns. I would also like to associate myself with his concerns. Thus eight reasons, responsible for sickness of our industrial units have come before us. First is the scarcity of demand, lack of working capital, problems relating to marketing, short supply of electricity, unavailability of raw

material, problems relating to plants, labourer problem and lastly problems related to management...(*Interruptions*).

Sir, I would like to take a little more time of the hon'ble Member then I will talk to him separately. He is a very respected Member so I would like to beg him pardon for taking more time. Several effective steps have been taken to rehabilitate the sick units. As per the recommendations of the report of the S.S.Kohli Committee constituted in 2001 by the Reserve Bank of India, amended guidelines regarding the rehabilitation of the sick small scale industries were issued on 16 January, 2002 to all the banks for its execution. Thus several Steps are being taken to alleviate sickness of units. Efforts are being made by our Government and the Ministry to revive and rehabilitate the sick units at the earliest. Similarly, the third point that has been raised by Chinta Mohanji...(*Interruptions*).

Sir, through you I would like to submit to the hon'ble Member to have little patience and listen. I have already begged pardon from the hon'ble Deputy-Speaker for time. He was very impatient when the question was raised on first. That is why I would like to give complete and detailed reply and would clarify the entire situation before him ...(*Interruptions*).

Mr. Deputy Speaker, Sir, I will also cover Ajmer and Pushkar. I will also take up the issue of his constituency. I would explain about Pushkar and Ajmer. As all of you are aware that the process of connecting products, services and capital market of the various countries of the world is called globalisation or liberalisation. This is the thing, this is the problem. I am equally concerned like the hon'ble Member as to what impact this globalisation or liberalisation will make on our small scale industries.

In that context I myself was worried. However, the process of liberalisation and globalisation have infused the tendency of competitiveness in our entrepreneurs so that they may pay attentions towards quality and may compete with Chinese goods in the international market. So the liberalisation was a matter of concern for us, however, it led to the present state of competitiveness. Our entrepreneurs have also come forward to compete in the market and they are prospering. So I would like to submit that our small scale industries have not

weakened on account of globalisation or liberalisation. The small scale industries in our country have taken the path of progress as I was just now submitting that our small scale industries are competing with heavy industries in the field of export. Today 34 percent of our export comes from small scale industries.

Sir, I would like to submit to the hon'ble Shri Santosh Gangwarji, who is the senior Member and had also been the Minister in the previous Government that he should not worry. The aim of the present Bill is to abolish the Inspector Raj. I would like to assure the hon'ble Member that efforts was being made by me to move the Bill in the present session. The draft of the Bill is complete. I am prepared to discuss regarding the draft Bill in the Cabinet, however there are some shortcomings. I would like to make them believe that efforts are being made to move the said Bill in the present session. Once the Bill relating to the small scale industries is passed, every thing concerning the progress in the field of small scale sector will be clarified. I would also like to submit to Dr. Chinta Mohanji (Chittur and Andhra Pradesh), K.S. Raoji and Rawatji that me and our Government are making efforts to reduce nor increase the rate of interest by 2 percent in comparison to PLR. We are also in contact with the Ministry of Finance. I had also discussed with the hon'ble Prime Minister in this regard that we should move the Bill. Once the Bill is moved I will bring before the hon'ble Members the target regarding the small scale industries. I would like to assure the hon'ble Members, who participated in the discussions, that I myself am concerned about the future of the small scale industries which supports crores of poor and dalits people and which is a tribute to Mahatma Gandhi. Khadi Udyog will flourish and will contribute to the welfare of the poor people, dalits and workers fulfilling the dreams of Mahatma Gandhi. That is why I am bringing this Bill.

*[English]*

MR. DEPUTY SPEAKER: The House is adjourned to meet again at 11. A.M. on Monday, 20 December, 2004.

18.19 hrs.

*[The Lok Sabha then adjourned till Eleven of the  
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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 Dhanraj Associates (P) Ltd., New Delhi.

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