

feasible is under examination. As soon as a modified scheme on some such basis is ready, this matter will be discussed again with the Staff Side before taking a final decision. In the meanwhile, Government have introduced in January last a deposit-linked insurance scheme for subscribers to the Provident Fund providing in case of employees who die while in service a cover equal to the average balance in the account of the deceased Government servant in the fund during the three years immediately preceding his death subject to the following conditions:—

- (i) The employee should have put in at least five years of service at the time of his death.
- (ii) The average balance in the account of the deceased employee in the fund during the three years immediately preceding his death should not be below the amounts prescribed, viz., Rs. 1000/- in the case of Class IV, Rs. 1500/- for Class III, Rs. 2500/- for Class II and Rs. 3000/- for Class I employees.
- (iii) The maximum amount of the benefit will be limited to Rs. 10,000/-. Any amount in excess of this sum in the fund will be disregarded for this purpose.

SHRI H. K. L. BHAGAT: Quite a long time has passed since the Third Pay Commission suggested this compulsory insurance for the new entrants and, as the reply says, some discussions have taken place with the representatives of the employees. It also says that this scheme as modified will be introduced. I would like to know how long Government will take to come to a final decision about this compulsory insurance of new employees.

Secondly, even with regard to the existing employees, why is it difficult or impossible for the Government to

consider the question of their compulsory insurance also, because, this will result in large savings? And even in regard to the existing employees, there should be some incentive. The present scheme does not give any incentive in the sense that at the time of superannuation the employees does not get any benefit. Only his family gets benefit in the case of his death. Cannot the Government improve upon this scheme relating to the new employees and also introduce a scheme for the existing employees, which will encourage savings and help the employees as well as the Government?

SHRI C. SUBRAMANIAM: We are actively considering whether such a scheme can be evolved, and I shall try to expedite it.

श्री एन लाल बाकपाल : किमानो की फनन के सम्बन्ध में इम संसद मे कई बार सवाल उठाया गया । मैं आपसे जानना चाहता हूँ कि किसानो के बारे मे

प्रधान मंत्री : किमान इम सवाल मे कहा से आ गये ? गवर्नमेट एम्प्लाइज में और किमान कहा मे ले चाये ?

Trade with Malaysia

348. **SHRI R. S. PANDEY:** Will the Minister of COMMERCE be pleased to state:

(a) whether our trade with Malaysia has increased by over 100 per cent during the last few years; and

(b) if so, the net foreign exchange earnings from this trade?

THE DEPUTY MINISTER IN CHARGE
MINISTRY OF COMMERCE (SHRI)

VISHWANATH PRATAP SINGH: (a) India's trade with Malaysia has increased by 240 per cent during the period 1969-70 to 1973-74.

(b) A statement is laid on the Table of the House.

Statement

The following table indicates India's trade with Malaysia over the past five years :—

Year	Export to Malaysia	Imports from Malaysia	(Value in Rs. lakhs) Balance of Trade	(Value in Rs. lakhs) Volume of Trade
1969-70	826	827	(—)1	16533
1970-71	1174	576	(+)598	1750
1971-72	1173	384	(+)789	1557
1972-73	930	842	(+)88	1772
1973-74	2408	3209	(—)801	5617

SHRI R. S. PANDEY: The statement shows that for the last four years the trade balance was in our favour. In 1973-74, the trade balance was not in our favour. I would like to know whether efforts would be made for making the trade balance in our favour as our hockey team did by winning the match this morning? We whole-heartedly congratulate it. Today, it was very exciting for us to know the result. Our hockey team won. This is a favourable score in our favour. Malaysia has accepted the defeat. So far as the trade balance is concerned, I hope, India will do the same.

MR. SPEAKER: He has not asked any question.

SHRI MOHANRAJ KALINGARAYAR: Malaysia is one of the countries which is exporting palm oil, which is edible oil. Is our country thinking of importing any palm oil for consumption in our country?

SHRI VISHWANATH PRATAP SINGH: In 1973-74, we imported Rs. 19.24 crore, worth of palm oil from Malaysia.

श्री भगवत सा भाजाद : श्री शिडे द्वारा पूछा गया जो सवाल था उसका उत्तर नहीं आया है। उन्होंने कहा था कि बेचैन ग्रॉफ ट्रेड जो अनफेवरेबल है उसको फेवरेबल बनाने के लिए सरकार द्वारा कौन से कदम उठाए जा रहे हैं? पिछले वर्षों में हमारा बेचैन ग्रॉफ ट्रेड फेवरेबल था लेकिन पिछले वर्ष यह अनफेवरेबल हो गया। इसके क्या कारण हैं और कौन से कदम उठाए जा रहे हैं ताकि यह फेवरेबल हो?

SHRI VISHWANATH PRATAP SINGH: The reason for last year's unfavourable trade balance was the high import of edible oil—palm oil and tin. Though it has been an unfavourable trade balance year, yet it has been the year in which we have the highest exports and the highest imports also. Between last year and the previous year from April to June, the exports have gone up from 3.36 crores to 7.22 crores and imports have only gone up from 2.32 crores to 4.32 crores.

SHRI NIMBALKAR: May I know whether any hockey sticks and hockey balls along with the knowhow are exported to Malaysia?

SHRI VISHWANATH PRATAP SINGH: No, Sir.

MR. SPEAKER: I allowed palm oil and now it has come to hockey sticks! That is why I did not allow the previous question.

SHRI BISHWANARAYAN SHASTRI: The statement shows that while export to Malaysia has risen by about 2½ times, the import has risen by about 4 times. What are the new items of importing them earlier also

SHRI VISHWANATH PRATAP SINGH: It is palm oil and tin. They are not new imports. We have been importing earlier also.

Market Borrowing by U.P.

*350. **SHRI B. R. SHUKLA:** Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has not allowed the Government of U.P. to resort to market borrowing;

(b) if so, the reasons therefor; and

(c) whether similar restrictions have been placed on any other State?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) to (c). The Government of U.P. and their agencies have been allowed a net market borrowings of Rs 38.15 crores in 1974-75 in accordance with the Annual Plan allocations. They had, however, requested for additional market borrowing of Rs. 20 crores to the State Government and Rs. 6 crores to the

State Housing Board. As the resources available for sustaining the public borrowing programme did not permit of any additional market borrowing by State Governments or their Agencies in the current financial year, these requests were not acceded to.

SHRI B. R. SHUKLA: What are the criteria adopted by the Reserve Bank for determining the limit of market borrowing by a particular State?

SHRI C. SUBRAMANIAM: This is done by the Planning Commission taking into account the total resources available. As far as 1974-75 is concerned they have put a ceiling that no State Government can borrow over and above the 1973-74 figures, because there was a general constraint on the resources.

SHRI B. R. SHUKLA: May I know whether the U. P. Government has mobilised resources to the tune of Rs. 112 crores during the current financial year and if so, whether in accordance with this target achieved by the U. P. Government, the Reserve Bank is justified in putting a limit on market borrowing by U.P. because this figure is quite enough to sustain the public borrowing?

SHRI C. SUBRAMANIAM: It is true during the current year, the U. P. Government have done a very good job with regard to resource mobilisation, but this is only making up the deficiency which had existed so far. They have to raise a little more of resources if the economy is to pick up in U. P. As I said, the allocation by way of Central assistance or market borrowing is to be done on the basis of a formula evolved by the N.D.C. This matter is being examined by the Planning Commission. I hope and trust a new formula may be evolved. I do not know whether it would be more favourable to UP or not but if the huge population of U.P. is taken into account, perhaps they may get a better allocation.