

## Statement

Annual rate of inflation\*

(Per cent)

| Week ended          | Current year<br>1985 | Corresponding year<br>of 1984 |
|---------------------|----------------------|-------------------------------|
| 16-3-1985 . . . . . | 5.6                  | 9.1                           |
| 23-3-1985 . . . . . | 6.9                  | 9.1                           |
| 30-3-1985 . . . . . | 7.4                  | 8.2                           |
| 6-4-1985 . . . . .  | 7.6                  | 7.9                           |
| 13-4-1985 . . . . . | 7.7                  | 7.9                           |
| 20-4-1985 . . . . . | 7.8                  | 7.1                           |
| 27-4-1985 . . . . . | 8.0                  | 6.7                           |
| 4-5-1985 . . . . .  | 8.0                  | 5.8                           |
| 11-5-1985 . . . . . | 7.7                  | 6.3                           |
| 18-5-1985 . . . . . | 6.7                  | 6.8                           |
| 25-5-1985 . . . . . | 6.8                  | 7.0                           |
| 1-6-1985 . . . . .  | 6.7                  | 7.4                           |
| 8-6-1985 . . . . .  | 6.7                  | 7.9                           |
| 15-6-1985 . . . . . | 6.3                  | 8.3                           |
| 22-6-1985 . . . . . | 5.9                  | 8.7                           |
| 29-6-1985 . . . . . | 5.6                  | 8.7                           |
| 6-7-1985 . . . . .  | 5.4                  | 9.0                           |

\*Represents percentage change over the corresponding week a year ago.

## Report on Black Money

\*8. SHRI N. E. BALARAM .

SHRI NIRMAL CHATTERJEE :

Will the Minister of FINANCE be pleased to state :

(a) whether a recent study conducted by the National Institute of Public Finance and Policy headed by Dr. Raja Chelliah has identified certain factors responsible for the generation of black money in the country;

(b) whether the Institute has since submitted its study report to Government;

(c) if so, what is the result thereof; and

(d) what remedial measures Government propose to take in the light of the report?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH). (a) to (d) The National Institute of Public Finance and Policy has submitted its report on "Aspects of Black Economy in India" in March, 1985. The main causes of black economy have been identified the high rates of taxation, the range and complexity of economic controls, leakages from Government and Public Sector spending, general deterior-

ration in moral standards, inflation and weak deterrence against tax evasion. The report has been released to the Press with a view to encourage a public debate on the subject and to utilise the consequential suggestions received for drawing up a long term fiscal policy.

### **Soviet Interest in Indian Textiles**

\*9. SHRI SHANTI TYAGI: Will the Minister of SUPPLY AND TEXTILES be pleased to state:

(a) whether it is a fact that the Soviet Union has shown keen interest in Indian textiles;

(b) whether any negotiations are going on between India and the Soviet Union for the purchase of Indian textiles; and

(c) if so, what is the outcome thereof?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH): (a) and (b) Yes, Sir.

(c) Government have initiated negotiations to finalise a long term trade agreement with USSR.

### **Export of Gold Ornaments and Studded Jewels**

\*10. SHRI KRISHNA KUMAR BIRLA: Will the Minister of COMMERCE be pleased to state:

(a) what are the existing schemes for encouraging the export of gold ornaments and studded jewels;

(b) whether Government have reviewed the working of these schemes to assess as to how far these schemes have promoted the trade and earnings in foreign exchange;

(c) if so, what is the result thereof; and

(d) whether Government propose to introduce any changes in the present schemes for encouraging the export of the above items?

THE MINISTER OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (d) The existing

schemes for export of gold ornaments and studded jewels are:

- (i) Scheme for export of gold jewellery against gold supplied by the foreign buyers;
- (ii) Scheme for export of gold ornaments and articles for sale at approved exhibitions;
- (iii) Gold Jewellery Export Promotion and Replenishment Scheme;
- (iv) Scheme for setting up special export oriented complexes for manufactures of gold jewellery;
- (v) Scheme for manufacture of gold jewellery in Export Processing Zones.

Some of these schemes having been announced recently, the necessary organisational and marketing arrangements are being tied up by the trade through the Gem and Jewellery Export Promotion Council. The results of the schemes are likely to be visible in due course of time.

2. The Gold Jewellery Export Promotion and Replenishment Scheme is being reviewed in the light of representations received from the trade particularly in regard to the price at which gold should be replenished to the exporters after shipment.

### **Production Capacity of Steel Plants**

\*11. PROF. B. RAMACHANDRA RAO: Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) what is the production capacity of each steel plant in the country at present;

(b) whether these plants are able to produce their maximum output and if so, what are the details of production of each plant during the last three years, yearwise; and

(c) whether Government propose to set up new steel plants in the near future and if so, what are the details thereof?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE): (a) to (c) A Statement is laid on the Table of the House.