

figure of 50 per cent. I would not go over a longer period but for the last four years I can indicate the figures:

1980-81	11.98 per cent
1981-82	10.84 per cent
1982-83	11.93 per cent
1983-84 Budget estimates	
I have assessed	11.42 per cent

SHRI CHITTA BASU : They say 50 per cent of the annual gross foreign aid. Some newspapers say so.

SHRI PRANAB MUKHERJEE : Don't go by the newspaper reports. I am quoting the standard practice followed by every international forum and by economists that they relate debt service in terms of percentage of your net export earning. This is the standard formulae that we apply.

What I am suggesting is that with reference to our exports, except for 1983-84, upto 1982-83, I have given the actual exports and there too I have not taken into account the invisibles. If I take into account the invisible, in terms of percentage, it will come less and sometimes this apprehension is expressed that when the time of repayment of I.M.F. loan would come, that would be the peak year. For 1982-83, we have drawn \$1800 million under SDR. Therefore, the peak year would be 1986-87 and there too I calculated the level of export growth and we would be in the neighbourhood of 14% to 16%. So, the period 1986-87 would be the peak year because after all in one individual year we are not going to draw \$1800 million. That is the peak which we reached already. Now, I can respond to the question of commercial body that we are conservative and rightly so, because we do not want to land ourselves in a situation where debt servicing would be a serious problem to our economy and we do not want to borrow merely for borrowing's sake unless we can tie it up with a specific project in the high priority area, on the completion of which we will be in a position to repay our debts.

SHRI B.V. DESAI : Sir, the Consortium meeting has given some aid which is far less than the expectation of the Indian Government. It works out to probably about 3 to 4% less than the previous year. That is what has been reported, although they have praised the performance of the Government of India and the Indian economy. But the result is that they have reduced the aid. In view of that, may I know from the hon. Minister to what extent this reduction by the World Bank will effect the Indian Projects and what steps are being taken by the Government to meet this challenge so far as our economy is concerned?

SHRI PRANAB MUKHERJEE : Sir, I would like to clarify that so far as in absolute term is concerned, there is no reduction. The reduction which the hon. Member is referring to is in terms of real terms because last year also, the amount available to us was 3.3 billion dollars under SDR and this year also it is 3.3 billion SDR. But if you take into account the inflation, in real terms, certainly it would be a little less and in regard to the problems which are apprehended to be created as a result of non-availability of the resources, we always take into account various factors and try to see that our projects which are vital for our economic development and which receive high priority, do not suffer from inadequacy of funds.

चीनी मिलों की ऋण-सीमा

*83. प्रो० अजित कुमार मेहता :

श्री बापूसाहिब परलेकर : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या भारतीय रिजर्व बैंक ने चीनी मिलों की ऋण-सीमा बढ़ाने से इन्कार कर दिया है ;

(ख) यदि हां, तो चीनी मिलों की वर्तमान कुल ऋण-सीमा क्या है तथा चीनी मिलों द्वारा उसमें कितनी वृद्धि की मांग की गई है ; और

(ग) ऋण सीमा बढ़ाने में सरकार को क्या कठिनाई है ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A statement is laid on the Table of the House.

Statement

In November 1982 the Reserve Bank of India permitted the banks to sanction need based credit limits upto 125% of the maximum amount availed by sugar mills during the previous (1981-82) season without obtaining its prior authorisation under the Credit Authorisation Scheme. The Indian Sugar Mills Association has represented that this discretion to the banks should be to the extent of 175%. While the Reserve Bank of India instructions do not place any ceiling on the bank credit to the individual sugar mills, their guidelines only indicate the special discretionary powers vested in banks in regard to advances to sugar mills without prior reference to it. The Reserve Bank of India feels that the steep increase from 25% to 75% over the availment during the previous season is not warranted. The Reserve Bank of India on its part is clearing proposals in excess of this limit received from the banks in respect of various sugar mills more speedily than in other cases. While the discretionary powers vest in the banks take care of the emergent requirements of the mills, the Reserve Bank has to maintain certain financial discipline in the overall interest of the economy. With the rise in prices of free sale sugar, the position of the sugar mills has considerably improved and the mills are expected to make use of the increased liquidity for meeting their requirements.

