

for which they are accountable to their legislatures or to the Parliament if the State is in under President's Rule. Some of the State Governments have passed through periodic Ways and Means problems in the current year. The position of cash balances and overdrawal, if any, of the State Governments may vary from day to day and State to State. Ministry of Finance has rescheduled release of funds to the States and also provided Ways and Means Advance to help them overcome temporary mismatch in receipts and disbursements during the year.

Insurance Company
15
Delinking of NIAC from GIC

1639. SHRI KAMAL NATH : Will the Minister of FINANCE be pleased to state:

(a) whether the New India Assurance Company Limited, wholly owned subsidiary of General Insurance Corporation has strongly advocated for delinking it from the parent organisation in view of likely competition from the private sector; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (b) It has been reported that no proposal has been made by the New India Assurance Co. for delinking it from the parent organisation although their officers' associations through various platforms has been advocating such delinking.

5-16
Prices of Rubber

1640. SHRI P.C. THOMAS :
SHRI S. AJAYA KUMAR :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government had initiated steps to procure natural rubber so as to prop up the prices in the domestic market;

(b) if so, the quantity of rubber procured so far;

(c) whether there are demands for hiking the benchmark price of the rubber; and

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

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Yes, Sir. So far, STC has procured 9310MT of Natural Rubber. This is in addition to 9596 MT of Natural Rubber procured earlier.

(c) and (d) Government has received representations for raising the Benchmark Price of Rubber. Since the present Benchmark Price has been fixed recently in September, 1998 on the recommendation of Ministry of Finance based on a thorough field study conducted by them after taking into accounts such variables as salaries and wages, cost of fertilisers, spraying materials etc. involved in the cultivation of rubber, further increase in this price is not immediately called for.

6
Sale of Stake of UTI

1641. SHRI V.V. RAGHAVAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Unit Trust of India (UTI) has proposed to sell out its stake in ITC to BAT of the U.K.; and

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

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) As per information provided by Unit Trust of India (UTI), UTI has neither received any proposal from BAT Industries, U.K., to purchase UTI's stake in ITC nor has UTI taken any step whatsoever to sell ITC shares to BAT.

(b) Does not arise. *10/07*

9-13
Setting up of Grievances Panel for PSUs

1642. DR. LAXMINARAYAN PANDEY : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Law Commission headed by Justice Desai of the Supreme Court had recommended for setting up of Grievance Panel for Public Sector Undertakings;

(b) if so, the salient feature of the recommendations;

(c) the names of the Public Sector Undertakings which have so far constituted such Grievance Panel;

(d) whether the Government are aware that in those Public Sector Undertakings where such Grievance Panel have not been set up, large scale irregularities have been taking place in appointments and promotions of senior level officers; and

(e) if so, the steps being taken by the Government for setting up of such panels in those Public Sector Undertakings where the same have not been set up so far?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes, Sir. The Law Commission headed by Justice D.A. Desai had submitted 126th Report on "Government and Public Sector Undertaking Litigation Policy and Strategies" on May 12, 1988, in which it was recommended for setting up of Grievance Cell by every public sector undertaking.

(b) Salient features of the recommendations are given in para 8.11 of the Report, the extracts of which are given in the statement attached.

(c) to (e) This recommendation was examined. It was decided that there was no need to set up Grievance Cells presided over by the retired High Court Judges, recommended by the Law Commission, as adequate machinery for redressal of grievances for staff and officers in Central PSEs already existed in accordance with the guidelines issued in this regard in 1985.

Statement

Salient features of the recommendations made by the Law Commission headed by Justice D.A. Desai in 126th Report on "Government and Public Sector Undertaking Litigation Policy and Strategies"

8.11 Dealing with the disputes between the public sector undertaking and its employees, every public sector undertaking must set up a Grievance Cell composed of management and Workmen's representatives not exceeding three on either side and presided over by a retired Judge who has functioned as a Judge of the Supreme Court or High Court or Chairman of the Industrial Court/Tribunal. Every dispute involving individual employee must be brought, if need be by amending the standing orders or service rules, before the Grievance Cell. The decision of the Grievance Cell shall be binding. If the dispute involves more than one employee but not all the employees of the undertaking, same procedure has to be followed. Even the disputes as to seniority, promotion

and allied issues must be brought before this Cell. Promotion has long since ceased to be a management function. Therefore, the Grievance Cell would be competent to deal with the same. In the first instance, the promotion may be decided by the management but the dispute arising out of promotions granted or refused may be brought before the Grievance Cell. The decisions of the Grievance Cell will be binding and if any one, despite this arrangement and effective implementation, takes the matter to the court, the court must decline to entertain the dispute.

Revival of Burn Standard Company Limited

1643. SHRIMATI GEETA MUKHERJEE :
SHRI AJAY CHAKRABORTY :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have decided to revive the Burn Standard Company Limited, Calcutta; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Government have positively responded to the Draft Rehabilitation Scheme circulated by BIFR for revival of the Company. BIFR is yet to pass its orders on the scheme.

(b) The cost of the scheme as circulated by BIFR is Rs. 151.04 crore, out of which Rs. 132.51 crore is to be provided by Government including Rs. 34 crore for VRS for surplus manpower/employees of non-viable units. Other reliefs and concessions from GOI include conversion of Plan loan of Rs. 46.65 crore into equity, conversion of non-plan loan of Rs. 89.07 crore into zero rate debenture and waiver of outstanding GOI interest of Rs. 329.64 crore. In addition, certain reliefs and concessions have to be provided by Banks, Fis, State Governments, etc.

Smuggling of Cellular Phones

1644. SHRI K. PARYMOHAN : Will the Minister of FINANCE be pleased to state:

(a) whether the cellular phones are being smuggled to country in a large quantity;

(b) if so, the total number of cellular phones seized by the customs authorities during the last three years, as on date; and