

Statement

(In crores of Rupees)

	Foreign Debt	Domestic Debt
(a) Public Debt as on :		
31.3.1980	9,963.95	24,318.76
31.3.1981	11,338.03	30,864.53
3.3.1982 (Revised Estimates)	12,357.97	35,726.32
(b) Repayment during :		
1980-81	391.58	558.55
1981-82 (Revised Estimates)	426.84	532.67
(c) Additional* Public Debt raised during :		
1980-81	1,727.13	6,368.04
1981-82 (Revised Estimates)	1,435.78	5,394.46

*Includes net expansion of treasury bills during the year.

NOTE : Figures prior to 1981-82 are on the basis of provisioned actuals.

Suspension of Advances by Bank of India/State Bank of India

1855. SHRI SHRIDHAR WASUDEO DHABE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Bank of India has suspended all types of advances except some specified categories by a circular dated 12th January, 1982;

(b) whether it is also a fact that the State Bank of India has withdrawn the power of giving advances from branch managers, recently;

(c) whether Government are aware that these steps have caused a serious credit shortage for small industrial units; and

(d) what steps are being taken to rectify the situation?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d) With a view to curbing inflationary pressures in the economy, the commercial banks were instructed by Reserve Bank of India to undertake a serious and critical re-appraisal of their lending programmes so as to ensure that they adhere to the guidelines set out by Reserve Bank of India from time to time regarding credit expansion and in particular to ensure

that they maintain the enhanced cash reserve and statutory liquidity ratios. It was also reiterated that within the parameters given by Reserve Bank of India and considering their own resources position, the commercial banks should ensure that special attention is given to the credit needs of the weaker sections of society as identified in the 20 Points Programme and that they should also be actively involved in the Integrated Rural Development Programme.

Commercial Banks, including Bank of India and State Bank of India have taken various measures to implement the credit policy. No total withdrawal of loan sanctioning powers has, however, come to the notice of the Government. The circular of Bank of India under reference also only advises its branch/regional/zonal offices to seek administrative clearance from the Head office for sanctioning loans to other than specified categories.

The Reserve Bank are continually monitoring the impact of the credit policy with a view to taking appropriate measures so that not only inflationary pressures are contained but also the growth of production is maintained.

Incidentally, it may be mentioned that during the first eight months of

the current financial year, the bank credit to small scale industries sector increased by Rs. 484 crores as compared to Rs. 241 crores in the corresponding period last year.

Excise duty of M/s. I.T.C. Limited

1856. SHRI SHRIDHAR WASUDEO DHABE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that M/s. I.T.C. Limited has been saving about Rs. 150 crores a year for the last five years in respect of excise duty, because of some decision of the Supreme Court;

(b) if so, what are the full facts of the matter; and

(c) what steps are being taken to save the heavy loss being caused to the exchequer?

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

(c) Relying on the Supreme Court's decision in the case of M/s. Voltas on old Section 4 of the Central Excises and Salt Act, 1944, M/s. I.T.C. Limited have filed writ petitions in the various High Courts claiming deduction of post-manufacturing expenses from their sale-price for determining the assessable value under new Section 4 which came into force on 1-10-1975. They are paying Central Excise duty on the value exclusive of post-manufacturing expenses as per decisions/stay orders of the High Courts. The assessments are being made provisional in view of the Courts' orders. The Government have filed appeals against adverse judgements of the High Courts in the Supreme Court and the writ petitions pending in the High Courts are being contested. Till the final decision of the Supreme Court is available, it may not be correct to hold that M/s. I.T.C. Limited are saving any excise duty or for that matter Rs. 150 crores a year.

Alleged misbehaviour charge against Trade Fair Official

1857. SHRI B. SATYANARAYAN REDDY: Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn to a press report (New Age of December, 13, 1981) to the effect that an officer deputed to an international trade fair, who had been caught red-handed molesting a woman officer there and ordered to be sent back to India by our Ambassador, has not received any punishment and on the other hand, the Chairman of TFAI had dismissed all office bearers of the union for the only crime of holding a meeting and seeking implementation of an agreement; and

(b) if so, what are the details in this regard and Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) and (b) Yes, Sir. An officer of the Trade Fair Authority of India in Baghdad was found on 14th September, 1980, in an inebriated condition. The officer is stated to have misbehaved with one of the lady member of the team of the Trade Fair Authority of India who was deputed to Baghdad International Fair, 1980. Next day when the Embassy questioned the officer he could not recall as to what had transpired although he was aware or having been drunk. The Embassy, in view of the officer's being under severe mental depression, insisted on his immediate return. The Trade Fair Authority of India, after calling for the explanation of the officer has administered a severe warning to him and debarred him from deputation abroad for three years. The Trade Fair Authority of India has also ordered that the conduct of the officer should be watched.

Regarding holding of meeting and asking for implementation of the agreement, no employee was dismissed, but disciplinary action was taken and employees were dismissed from service on being proved guilty of misconduct.

Trade Fair Authority of India is the disciplinary authority and it has already taken action in the matter against the employee involved in the incident.