प्रो० अजित कुमार मेहता : अध्यक्ष महोदय, ऐसा लगता है कि वक्तव्य सदन की टेबिल पर रख देने की परम्परा बन गई है। इस वक्तव्य के अन्दर आप ने लिखा है—

“खुली चीनी की बिक्री की कीमतें बढ़ जाने से चीनी मिलों की स्थिति काफी अच्छी हो गई है और मिलों से यह आशा की जाती है कि वे अपनी आवश्यकताओं को पूरा करने

के लिये इन अधिक नकद राशियों का उपयोग करेंगे।

किन्तु, अध्यक्ष महोदय, मेरे सामने एक वक्तव्य है-इण्डियन शुगर मिल्स एसोसियेशन के प्रेसिडेंट श्री ए०के० कानोरिया का-उन का कहना है कि—

“With the highly uneconomic realisation both on levy sugar and free sugar, the factory is finding it extremely difficult to even maintain their day-to-day expenses like wage payments and payment on stores, not to speak of cane prices in the area.”

इसके साथ ही इण्डियन शुगर मिल्स एसोसियेशन की उत्तर प्रदेश की ईकाई के लोगों का कहना है कि आज उनकी वित्तीय स्थिति इतनी खराब है कि अगर आप इजाजत दे दें और रिजर्व बैंक आफ इण्डिया क्रेडिट लिमिट बढ़ा भी दे, तब भी वे किसानों को पूरा मूल्य अदा नहीं कर सकते हैं। ऐसी स्थिति में क्या आप काआपरेटिव शुगर फैक्टरीज की क्रेडिट लिमिट उनकी मांग के अनुसार बढ़ाने के बारे में सोचेंगे, जिससे वे गन्ना उत्पादकों को गन्ने की पूरी कीमत अदा कर सकें।

SHRI JANARDHANA POOJARY : Sir, we share the feeling of the Hon. Member. That is why from 6th November, 1982, the Reserve Bank has permitted the banks to sanction the need based credit upto 125% of the maximum amount availed during the previous year i.e. 1981-82 season without obtaining the prior authorisation under the Credit Authorisation Scheme. That means the banks are permitted to give upto 125% of the credit. But unfortunately the Sugar mills termed it as an Ad Hoc basis payment and they thought that the credit limit should be raised from 125% to 175%. That is not advisable because we have to see the genuine needs for the production and we have to monitor the payments to the sugar growers also. That is why prior permission is required. There is no ceiling on the payment limits, but the Reserve Bank has

not allowed the Banks to pay more than 125% without its authorisation.

प्रो० अजित कुमार मेहता : अध्यक्ष जी, आपने इनका जवाब सुना है और वक्तव्य में इन्होंने यह लिखा है :

“जहां एक ओर बैंकों में निहित विवेकाधिकारों से मिलों की तात्कालिक आवश्यकताएं पूरी हो जाती हैं वहां भारतीय रिजर्व बैंक के लिए अर्थ-व्यवस्था के समुचे हित को ध्यान में रखते हुए वित्तीय अनुशासन कायम रखना जरूरी होता है” ।

यह ठीक है लेकिन आप इतना तो मानेंगे कि गन्ना उत्पादकों को उनके उत्पादन की कीमत मिल जानी चाहिए । इस पर भी आप ध्यान दीजिए कि जब बड़े औद्योगिक घरानों को ऋण देने की बात आती है, तब यह विवेकाधिकार कहां चला जाता है । क्या आप यह बताएंगे कि जो बड़े औद्योगिक घराने हैं और जिनका उत्पादन और जिनका सारा कार्यकलाप शहरों तक सीमित रहता है, उनके मामले में जब ऋण देने की बात होती है, तो यह विवेकाधिकार कहां चला जाता है और मैं यह भी जानना चाहूंगा कि काआपरेटिव शुगर फैक्ट्रियों को अभी तक आपने कितना ऋण दिया है । इनका कार्यकलाप गांवों तक सीमित है, तो उनकी कितना ऋण आप ने अभी तक दिया है, बस यही मुझे पूछना है ?

SHRI JANARDHANA POOJARY : The assistance given to the big industrialists and also to the Cooperative sugar factories are not available with me at the moment. We will furnish these figures to the Hon. Member.

