

THE MINISTER OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Yes, Sir. Prices of cotton and cotton yarn have increased.

(b) The reasons for the rise in the prices of cotton and cotton yarn are short arrivals of cotton in the market, damage to cotton crop in certain areas, speculative buying and tight availability in international market.

(c) and (d). During 1994-95, 20 million kgs. of hank yarn was allocated for distribution to the handloom sector at a subsidy of Rs. 15/-per kg.

(e) Government is constantly monitoring the situation. The import of cotton has been put under OGL at 'nil' rate of duty; about 30,000 MT of viscose Staple Fibre at 'NIL' rate of duty is being imported, ceiling on stock of cotton to be held by mills and traders has been imposed and strict implementation of Hank yarn obligation order is being done. So far only one lakh bales of Bengladeshi cotton has been permitted for export out of announced quantity of 5 lakh bales keeping in view the present domestic situation. The Textile Commissioner has been ensuring enforcement of various orders to check hoarding of cotton.

Indo-European Union Economic Cooperation

*178. SHRI SULTAN SALAHUDDIN OWAISI: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to launch five year strategy for strengthening economic ties with the twelve nations of the European Union;

(b) if so, the details thereof;

(c) whether any conference was held in Brussels under the new Ino-Europe agreement on partnership and development recently;

(d) if so, the details and the outcome thereof;

(e) the salient features of the blueprint for Indo-EU cooperation;

(f) whether any bilateral economic agreement is proposed to be signed with the European Union; and

(g) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a), (b) and (e). At the India-EC Joint Commission meeting held at Brussels on 10-11 October 1994, the two delegations agreed on the broad principles of a five year Strategy for Economic and Development Cooperation up to the year 2000. This forward looking flexible and dynamic strategy focuses on continued assistance from the Community to India's development efforts, particularly in the social sectors such as primary education, health, employment and mutually beneficial economic cooperation. The strategy further gives priority to projects and programmes in sectors like agriculture, poverty alleviation, rural employment, environment, energy etc. and also details the criteria for selection of such projects and programmes.

(c) and (d). The First Session of India-EC Joint Commission since the entry into force in August 1994 of the India-EC Cooperation Agreement on Partnership and Development took place in Brussels on 10-11 October,

1994. Besides agreeing on the long term strategy for Economic and Development Cooperation, the two delegations indentified new areas of cooperation in the maritime, telecom and electronics sectors.

(f) and (g). The new Agreement also provides for economic development and sectoral cooperation.

Provident Fund Investment Pattern

*179. SHRI R. SURENDER REDDY: Will the Minister of LABOUR be pleased to state:

(a) the details of present pattern of the provident fund investment of the Employees Provident Fund Organisation (EPFO);

(b) whether the Reserve Bank of India (RBI) has been handling the provident fund contributions from the EPFO for the last four decades;

(c) if so, the details thereof;

(d) whether the RBI has recently expressed its unwillingness to handle the provident fund contributions from EPFO;

(e) if so, the reasons therefor;

(f) the alternative arrangements made in this regard;

(g) whether the Government have recently proposed to slash the interest rates on Provident Fund Special Deposits; and

(h) if so, the details thereof and the reasons therefor?

THE MINISTER OF LABOUR (SHRI P.A. SANGMA):

(a) Under the present pattern of investment 15% of the Employees Provident Fund money is invested in Government securities, 55% in Special Deposit Scheme of the Central Govt. and 30% in Bonds/Securities of Public Financial Institutions and Certificate Deposits of Public Sector Banks.

(b) Yes, Sir.

(c) As on 31.3.1994 the amount of investment of Provident Fund money deposited by the Employees Provident Fund Organisation to be handled by the RBI was Rs. 20,289.37 crores.

(d) Yes, Sir.

(e) The R.B.I. has decided not to handle the job of investment because this function is in conflict with its role as a manager of Public Debt.

(f) It has been decided to hand over the job of investment of the EPF money to the State Bank of India w.e.f. 1.4.1995.

(g) No, Sir.

(h) Does not arise.

