

*The Following Items Shall be Procured on the Basis of Samples Approved by Purchaser/Mutually Agreed Specifications*

1. Khes
2. Bed Covers
3. Counter Pane
4. Furnishing
5. Chaddar
6. Durrets/Jamakkalam
7. Bashta Cloth
8. Lowreed Pick Cloth
9. Silk Sarees
10. Shawls, Mufflars, Pankhis
11. Woollen Tweed

#### **Change in Status of India Reconstruction Bank of India**

4581. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to convert Indian Reconstruction Bank of India into a limited company; and

(b) if so, the details thereof;

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). As announced in the Finance Minister's speech on the Budget for 1996-97, Government propose to transform the Industrial Reconstruction Bank of India (IRBI) into a full fledged all purpose development finance institution.

#### **Collection of Duties from Tea Gardens in Assam**

4582. DR. PRABIN CHANDRASARMA: Will the Minister of COMMERCE be pleased to state:

(a) the amount of revenue collected as duties from the tea gardens of Assam by the Union Government during each of the last three years;

(b) whether the Government have undertaken development/welfare works for these tea gardens;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) As per the estimates available with Tea Board, revenue collected by the Central Government from tea gardens in Assam as cess on production of tea during past 3 years has been as follows:-

Year	(Rs. lakhs) Cess collected
1993	614
1994	598
1995	597

(b) to (d). Tea Board has been operating a number of developmental schemes. Under these schemes financial assistance by way of long term loan, capital subsidy, interest subsidy on bank loans, and grants-in-aid are provided for developmental activities like extension planting, new planting, replanting, rejuvenation, pruning and infilling, irrigation and drainage, modernisation of tea factories etc. Funds for these activities are met by the Tea Board out of the sanctioned plan budget. Tea Board also implements labour welfare schemes in the State which inter-alia include providing grant to the wards of the tea garden workers for pursuing studies above the primary level and also providing financial assistance to educational institutions, hospitals etc. for construction of health centres, extension of educational and vocational training and specialised treatment facilities for the benefit of the tea garden workers and their families.

#### **Postings of Vocational Course Employees in G.I.C.**

4583. DR. ARVIND SHARMA: Will the Minister of FINANCE be pleased to state:

(a) the number of vocational course employees of GIC absorbed during 1996 in each of the four subsidiaries of the corporation;

(b) the number of postings made by each of the four companies of the GIC, Station-wise; and

(c) the policy of the Government in regard to postings of such candidates?

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

#### **Foreign investment ceiling**

4584. DR. M.P. JAISWAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to raise the investment ceiling on Foreign Institutional investors; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Amendments to the SEBI (Foreign Institutional Investors) Regulations 1995 have been announced by SEBI, as a follow up of policy announced by Government during the Budget Speech of 1996-97. These amendments provide, inter alia, for an increase in portfolio investment limit for individual FIIs from 5% to 10% of the paid up capital of a company. No change however has been made in the existing aggregate investment limit of 24% for all FIIs/NRIs/OCBs in any company.

#### **Border Trade with Bangladesh**

4585. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Indo-Bangladesh trade logjam at Dawki continues;

(b) if so, the reasons therefor; and

(c) the measures taken or are being taken in consultation with the Bangladesh Government to revive border trade between the two countries, as envisaged under the famous Indira-Mujib Pact of March, 1972?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) No, Sir.

(b) Does not arise.

(c) Government have taken up the proposal for resumption of border trade with Bangladesh Government on several occasions. No progress has been made because of lack of a positive response.

#### **System of Promotion**

4586. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank has advised India to abandon the system of promotion of civil servants according to the seniority and adopt the South Korean system of promoting Government Officials on the basis of merit;

(b) if so, whether any concrete suggestions in this regard have been received from the World Bank;

(c) if so, whether the Government have agreed to implement those suggestions; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir.

(b) to (d). Do not arise.

#### **Growth Rate of Industrial Production**

4587. SHRI SONTOSH MOHAN DEV: Will the Minister of INDUSTRY be pleased to state:

(a) whether an analysis of Indian industrial production shows that annual average growth rate during 1991-92 to 1995-96 at Growth Production Centres was below the 8.4 per cent achieved during 1986-87 to 1990-91;

(b) if so, whether the figure is lower than the annual average growth rate of industrial production of 7.8 per cent;

(c) if so, the reasons therefor; and

(d) the steps taken by the Government to remedy the situation in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). The annual average growth rate of industrial production during 1986-87 to 1990-91 and during 1991-92 to 1995-96 were 8.4% and 6% respectively.

(c) and (d). The overall industrial growth during 1991-93 was constrained because the balance of payment crisis of 1991 necessitated an import squeeze and the tight monetary policy pursued to contain inflation affected both availability and cost of funds. Industrial production recorded a higher annual growth of 9.4% in 1994-95 and 12% in 1995-96. This increase in the rate is due to a number of factors such as cumulative effect of reform in the industrial and other sectors, continuing buoyancy in the growth of export and increased demand for industrial products due to increased incomes.

#### **Rise in Credit Demand**

4588. SHRI MADHAVRAO SCINDIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has recently cautioned the banking sector on rising credit demand and deregulation of interest rates in the context of limited availability of funds;

(b) if so, the details thereof; and

(c) the reaction of the banking sector thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). Reserve Bank of India (RBI) has reported that at present banking system has adequate resources to meet all genuine demands for credit. Aggregate deposits for scheduled commercial banks have risen by Rs. 14,862.00 crore (3.4 per cent) so far during the current financial year (March 29, 1996 to August 2, 1996) as compared