प्रो० अजित कुमार मेहता : आंकड़े देने के बारे में मैंने पूछा है । अगर आप इस के आंकड़े भी दे देते, तो तुलना करने में आसानी होती ।

MR. SPEAKER : He has said that he will provide the figures.

PROF. MADHU DANDAVATE : Sir, the Minister is concealing the fact that the big industrial houses are getting the major chunk of the credit.

MR. SPEAKER : We cannot allow anybody to conceal anything. We will not allow it.

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : May I say with your permission, Sir, that the whole question that the Hon. Member is asking is that the credit to the Mill owners should increase from 125 to 175% What is his objective ?

PROF. MADHU DANDAVATE : He is talking about the cooperative sector. Listen to the question properly.

SHRI PRANAB MUKHERJEE : Sir, the Hon. Member has asked how much credit we give. He has said the exact figure is not available with us, we are meeting their full requirements. In the whole question he is quoting Mr. Kanodia, he is quoting the President of the Indian Sugar Mills Association as if he is advocating their cause that their credit limit should be increased from 125%, which has been authorised by the RBI, to 175. He should just reconcile his position.

SHRI CHANDRAJIT YADAV : This is a very important subject. So, kindly allow us to ask a few questions.

Firstly, does the Minister agree with Mr. Kanoria's proposition that the sugar mills cannot run, cannot pay the day-to-day wages, and cannot pay the price ? They say : 'Price is the last question; even day-to-day wages we cannot pay, unless Government and banks help us. If this is the situation, will Government think of implementing its own party programme, viz. that the entire sugar mills should be nationalised--because these sugar mills have been playing havoc with the life of the farmers in this country ? This attitude of Mr. Kanoria, i.e. their entire dependence on the banks--and banks' money is public money--does he agree with it ? The mills will not increase their efficiency, will not improve their functioning, but they will take

shelter in these things : and millions of farmers in this country will suffer. Therefore, firstly, this demand that their credit facility should be increased from 125% to 175% should be rejected outright.

Secondly, will Government look into the fact that the farmers have not been paid for many years ? The Minister says that he does not have the latest figures as to how much the arrears are.

SHRI PRANAB MUKHERJEE : I have got them ; I will give them.

SHRI CHANDRAJIT YADAV : Your Deputy Minister said that unfortunately, he did not have them. Anyway, you can give them. So, will Government give the latest position as to how much money of the farmers is really in arrears ? What is the Government going to do to see that they are paid, because they will now need money for their harvesting, for their sowing and for so many things ? They are suffering all over the country, not in one part of it. In the circumstances, will the Minister give out the policy of the Government ?

SHRI PRANAB MUKHERJEE : I would explain the position. The first point is that in regard to the demand of the sugar industry that credit authorization should be raised to 175% compared to last year's credit ceiling, Reserve Bank made it quite clear that we have a credit policy ; and in that overall policy, the requirements of individual Industries are to be met. I cannot simply allow the situation to go out of control, when inflationary pressure is there, and some sort of credit restriction is necessary. But keeping in view the requirement of the industry with which a large number of growers are associated, Reserve Bank agreed to provide credit without reference to or prior approval of Reserve Bank upto 125%. In the case of any individual mill, depending on merit, the banks can authorize higher credit, a higher ceiling, with the permission of the Reserve Bank. So the point of the industry has been met more than adequately, in my opinion. But we will have to see how the growers can get their dues. So, I had a series of meetings with the Chief Ministers concerned, with each of them, particularly

of Uttar Pradesh, Bihar and Andhra Pradesh which are large cane-growing States. They have their own mechanism to ensure that growers get their requirements, particularly in respect of certain States—particularly in respect of State-owned and cooperative mills I went out of my way to meet their requirements in respect of cane areas. I went out of my way to provide them additional ways and means assistance, as far as State-owned mills are concerned. But we cannot take the responsibility for privately-owned mills, where the State Administration will have to build up the mechanism through which they can ensure that out of the bank money or bank credit which is made available, a part goes to the growers. That monitoring is being done even at the banking level. I can give the figure which the hon. Member wanted to have.