Inter Branch Accounts

*180. SHRI P. KUMARASAMY: Will the Minister of FINANCE be pleased to state:

(a) whether the working group set up by the Reserve Bank of India has given directions to the nationalised banks regarding reconciliation of inter-branch accounts;

(b) if so, the details thereof;

(c) whether all the nationalised banks have been following the above directions;

(d) if not, the reasons therefor and the action taken against the banks for violation of the above directions;

(e) the amount of arrears pending for inter-branch reconciliation; and

(f) the steps taken to clear the arrears expeditiously?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) and (b). The Working Group set up by RBI had recommended certain measures for reconciliation of outstanding entries in the inter-branch reconciliation accounts and based on this RBI had issued instructions to the banks to take expeditious steps to implement the recommendations.

The advice of the RBI relates to identification of branches that habitually delay submission of statements of daily transactions, toning up their working, segregation of large value entries for special attention, computerisation, decentralisation of clearing process, system of monitoring and adoption of a time schedule for clearance of arrears etc. in a phased manner in such a way as to complete the reconciliation of all outstanding entries in inter-branch reconciliation accounts upto 31st March, 1993 by 31st March, 1994. No bank was expected to keep any entry unreconciled for more than six months from 1993-94 onwards.

(c) and (d). RBI has intimated that as efforts are being made by banks for clearing the arrears, the question of RBI taking action against them has not arisen till now.

(e) As on 30th September, 1994 there were 65.55 lakh entries involving Rs. 3,69,199.48 crores outstanding in inter branch reconciliation accounts of public sector banks covering entries pertaining to the period upto 31st March, 1993.

(f) RBI has reported that banks have, inter-alia, taken the following steps for speedy inter-branch reconciliation of accounts.

1. Time frames have been evolved for clearing old entries;
2. High value entries are segregated and given priority for adjustment/follow up;
3. Entries pertaining to demand drafts are being segregated;
4. Special cells/task force have been constituted by some banks for clearing the arrears.

Export and Import of Sugar

1581. SHRI CHANDRESH PATEL: Will the Minister of COMMERCE be pleased to state the total quantity of sugar imported and exported from January 1, 1994 to February 20, 1995 and the foreign exchange earned therefrom, country-wise?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): Figures for January 94 to December 94 are only available in the form

of provisional aggregates without countrywise break-up. According to these the export and import of sugar during January 94 to December 94 had been as under:—

Export		Import	
Qty. (in tonnes)	Value (in Rs. lakh)	Qty. (in tonnes)	Value (in Rs. lakhs)
9,807	934	17,54,346	2,23,157

Source:—DGCI&S, Calcutta.

Welfare Fund for Coir Workers

1582. SHRI THAYIL JOHN ANJALOSE: Will the Minister of LABOUR be pleased to state:

(a) whether the Kerala Coir Workers Welfare Fund Board has submitted a memorandum to the Union Government relating to welfare measures for coir workers;

(b) if so, the details thereof; and

(c) the steps taken by the Union Government thereon?

THE MINISTER OF LABOUR (SHRI P. A. SANGMA): (a) to (c). The information is being collected and will be laid on the Table of the House.

Smuggling of Copper Wire

1583. SHRI MANIKRAO HODLYA GAVIT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware of the news-item appeared in the 'Hindustan Times' dated November 3, 1994 that Delhi Markets have been invaded by smuggled copper wire rods which are being sold illegally to speculators and unscrupulous traders at rates cheaper than the legally imported rates;

(b) if so, the details thereof; and

(c) the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) and (b). Government are aware of the news item on smuggling of copper wire rods as reported in the Hindustan Times dated November 3, 1994. Available reports do not indicate that smuggled wire rods, diverted from imports meant for Nepal and having originated from Bombay are being sold in Delhi Markets.

(c) Anti-smuggling agencies are alert to detect and prevent smuggling including smuggling of copper wire rods.

Rehabilitation Scheme for Intercontinental Leather Ltd.

1584. SHRI SHYAM BIHARI MISRA: Will the Minister of FINANCE be pleased to state:

(a) whether the Board for Industrial and Financial Reconstruction has sanctioned a Rs. 1.12 crore scheme for the rehabilitation of Intercontinental Leather Ltd.; and

(b) if so, the salient features of the scheme?

THE MINISTER OF STATE IN THE MINISTRY OF