

(d) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI K. P. SINGH DEO); (a) Government have seen the press reports but have not confirmed information in this regard.

(b) Astore and Gilgit exist in northern Pak-occupied Kashmir area but the existence of a place called Killantown is not known.

(c) and (d) Government do not have any reliable information to suggest that *fheiti* has been increased in the Chinese troop strength across the Ladkh border or that additional posts have been established by them in the Kailash ranges.

**Permission to foreign Banks to enter into
Loaning Business**

1468. SHRI PARVATHANENI UPENDRA: Will the Minister of FINANCE be pleased to state;

(a) whether permission has been granted to some foreign banks to enter into business jointly with large business groups; and

(b) what regulations are being formulated by Government to ensure orderly business?

THE DEPUTY MINISTER IN THE MINISTRY OF DEFENCE (SHRI JANARDHANA POOJARY): (a) and (b) As per the information furnished by Reserve Bank of India no permission has been granted to any foreign banks to undertake or conduct the business of loaning or making commercial advances jointly by Indian business groups.

**Purchase of High Grade Virginia tobacco
by the tobacco Board**

1469. SHRI PARVATHANENI UPENDRA: Will the Minister of COMMERCE be pleased to state;

(a) whether the Tobacco Board has turned down the suggestion of the Government of Andhra Pradesh to purchase high grade Virginia tobacco from the growers; and

(b) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANI AN LASKAR); (a) and (b) The suggestion made by the Government of Andhra Pradesh for purchases of 1984 Virginia tobacco crop by Tobacco Board has been looked into. Most of the tobacco with the growers has already been disposed by them. It is, therefore, not considered necessary for any Government Agency to intervene in the market.

**Abolition of Sales tax and Octroi on
Handlooms**

1470. SHRI SHANKER SINH;
VAGHELA;
PROF B. RAMACHANDRA
RAO;
MISS SAROJ KHAPARDE;

Will the Minister of COMMERCE be pleased to state:

(a) whether the Central Government have recently issued any directive to the State Governments for the abolition of Sales Tax and Octroi on handloom products;

(b) if so, which States have implemented the said directive; and

(c) whether Government propose to abolish Sales Tax on some other items also; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA); (a) Central Government have requested the State Governments to consider abolition of sales-tax and octroi on handloom products.

(b) The States of Karnataka, Uttar Pradesh and Tripura and the Union Territories of Goa, Daman & Diu, Dadra & Nagar Heveli and Lakshadweep Islands have informed that they have already exempted handloom goods from sales-tax and octroi duty. Other State Governments are considering the suggestion made by the Central Government.

(c) and (d) The proposal was for replacing sales-tax by additional excise duty. This was studied by an expert Committee for five items, namely Vanaspathi, Drugs & Medicines, Cement, Paper & Paper Board and Petroleum products. In the conference held in November, 1983 a large number of Chief Ministers indicated their acceptance of the scheme suggested by the Tripathi Committee for introduction of additional excise duty in lieu of sales-tax, in principle. However, some of the Chief Minister indicated that they were not in a position to accept this scheme recommended by the Tripathi Committee. At this meeting Chief Ministers resolved that efforts should be continued to bring about a consensus amongst the State Governments on these issues.

Supply of Sophisticated Weapons to Pakistan by United States

1471. SHRIMATI AMARJIT KAUR: Will the Minister of DEFENCE be pleased to state;

(a) whether Government are aware of the fact that the United States is supplying latest missiles and other most sophisticated weapons to Pakistan;

(b) whether it is a fact that Pakistan Government has not given any undertaking to United States that the supplied American sophisticated weapons would not be used against India; and

(c) if the answer to parts (a) and (b) above be in the affirmative what steps Government propose to take in the event of a Pak attack?

THE MINISTER-OF STATE IN THE MINISTRY OF DEFENCE (SHRI K. P. SINGH DEO): (a) Government have seen reports regarding the USA supplying sophisticated modern weaponry including current generation missile to Pakistan under the US aid agreement concluded in 1981.

(b) Government have no information on whether or not Pakistan has given any undertaking to the United States that the weapons being received by her would not be used against India.

(c) Government monitor all developments which have a bearing on our secu-

rity and initiate appropriate measures to ensure full defence preparedness.

Non-Payment of Excise Duty by Reliance Textile Industries Limited, Bombay

1472. SHRI SHANKER SINH VAGHELA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reliance Textile Industries Limited, Bombay are not paying excise duty on their products;

(b) if so, what is the number of such evasion cases which have come to the notice of Government; and

(c) whether any inquiry has been conducted into the matter, and if so, with what results?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. M. KRISHNA): (a) to. (c) No, Sir. No instance of non-payment of Central Excise Duty by M/s. Reliance Textile Industries Limited, Bombay has come to notice.

Report of the Panel Constituted to go into the Affairs of heavily losing NTC Mills

1473. SHRIMATI MAIMOONA SULTAN; SHRI NARENDRA SINGH:

Will the Minister of COMMERCE be pleased to state:

(a) whether the panel constituted to investigate into the affairs of eight heavily losing NTC mills has submitted its report;

(b) if so, what are its main observations and suggestions, indicating specifically the suggestion in respect of each mill; and

(c) what is Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) No, Sir.

(b) and (c) Do not arise.