

duty which is affecting our foreign exchange position.

So, in the present circumstances, may I know from the Hon. Minister whether the Government have formulated any policy for adopting stringent measures and taking effective action against companies and individuals who are involved in evasion of customs duty, violation of foreign exchange regulations and cases of smuggling etc ?

SHRI VISHWANATH PRATAP SINGH : Yes, Sir. This is one concrete example. Whenever we come across such cases, we are taking very stringent action.

SHRI DHARAM PAL SINGH MALIK : The reduction of excise duty on polyester has proved detrimental to the interests of cotton growers and they have to sell cotton at a price below the cost of production. May I know from the Hon. Minister what steps Government intends to take to improve the lot of the cotton-growers in the light of the present situation ?

SHRI VISHWANATH PRATAP SINGH : This is a specific question on Orkay Silk Mills, on action taken against Orkay Silk Mills. But we have the interests of the growers in mind. For their sake, whatever surplus we have in long staple we allow that to be exported; we are also thinking of yarn exports when required; cloth is also exported; all these are in the interest of growers.

DR. DATTA SAMANT : It is a good steps that Government has taken. But the Bombay textile magnates, particularly, the Orkay Silk Mills, Reliance and Bombay Dyeing, all these people who are playing against the interests of workmen, have not paid import duty. Reliance has not given Rs. 27 crores of excise duty. Of course prosecution is there. Bombay Dyeing is involved in the scandal of about 1500 acres of land. I want to know whether Government is going to deal seriously with these economic offenders. There are a lot of cases. I am asking a specific question regarding Orkay Silk Mills whether it is a fact or not that they are involved in these 80 consignments. This is a big unit which has been flourishing for the last five years. If you go into the details, if you consider their turnover and

profit in the last two years, you will find more of such types of things. I want to know whether Government is going to inquire in greater details regarding the same employer and take firm action against this employer.

SHRI VISHWANATH PRATAP SINGH : We have given this notice for Rs. 27 crores against Reliance for duty evasion. About the land scandal, I will not be able to say anything immediately because most of this will relate to the State Government, I do not know if there is any information....

DR. DATTA SAMANT : A Central Minister is also one of the members of this...

AN HON. MEMBER : Which one ?

DR. DATTA SAMANT : Bombay Dyeing.

SHRI VISHWANATH PRATAP SINGH : About going into more details and taking action, we will go into the minutest details wherever there is evasion of law.

**Change in Policy of extending
Financial Assistance to States**

+

***174. SHRI CHITTA MAHATA :
SHRI V. TULSI RAM :**

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have decided to change their policy of extending financial assistance to States;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH : (a) No, Sir.

(b) Does not arise.

(c) The Central assistance for the Seventh Plan has been allocated on the basis of modified Gadgil Formula approved by the

National Development Council in 1980. Since then the National Development Council has not suggested any modification to the formula.

SHRI CHITTA MAHATA : The Hon. Minister has replied that the National Development Council has not suggested any modification to the Gadgil Formula. But it appears from the *Indian Express* of 4th November, 1985, that, while inaugurating the high level bridge over the Jamuna in Haryana, the Hon. Finance Minister has said that the Government of India is actively considering to change its policy of extending financial assistance to States on the basis of performances and rate of economic growth. I would like to know from the Hon. Minister, under the modified Gadgil Formula, how much assistance will be given to the States.

SHRI VISHWANATH PRATAP SINGH : About the assistance to be given to the States, in the Seventh Plan it is going to be a total of Rs. 27,384 crores while in the Sixth Plan it was only Rs. 16,099 crores.

SHRI CHITTA MAHATA : I would like to know whether Government will allow overdraft to the States as in previous years. If so, whether there is a limit or not.

SHRI VISHWANATH PRATAP SINGH : No Sir, strictly not.

[*Translation*]

Scheme for Development of Ayodhya

*176. **SHRI NIRMAL KHATTRI :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government propose to prepare an elaborate programme for the development of tourism and culture of all the major religious places in the country;

(b) whether Government are considering any scheme for the development of Ayodhya in this connection;

(c) whether the State Government had submitted a scheme for the development of Ayodhya in 1984; and

(d) if so, the details thereof ?

[*English*]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K.L. BHAGAT) : (a) The Department of Tourism in consultation with the State Government has identified a number of tourist centres including Ayodhya for phased development through the combined resources of the Central, State and the private sector.

(b) to (d). The State Government had submitted a proposal for beautification and display gardening of Ayodhya Ghats at an estimated cost of Rs. 104 lakhs. The scheme could not be accepted as beautification and display gardening etc. *per-se* do not fall within the purview of the Department of Tourism activities. The State Government has been requested to recast the proposal according to the norms of Department of Tourism.

[*Translation*]

SHRI NIRMAL KHATTRI : Sir, my question arises out of the reply given by the Hon. Minister. Ayodhya has been identified as a tourist centre and efforts for its development will be made. I think the department of Tourism confines itself to metropolitan cities only. Has any policy decision been taken recently under which small places, whether they are religious centres or have some other importance will also be given priority ?

SHRI H. K. L. BHAGAT : In reply to his suggestion that other places should also be taken, I want to tell the young Hon. Member that more attention is paid to big centres because they attract more tourists. I agree with him that attention should also be paid to such small cities where influx of tourists is comparatively more. 441 such centres have been identified in the entire Country. Priority will be given to those centres where influx of tourists is more and there will be no question of big or small town. With this criteria in view, places will be identified and assistance will be provided to develop them depending upon the availability of resources.