

(a) whether there are large number of red, yellow and white clay mines in Jaitwara in Satna district of Madhya Pradesh,

(b) whether these clays are supplied to all corners of the countries after washing and cleaning them and used in the manufacturing of paints, tooth powder and other chemicals,

(c) whether the work of washing and cleaning of these clays has been hampered due to the Forest Conservation Act and thousands of people have been rendered jobless as a result thereof

(d) whether Government have taken any action to ensure that these people engaged in this small industry get source relief and function properly, and

(e) if so, the details thereof?

THE MINISTER OF STEEL AND MINES AND MINISTER OF LAW AND JUSTICE (SHRI DINESH GOSWAMI) (a) Yes, Sir

(b) Yes, Sir These clays are supplied to different parts of the country for various uses

(c) The entire ochre bearing areas in Jaitwara comes under forest land and for undertaking mining in that area clearance from the Ministry of Environment and Forest is necessary under the Forest (Conservation) Act, 1980 No proposal for diversion of forest land for clay mining in Satna District is pending with Central Government for clearance

(d) and (e) Do not arise

[English]

Peerless General Finance and Investment Company

9361 DR DESI PROSAD PAL
PROF K V THOMAS

Will the Minister of FINANCE be pleased to state

(a) whether Government have received representations regarding the mismanagement of money by the peerless General Finance and Investment company

(b) if so, the action taken to protect the interests of depositors and employees and

(c) whether there is any proposal to nationalise the company?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) (a) to (c) Government and Reserve Bank of India had received certain representations against M/s Peerless General Finance and Investment Company Ltd (Peerless), Calcutta alleging diversification of funds by way of investments in shares of subsidiary companies RBI has reported that the total amount of such investments made by the Peerless was generally found to be within the norms laid down by the Reserve Bank of India These investments however did not seem to be in keeping with the nature of activities of the company and RBI has advised the company of the same

Reserve Bank of India have issued, in may, 1987 Residuary Non-Banking Companies (Reserve Bank) Directions which are applicable to companies like Peerless These directions, inter alia provided for the minimum and maximum period for which deposits can be accepted by the companies, the manner in which the funds are to be invested

etc. These directions provide safe return on the investment and security to the depositors.

[*Translation*]

Mineral Reserve in Bastar, Madhya Pradesh

9362. SHRI RESHAM LAL JANGDE: Will the Minister of STEEL AND MINES be pleased to state:

(a) the quantity and market prices of corundum, tin and other minerals mines from Baster district in Madhya Pradesh during the last three years till April, 1990, with names of the mines,

(b) the estimated reserves of such minerals in these mines.

(c) the number of cases of thefts detected in these mines during the above period; and

(d) the number of apprehended persons against whom action has been taken?

THE MINISTER OF STEEL AND MINES AND MINISTER OF LAW AND JUSTICE (SHRI DINESH GOSWAMI): (a) to (d). The information is being collected and will be laid on the Table of the House.

[*English*]

New Credit Policy

9363. SHRI G.S. BASAVARAJ: SHRIMATI BASAVA RAJESHWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India

(RBI) has agreed to relax the guidelines in the new credit policy with a view to broad-basing the market for Commercial Paper;

(b) if so, the relaxations the RBI has agreed to give; and

(c) the extent to which it will help to develop the economy?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c). Reserve Bank of India (RBI) has reported that effective from April 24, 1990, following relaxation in the guidelines for issue of Commercial Paper (CP) have been made:

- i) The tangible net worth of the company should not be less than Rs. 5 crores as against Rs. 10 crores prescribed earlier.
- ii) Working capital (Fund-based) limit of the company should not be less than Rs. 15 crores as against Rs. 25 crores prescribed earlier.
- iii) The minimum credit rating from the Credit Rating Information Services of India Ltd. would be P-one instead of P-1 plus.
- iv) The denomination of CP could be in multiples of Rs. 10 lakhs as against Rs. 25 lakhs earlier, subject to the minimum size of an issue to a single investor being Rs. 50 lakhs instead of Rs. 1 crores.

The scheme of CP has become operative with effect from January, 1990 only and the total amount of CP issues till date is Rs. 96.50 crores only.