

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :
 (a) and (b) : No, Sir. However, there has been a proposal from the National Mineral Development Corporation (a public sector undertaking under the administrative control of the Department of Steel) to exploit the Dolomite deposits in Bastar district of Madhya Pradesh in order to meet the requirements of the Visakhapatnam Steel Plant. However, on ecological considerations the location of the project is being reconsidered in consultation with the State Government.

Agricultural Loan Advanced by Co-operative and Commercial Bank to Cultivators

***169. SHRI SRIBALLAVPA NIGRAHI :**
 Will the Minister of FINANCE be pleased to state :

(a) the conditions and circumstances under which agricultural loans advanced by co-operative and other commercial banks to cultivators are converted from short term to medium term by the Reserve Bank of India;

(b) whether there was any proposal from Government of Orissa for such conversion following heavy loss of Dalua (Rabi) Crop on account of natural calamities like cyclone, tornado and hailstorm etc. in May and June 1985;

(c) if so, the decision of the Reserve Bank of India in the matter; and

(d) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) to (d) The Reserve Bank of India has issued guidelines to all banks for providing relief measures, including facility of conversion of short-term loan into term loan, in areas affected by natural calamities. In the event of delay by State Government in declaring annewari, the sanction of conversion facilities can be considered if the District Collector certifies that the yield is below 50% of the normal yield. The repayment period of the

converted term loan is to be fixed keeping in view the overall repayment capacity of the borrower and the intensity of crop loss. In the event of successive natural calamities, the banks can grant extension of the converted loans for a longer period.

2. NABARD provides assistance to cooperative banks upto 60% of converted loans. The balance is to be met by the concerning State Government, State Cooperative Bank and Central Cooperative Bank.

3. NABARD had received a proposal from the Orissa Government in the month of June 85 seeking conversion of short-term loans aggregating Rs. 14 crores. NABARD has approved conversion to the extent of Rs. 13.96 crores.

4. NABARD has not received any reaction from the State Government so far.

Income Tax Outstanding Against Companies

***171. SHRI VIJAY KUMAR MISHRA :**
 Will the Minister of FINANCE be pleased to state:

(a) whether income tax demands exceeding rupees one crore were outstanding from 68 companies;

(b) if so, the total amount; and

(c) the amount recovered as on 31st March, 1985?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Income-tax demand amounting to Rs. 312.81 crores was outstanding against 68 companies as on 31.3.1984. Out of it, a sum of Rs. 266.08 crores was collected/reduced during the financial year 1984-85. Demand outstanding in such cases as on 31.3.1985 is Rs. 46.73 crores only.

Plan to Penalise and Educate Industrial Consumers for wastage of coal

***173 SHRI AJOY BISWAS :**

SHRI PURNA CHANDRA MALIK :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have any plan to penalise and educate industrial consumers of coal for wastage of about eight million tonnes of coal because of unscientific practices of storage, handling, preparation and combustion;

(b) if so, the details of the said plan; and

(c) if not, the reasons for not doing so ?

THE MINISTER OF STEEL, MINES AND COAL : (SHRI VASANT SATHE) :

(a) to (c) Government have set up a Fuel Efficiency Committee for coal sector on 17.8.84 under the Chairmanship of Secretary, Department of Coal, with a view to promoting, *inter-alia* research and development in the utilisation of coal, to encourage fuel saving processes, to provide technical advisory services to the industrial and other consumers, etc. With these objectives in view, a publicity campaign has been launched. In the first phase, the following publications have been brought out :—

(i) "Indian Coal—An approach to improve understanding for conservation"

(ii) "Coal—Improved techniques for storage and preparation" and

(iii) "Coal—Improved techniques for efficiency in coal combustion".

These publications are being circulated widely among the coal consumers. These consumers are also being approached through their organisations like Chambers of Commerce, associations of various industries, etc.

Purchase of Newsprint by S.T.C.

*174 SHRI SHIVENDRA BAHADUR SINGH : Will the Minister of COMMERCE be pleased to state :

(a) the reasons for the State Trading Corporation of India deciding to purchase newsprint against long term commitments

at a time when international prices of newsprint were expected to fall ;

(b) the justification for S.T.C. to have signed for 1500 tonnes of newsprint at \$ 425 F.A.S. Canadian port when the international prices were \$ 405 at that time;

(c) whether the offers received by S.T.C. at very much lower prices were rejected outright and purchases done at a higher price on the ground of commitments to long-term contract holders; and

(d) if so, why did S.T.C. not negotiate with the latter for price reductions in keeping with prevailing market prices?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) :

(a) The State Trading Corporation entered into long term contracts during 1978-79 when there was serious supply constraint in the market and prices tended to harden.

(b) STC did not sign contract for 1,500 MT at US \$ 425 PMT FAS Canadian Port.

(c) and (d) A minimum quantity of 41,000 MT of newsprint was required to be lifted during 1985-86 in terms of contractual commitments against the long term contracts entered into during 1978-79 and renegotiated in March 1984. The price was negotiated for this quantity and settled with the long term suppliers for 1985-86 at US \$ 410 PMT FAS with 30 days interest-free credit. Taking this interest element into account, the net price works out to US \$ 404 PMT FAS.

Amount Due to Nationalised Banks in Agricultural Sector

*175 SHRI ZAINAL ABEDIN : Will the Minister of FINANCE be pleased to state the amount due to the nationalised banks in the agricultural sector, with State-wise details?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : State-wise