So far as the arrears for the current year viz. 1982-83 are concerned, upto 15th June, they are Rs. 1432.07 crores i.e. for the purchase ; and the amount cleared out of that Rs. 1432.07 crores, is this : i.e. 1203.76 crores have been paid. Therefore, the balance is Rs. 228.31 crores or 15.9%. This is the figure which I am given by the concerned administrative Ministry. And from the banking sector also, we are monitoring with the cooperation of the State administration that when we are releasing money to the mills, the sizeable part of it goes to meet the arrears. As a result, it has some effect, but I won't say that this is a Poolproof scheme because lot of things are to be done at the ground level. The second point is that I do not find that there is any case of industry from other angle also, because we have provided a buffer stock. The entire cost of the buffer stock is met by the government from the exchequer. We are permitting an export of sugar to the extent of nearly 7 lakh tonnes. Last year, 7 lakh tonnes of sugar was permitted, but six lakh tonnes were actually exported. This year also, we have permitted 7 lakh tonnes of sugar to be exported. We cannot allow a situation where the entire burden the mills will pass on in the name of saying that some sort of a sacred cow is placed before you and if you do not give money, we do not give it to the growers. We cannot accept that position. I am making it quite clear ; and here the industry has no case.

We have met their requirement adequately and we shall have to ensure that the growers get their dues.

श्री राम प्यारे पनिका : श्री मेहता के मूल प्रश्न के संबंध में मैं एक बात जानना चाहता हूँ। आपको याद होगा कि पिछले सेशन में प्रत्येक राज्य से शिकायत आई थी कि किसानों का काफी एरियर मिलों पर बकाया है और किसान अप्रत्याशित कठिनाई में है। यहां तक कि किसान अपनी जरूरत की चीजें भी नहीं खरीद पा रहे थे। गवर्नमेंट का जो बकाया था उसके लिए भी एक्शन लिया जा रहा था, जिससे किसान परेशान था। क्या लोन एडवांस करने के पहले यह शर्त लगा दी जाएगी कि जब तक किसानों का बकाया क्लीयर न करें, अगला लोन उनको नहीं मिलेगा ?

SHRI PRANAB MUKHERJEE: As I have already mentioned, the monitoring is being done at the bank level, at the state administration level and State administrative machinery are to be geared up to see that whatever credit facilities we are providing to the mills through the banks, part of it goes to meet the arrears of the cane growers.

SHRI RAM PYARE PANIKA: Some condition should be imposed by the Central Government, because the State Governments are not competent to have that.

SHRI PRANAB MUKHERJEE : Don't bring that thing here-Central Government and the State Government

SHRI M. RAM GOPAL REDDY : Now in one year sugar produced is enough for two years. That is all the trouble. And the sugar that is produced in six months is to be distributed to the consumers in 15 months. During this nine months' period, what is the arrangement of the government to pay some advances to the sugar mills ? When Mr. Vijaya Bhaskara Reddy was the Chief-Minister of Andhra Pradesh, he had advanced some money to the cooperatives and government factories so that they might pay to the cane growers on time; and that

has been done. Unfortunately, now, it is not being done recently. Will he advise the State Governments to come to the help of the cane growers by advancing some money as was done in Andhra Pradesh during the period when Mr. Vijaya Bhaskara Reddy was the Chief Minister ?

SHRI PRANAB MUKHERJEE : I cannot advise the individual State Government, but I can definitely advise on a general policy matter that the government is interested in meeting the arrears of the growers. Otherwise, they won't grow and we will have a situation which we had in 1979-80. But I have explained in a little detail the scheme which we have already; and to my mind, with the existing arrangement, at least, the mill-owners should not have any grouse and administration is to be geared up to see that the growers get their dues.

Racket in Naval Recruitment

*84. †SHRI B.D. SINGH :

SHRI RASHEED MASOOD : Will the Minister of DEFENCE be pleased to state :

(a) whether it is a fact that a racket of clandestine multi-lakh naval recruitments in the lower jobs has come to light ;

(b) if so, the details thereof ;

(c) whether Government have made any inquiry into the matter ; and

(d) if so, the results thereof and the action taken by Government against the persons involved in the racket ?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI K. P. SINGH DEO) : (a) to (d) Certain irregularities were detected in the recruitment made in INS INDIA to lower jobs in the Navy. The case has been entrusted to the CBI,

श्री बी० डी० सिंह : मेरे सवाल को बहुत मामूली तौर से टालने की सूत्री महोदय द्वारा कोशिश की गई है। मैंने बी भाग में डिटेल्ज के