

should be built up in such a manner that it helps industries which have become sick due to demand recession:

(b) if so, what are the other suggestions made by the chamber;

(c) whether their suggestions have been considered; and

(d) if so, to what extent Government have agreed with their views?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) to (d) A statement is laid on the Table of the House.

#### Statement

(a) Yes, Sir.

(b) The Indian Merchants Chamber has made several suggestions relating to indirect taxes. The more important of them are as follows:

(i) Necessary excise relief should be provided to industries which have become sick because of increased prices of raw materials, constant prices of end-products and demand recession.

(ii) There should be a provision for rebate of indirect taxes borne by raw materials and components. Further extension of this tax credit procedure may be considered, particularly to heavily-taxed items.

(iii) The burden of indirect taxes on critical inputs like electricity, steel and cement should be minimum.

(iv) Plant and machinery installed in new undertakings should be free of customs and excise duties; the production of such undertakings should also be exempted from excise duty for an initial stipulated period.

(v) Indirect taxes should be in the ascending order for (a) capital goods, (b) raw materials and intermediates, (c) goods of mass consumption and (d) durable consumer goods.

(vi) Since 95 per cent of the revenue is derived from 40 commodities, it may be considered whether the remaining commodities should be freed from the excise net.

(vii) Relief from Central Excise duty should be provided to industries set up in backward areas.

(viii) The rate of Central excise duty in respect of factories run mainly with manual labour should be kept at a lower level.

(ix) Basic and auxiliary duties of customs need not be levied separately.

(x) No countervailing duty should be levied on imports where similar products are not produced indigenously.

(xi) Higher production incentive scheme which lapsed on 31-3-79 should be revived.

(c) and (d) The above suggestions will be considered along with other pre-Budget representations.

#### Export of rice

†200-A SHRI K. C. SEBASTIAN:  
SHRI SHIVA CHANDRA  
JHA:

Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) what is the quantum of rice exported during the year 1979;

(b) what are the countries to which such exports were effected during the last two years;

(c) what is the quantum of rice proposed to be exported during the year 1980; and

(d) what is the amount of foreign exchange India has earned therefrom, country-wise, during the last two years?

†Previously Starred Question No. 210, transferred from the 26th March 1980.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI Z. R. ANSARI): (a) According to the provisional figures available, during 1979, the total quantity of rice exported was 4,47,335 MT.

(b) and (d) A statement is laid on the Table of the House. [See Appendix, CXIII, Annexure No. 49]

(c) The quantum of rice to be exported is decided on the basis of availability of rice in the country, and internal price trends.

**Public undertakings and corporations showing decline in Industrial production**

†\*200-B. SHRI IBRAHIM KALANIYA: Will the Minister of FINANCE be pleased to state:

(a) what are the names of the public sector undertakings and corporations which showed decline in industrial production during the last 3 years; and

(b) what was the production rate of such undertakings and corporations during the years 1975 and 1976 as compared to that during the years 1977, 1978 and 1979?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) and (b) A statement is laid on the Table of the House.

**Statement**

Presumably the Honourable Member is referring to the fall in production of those public sector undertakings in 1978-79 as compared to their performance in the previous years and also by the production rate for 4 years, referred to in part (b) of the question, he has in mind the percentages of capacity utilisation during those years.

The details of the Name of Undertaking/Unit, Major product, produc-

†Previously Starred Question No. 239, transferred from the 27th March, 1980.

tion in 1978-79 and 1977-78 are given at Annexure I. [See Appendix CXIII, Annexure No. 50] A comparative picture of capacity utilisation for the financial years 1975-76 to 1978-79 in respect of those undertakings/units is given at Annexure-I. [See Appendix CXIII, Annexure No. 51]

**Reduction in the strength of staff in the Ministries**

†789. SHRI DHARAMCHAND JAIN: Will the Minister of FINANCE be pleased to state:

(a) what are the details of the 10 per cent cut Government have imposed in the staff strength of the Central Ministries/Government Departments;

(b) whether it is a fact that direct recruitment made to the administrative services through UPSC has never been affected by the economy measures taken by Government in the recent years; and

(c) whether the 10 per cent cut referred to in part (a) above would apply to the direct recruitment to be made to the administrative services through UPSC?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) Instructions had been issued in May, 1977 that every Ministry/Department of the Government should consider reducing their staff by at least 10 per cent of their existing sanctioned strength. This was one of the various economy measures adopted by the Government during the past years for achieving reduction in non-development expenditure. No additional reduction has now been suggested.

(b) Yes, Sir. No ban has been placed on recruitment to all constituted cadres through UPSC but restrictions have been placed on local or *ad hoc* recruitment.

†Previously Unstarred Question No. 625, transferred from the 20th March, 1980.