

Cancellation order dated 27.9.1995 on the following grounds:—

- (i) that VSP availed credit of MOD-VAT on the inputs used in the manufacture of the products which were exported under the said licences; and
- (ii) that VSP did not maintain the account of consumption and utilisation of goods imported against these licences.

RINL has filed an appeal before the Appellate Committee in the Ministry of Commerce against the cancellation orders of the Additional DGFT and the entire matter is subjudice.

(c) Allotment of wheat and rice for Public Distribution System/Revamped Public Distribution System to State/Union Territories are made on a month to month basis based on the demands received from various States/UTs, their relative needs, off-take trend, stocks in the Central Pool, seasonal availability etc. These allotments from Central Pool are only supplementary to the open market availability.

(f) In view of the comfortable stock position of foodgrains in the Central Pool, Government had authorised the Food Corporation of India to export/sell for the purposes of export upto 30 lakh tonnes of fine and superfine variety of rice and 25 lakh tonnes of non-durum wheat during 1995-96.

The FCI has further been authorised to export/sell for the purposes of export upto 5.0 lakh tonnes of non-durum wheat against carry-over commitment of 1995-96 and upto 5.0 lakh tonnes of fine and superfine variety of rice, including the carry-over commitment of 1995-96, from public stocks during 1996-97.

**Sale of vabal in Visakhapatnam steel plant**

2195. DR. Y. LAKSHMI PRASAD : Will the Minister of STEEL be pleased to state :

(a) whether any report of mis appropriation with respect to the sale of VABAL in Visakhapatnam Steel Plant has come to notice of Government; and

(b) if so, the action taken thereon?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) : (a) and (b) Rashtriya Ispat Nigam Limited (Visakhapatnam Steel Plant) during the year 1992-93 and 1993-94 obtained, under the provisions of EXIM Policy, advance import licences having a total CIF value of Rs. 477.86 crores. Since import requirement of VSP were limited, it decided to sell the surplus licences in the market as permissible under the EXIM policy. Accordingly, based on overall highest bidding, all the 10 licences were sold to a single party at a premium of 9.2% of the CIF value in February, 1994.

In February, 1995, on receipt of complaints from Department of Revenue about irregularities in the issue of advance licences to RINL and their transfer to M/s. Roopali Agencies (Pvt.) Limited, a preliminary enquiry was immediately conducted by Ministry of Steel and based on the findings of this enquiry, the Executive Director (Vigilance), RINL was directed to conduct a detailed investigation and submit his report by 31.3.1995. On receipt of the report from ED (Vigilance), RINL, the matter was considered in the Ministry and the Management was ad-

#### **Re-structuring of PDS**

2196. SHRI GOVINDRAM MIRI: Will the Minister of CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the restructuring of PDS and subsidies cost of foodgrains to be made available at these centres at 50% price to the "Poor living below poverty line" (PLBPL) will raise food subsidy to about Rs. 10 crores as