

it has been stated that the computation of this consumer price index is faulty and it needs to be revised, and so the dipping which is reflected here is not a correct state of affairs. Prices have risen very high. Maybe, it is not 9 per cent but certainly it is 3 to 4 per cent even during this period. I would, therefore, like to know as to when the Government will accept this report so that the prices are correctly reflected in the All-India consumer index.

**SHRI PRANAB MUKHERJEE:** We have not accepted the recommendation of that Committee. Now, another committee was appointed which is known as the Seal Committee. It has already given its report and it is under the consideration of the Government. *(Interruptions).*

**DR. SHANTI G. PATEL:** Let him give the reasons. What are the reasons for not accepting its report? Just saying that they have not accepted it is not enough.

**SHRI KRISHNA CHANDRA PANT:** Is it not a matter of concern that the consumer prices have started rising in a very favourable climate, the climate being favourable because in international oil prices have stabilised and have been more or less stable, if not fallen, during the last one year or more. Secondly, there have been good crops and a good buffer stock. Thirdly, the Government's policy has been to use foreign exchange somewhat more freely than in the past to import goods which are in short supply. Fourthly, there is a tight credit policy. In this situation, for prices to rise would be a matter of concern. Does the Finance Minister agree to it? I would like to ask the Finance Minister whether this restrictive trade policy is not neutralised to a certain extent by the existence of black money and what weightage does he attach to this particular aspect of the economic situation in the country today. Finally does he not think that faulty distribution policy or fault in the distribution net work lie at the root of the de-

lay in the fall in wholesale price index to be reflected in the consumer price index?

**SHRI PRANAB MUKHERJEE:** I agree with the hon. Member that it is a matter of concern. At no point of time did I fail to explain that the inflationary pressure is there in the economy and that we shall have to be extremely careful. Sometimes, it is there partly because of seasonal factors. We have to examine in a little greater detail as to what are the reasons and what corrective steps can be taken to prevent it. Regarding the second part of the question, it is very difficult to quantify the extent of black money and to link it or to give it proper weightage is not possible. I do agree that it causes concern, particularly when a part of the money is being converted into goods which creates scarcity in the market. Regarding the third aspect, I would say that we have adopted the instrument of demand and supply management through which we are trying to control the price situation. But there are certain defects in the distribution system itself and we are trying to improve it.

#### Classification of Meerut as 'B' class City

\*163. **SHRIMATI KRISHNA**

**KAUL:**

**SHRI SHANTI TYAGI:†**

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the population of Meerut City including the cantonment area is more than six lakhs; and

(b) if so, what steps are being taken by Government to classify it as a 'B' Class City?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAISINGH SISODIA):**

(a) and (b). According to 1971

†The question was actually asked on the floor of the House by Shri Shanti Tyagi.

census, the population of Meerut urban agglomeration, which includes both Meerut City and Meerut Cantonment, was 3,67,754, and the population of Meerut Municipality alone was 2,70,993. The final population figures of 1981 census have not yet been furnished by the Registrar General & census Commissioner of India. However, according to the provisional population figures of 1981 census, the population of Meerut urban agglomeration and Meerut Municipality is 5,38,461 and 4,17,288 respectively.

The question of upgradation of Meerut to B-2 Class for the purpose of payment of House Rent Allowance and Compensatory (City) Allowance to the Central Government employees working there will be considered on receipt of the final population figures of 1981 Census.

**श्री शक्ति रामो:** मैं माननीय मंत्री जी से यह पूछना चाहता हूँ कि मेरठ शहर को बी कॅटेगरी में रखने के पश्चात उनका कितना एक्सपेंडिचर बढ़ेगा और मैं जानना चाहता हूँ कि मेरठ के अलावा हमारे पूरे देश में और भी ऐसे शहर हैं जिन को आप बी कॅटेगरी में रखना चाहते हैं और क्या उन का मसला भी आप के विचाराधीन है ?

**श्री सवाई सिंह सिसोदिया :** माननीय सदस्य जो प्रश्न पूछा है उस के उत्तर में मैं बताना चाहता हूँ कि बी प्रकार की कोई कॅटेगरी नहीं है ? जो बड़े शहर हमारे देश में है उन में दो प्रकार के एलाउन्सेज दिये जाते हैं केन्द्रीय शासन की ओर से। पहला है हाउस रेंट एलाउन्स और दूसरा है कंपसेटरी सीटी एलाउन्स। जहाँ तक हाउस रेंट एलाउन्स का सवाल है अपने देश के बड़े शहरों को चार प्रकार से डिवाइड किया गया है। जो सिटी ए कॅटेगरी में आते हैं उन की आबादी 16 लाख से ऊपर

है। इसके बाद बी-1 कॅटेगरी के शहरों की आबादी 8 लाख से 16 लाख के बीच में होती है और उस के बाद बी-2 कॅटेगरी के शहरों की आबादी 4 लाख से 8 लाख के बीच में होती है। जहाँ तक मेरठ का सवाल है, जन संख्या के जो आंकड़े मैंने दिये हैं.....

