

11. Dr. Inderjit Singh
12. I.T.C. Ltd.
13. Phoenix Overseas Ltd.
14. S.B.Y. Reddy
15. Padamja Financial Services Ltd.
16. Ross Murarka Finance Ltd.
17. Peerless General Finance and Investment Ltd.
18. H.T. Patel
19. Reliance Industries Ltd.
20. Sahara Indian Financial Corporation Ltd.
21. Ispat Finance Ltd.
22. Modern Group of Industries
23. R.C. Suneja

[English]

Leather Products

*229. SHRI DATTATRAYA
BANDARU:
SHRI PRABHU DAYAL
KATHERIA:

Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal to augment the export of leather products, especially footwear;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (c). Leather sector including footwear and leather goods is receiving priority attention of the Government as one of the thrust sectors for export promotion. Steps taken by the Government *inter-alia* relate to removal of major constraints of growth, such as non-availability of essential raw materials, shortage of trained manpower and lack of design and product development facility. Import traffics have been reduced to facilitate import of raw materials, consumables and machinery and to promote an integrated product development. Marketing campaigns in our major markets such as USA and European Community have been taken up. The Government is also implementing a comprehensive project for the growth of the industry with assistance from UNDP.

Nationalised Banks

*230. SHRI RAJNATH SONKAR SHASTRI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposed to review the existing laws and procedures of the nationalised banks to identify changes therein to check loopholes giving scope to scandals; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). Various control mechanisms exist in banks like statutory audit, internal audit, snap inspection and vigilance machinery to prevent fraud and malpractices and streamline existing procedure on an ongoing basis. Whenever any ingenious method is adopted by any

individual/ company to defraud any bank, the modus operandi is examined and circulated to all banks by the Reserve Bank of India (RBI) to plug loopholes in the existing system.

In June, 1992, the Committee set up by the RBI to enquire into various aspects of frauds and malpractices in banks had submitted its recommendations *inter-alia* identifying amendments to certain laws & procedures. These recommendations are at various stages of implementation.

Government Expenditure

*231. SHRI GUMAN MAL
LODHA:
DR. CHINTA MOHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are meeting their rising expenditure by increasing money creation and drawing on bank funds as reported in the 'Telegraph' dated December 28, 1993;

(b) if so, the total amount of loan provided by the Reserve Bank of India to the Government during the first nine months of 1992-93 and 1993-94;

(c) the details of total money in circulation during the above period, year-wise; and

(d) the total decrease in purchasing power of rupee registered as on December 31, 1993 and on December 31, 1992?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI M.V.
CHANDRASHEKHARA MURTHY): (a) and
(b). The net Reserve Bank credit to
Central Government (NRCCG) was

Rs. 7842 crores during the first 9 months of 1993-94 as compared to Rs. 6485 crores during the corresponding period of 1992-93. There is no synchronisation between the receipts and expenditure of the Central Government and hence Reserve Bank Credit at any particular point of time is not an indicator of the likely year and figure. Government is, however, closely monitoring the situation.

(c) Total money supply (M3) stood at Rs. 4,08,413 crores as on December 24, 1993 as compared to Rs. 3,53,949 crores as on December 25, 1992.

(d) Purchasing power of Indian Rupee estimated by using the rate of inflation as measured by the movement of consumer Price Index (CPI) for industrial workers (Base 1982=100) stood at 41.15 paise in December 1992 and 37.88 paise in December, 1993.

Increase In Air Fares

*232. SHRI INDRAJIT GUPTA:
SHRI V. SREENIVASA
PRASAD:

Will the Minister of CIVIL AVIATION
AND TOURISM be pleased to state:

(a) the criteria being followed for increasing air fare;

(b) whether the Government propose to increase air fares for the Indian Airlines and the Air India;

(c) whether the Government have conducted detailed study of air fares prevailing in other countries;

(d) if so, the details of prevalent domestic and foreign airlines air fare structure in respective countries;