

AHMED): (a) to (c) The information is being collected and will be laid on the Table of the House.

Sale of PSE Share to Employees

2569. **SHRI SURESH KALMADE**: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have decided to offer shares of public sector enterprises to their employees as recommended by the Rangarajan Committee on disinvestment of shares in public enterprises;

(b) whether the *modus operandi* for employees offer has been finalised; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) Yes, Sir. The modalities are being finalised.

Vacation of stay against M/s. ITU Ltd., Bangalore

2570. **SHRI J. S. RAJU**:

SHRI SUBRAMANIAN SWAMY:

Will the Minister of FINANCE be pleased to refer to the answer to Starred Question 195 given in the Rajya Sabha on 21st July, 1992 and state:

(a) whether the stay granted by Madras High Court in connection with the recovery of confirmed demand of Rs. 27.80 crores raised by Collectorate of Central Excise, Bangalore on M/s. ITC Ltd., Bangalore has since been vacated;

(b) if not, what further steps have been taken by Government to get the stay vacated and what steps

Government propose to recover the confirmed demand from the said company in public interest;

(c) whether Revenue Department has taken any initiative for launching prosecution against the company and the executive concerned; and

(d) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) No Sir. The stay order has not so far been vacated by the Madras High Court.

(b) Repeated attempts have been made through the Senior Advocate and the Addl. CGSC including writing letters to the P.S. to the Chief Justice, Madras and the Addl. Registrar, High Court, Madras for posting the matter for early hearing. Action for recovery of dues will depend upon the order of the High Court.

(c) and (d) A decision has been taken to launch the prosecution in the competent Court in Calcutta and the concerned Collectors have been advised accordingly.

Action plan prepared by Reserve Bank of India

2571. **DR. SANJAYA SINH**: Will the Minister of FINANCE be pleased to state:

(a) whether the R.B.I. has recently prepared a 10-year draft strategic action plan; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Reserve Bank of India (RBI) have reported that they initiated a Corporate Plan exercise in February, 1991 and an Inhouse Group

was set up by RBI to look into various issues with a view to improving the organisational effectiveness of RBI. Based on the report of the Inhouse Group, an Internal Task Force was set up to formulate a Corporate Plan for the bank. An external consultant has also been appointed to guide and assist the Task Force in plan formulation and also for organisational and systems studies. Final Corporate Plan has not yet been prepared by RBI.

NRI Recommendations on PDS

2572. SHRI SATYA PRAKASH
MALAVIYA;

SHRI ANANT RAM JAIS-
WAL;

SHRI MOHINDER SINGH
LATHER;

Will the Minister of FINANCE
be pleased to state:

(a) whether certain NRI experts on the India's economic reforms commissioned by the Ministry have, in their report, recommended on a scrapping of PDS besides removal of subsidies on fertilizers, irrigation and electricity;

(b) if so, what are the salient features of the recommendations made by these experts; and

(c) what is the decision of Government, if any taken thereon?

THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE
AND MINISTER OF STATE IN THE
MINISTRY OF PARLIAMENTARY
AFFAIRS (DR. ABRAR AHMED):

(a) and (b) On the request of the Ministry of Finance two internationally renowned economists, namely, Prof. Jagdish Bhagwati and Prof. T. N. Srinivasan prepared a report on 'India's Economic Reforms' which was released in July 1993 for public information and debate on our on-going economic reforms.

The authors have not suggested scrapping of the Public Distribution System (PDS). They have recommended reforms in the PDS which should aim at improving its targeting of the poor, so that the costs of resulting from extensive leakage to the non-poor is minimised and more benefits reach the poor even if the subsidies are reduced or abolished.

The authors have also recommended removal of three major subsidies on agricultural inputs such as fertilizers, irrigation and electricity on the premise that the entire set of reforms implemented in conjunction with the subsidy removal is still likely to be favourable to agricultural incentives as seems to be the case in many developing countries.

On agricultural credit, the authors feel that the policy of subsidising interest rates helps predominantly the non-poor farmers and should be withdrawn. The problem for the poor farmers instead is access to credit which should be ensured through the financial sector reforms currently envisaged by the Government.

On foreign trade in agricultural products, the authors recommend scrapping of quantitative restrictions and canalisation and replacing these with appropriate tariffs.

(c) The Government is keen that there should be a thorough public discussion on the key issues in agricultural sector and effective policy measures could then emerge within the overall framework of the new economic policy which the Government is committed to pursue.

Supervision Authority for the
working of Financial Investment;

2573. SHRI S. S. SURJEWALA:
Will the Minister of FINANCE be