**एक माननीय सदस्य :** यह तो बी-2 कॅटेगरी में आता है।

**श्री सवाई सिंह सिसोदिया :** ठीक है लेकिन बी कॅटेगरी कोई नहीं है और दूसरा जो प्रश्न पूछा गया है कि मेरठ को बी-2 कॅटेगरी में लाने से कितना खर्च पड़ेगा इस का जबाब देना तो इस समय संभव नहीं है, लेकिन सेसस फीगर्स के आने के बाद पूरे देश में अनेक शहरों के वर्तमान ग्रेड में जो वृद्धि होगी उस से कुल मिलाकर 28 करोड़ का वार्षिक खर्च बढ़ने का अनुमान है।

**SHRI DIPEN GHOSH:** Will the hon. Minister kindly state whether there is a proposal made by the staff side in the Joint Consultative Machinery to reclassify the cities and upgrade the cities in terms of the latest census figures of 1981 and to reduce the minimum limit from 50,000 to 20,000 for the purpose of grant of house rent allowance to the Central Government employees stationed in such cities?

**SHRI SAWAISINGH SISODIA:** Sir, as far as house rent allowance is concerned, I have just now stated that cities coming under the population of 50,000 and above up to 4 lakhs come under the category of 'C' class and the house rent allowance to Central Government employees is being given. Sir, as far as census figure of 1981 is concerned, as I have already stated, we have not received the final figures of the census population of different cities, and for the information of the hon. Member and, through you,

to the House, I would like to state that the Government of India is very much concerned and cautious and careful about the difficulties of the Central Government employees living in big cities, and the Cabinet has taken a decision that even though we may receive the final figures somewhat late, effect of this population and the gradation of cities which are connected with this growth of population will come into effect from 1st of August, 1982. The CCA and HRA are being given from 1st of August, 1982. Even if the figures come after some time, it will have retrospective effect.

**SHRI DIPEN GHOSH:** Sir, he has not answered the second part of question. I asked whether there was a proposal made by the staff side in the Joint Consultative Machinery to reduce the minimum ceiling of 50,000 to 20,000 for the purpose of granting of HRA to Central Government employees.

**SHRI PRANAB MUKHERJEE:** Various proposals come and they are discussed between the official side and the staff side. And when some conclusion is arrived at, only then we inform the House. But what proposal comes, what is the reaction of the Government, all that we cannot discuss on the floor of the House.

#### Free Trade Zone at Madras Airport

\*164. **SHRI R. MOHANARANGAM:** Will the Minister of COMMERCE be pleased to state the steps being taken to establish a Free Trade Zone near Meenambakkam Airport at Madras?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI SHIVRAJ V. PATIL):** The Government has not yet taken a decision to open any more Free Trade Zone in the country.

**SHRI R. MOHANARANGAM:** Sir, the hon. Minister has stated that the Government has not yet taken a decision to open any more Free Trade

Zone in the country. But actually, Sir, it has become so much popular in Colombo that after establishing free trade zones Colombo has become a very popular country and they are earning a big amount in foreign exchange. Even in Gujarat they have started a free trade zone.

**MR. CHAIRMAN:** Do you suggest that there should be a free trade zone in Parliament House Annex also?

**SHRI R. MOHANARANGAM:** Sir, here the main point is that because they have already established free trade zones in Gujarat and some other places, will it not be desirable that we start a free trade zone near the Meenambakkam airport, which is the gateway of South India, and we earn more than Rs. 5,000 to Rs. 6,000 crores in a year?

**SHRI SHIVRAJ V. PATIL:** Sir, my answer is not completely in the negative. What I have said is that the Government has not yet taken a decision. The Government may look at it after some time.

**SHRI R. MOHANARANGAM:** Sir, if the Government has not taken a decision so far, I would like to inform your hon. Minister that our State Government is prepared to give sufficient land very near to the Madras airport. If our hon. Minister has not taken a decision so far to establish a free trade zone, will our Minister come forward and tell how much land he wants and our State Government will come forward to allot the land.

**SHRI ERA SEZHIYAN:** He is speaking not only as a Member of Parliament but also as a representative of the State Government.

**SHRI SHIVRAJ V. PATIL:** The proposal given by the hon. Member is very welcome. In fact, the State Government would be required to give something more than a mere piece of land, when we take the decision.