

(b) It envisages introduction of hierarchical distributed control system in Bhilai Steel Plant to bring about improvements in productivity, product quality, work environment, customer satisfaction and saving in raw material and energy costs.

(c) The final decision would be taken only after the scheme is fully conceived and evaluated with special reference to its feasibility and availability of funds.

**Foreign Equity Holding of M/s. Hindustan Lever Limited**

4853. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the fact that the categorisation of synthetic detergent as an Appendix 'A' Core Sector Industry, is being used by M/s. Hindustan Lever Limited as only a way to retain 51% foreign equity holdings ; and

(b) if so, the remedial steps proposed to be taken by Government in this behalf ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Industrial Licensing Policy listing out Appendix I items was announced in February, 1973 opening these areas for foreign companies and large Houses for licensing purposes. Synthetic Detergents had been included in the Appendix I list of the licensing policy even prior to the Guidelines for the administration of FERA which were announced in December, 1973. The foreign equity level of FERA companies is regulated having due regard to their contribution in core sectors as envisaged in FERA guidelines (i.e. Appendix I items, manufacturing activities involving sophisticated technology and own exports).

(b) The question of remedial measures does not arise.

**Application Received for Loans by Nationalised Banks from Union Carbide Gas Tragedy Victims**

4854. SHRI AZIZ QURESHI : Will the Minister of FINANCE be pleased to state :

(a) the number of loan applications received by the nationalised banks of Bhopal from Union Carbide Gas tragedy victims which have been forwarded by Government of Madhya Pradesh for their rehabilitation ;

(b) the number of those who were sanctioned loan by the nationalised banks ; and

(c) the reasons for not sanctioning loans to the remaining persons by those banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Reserve Bank of India has reported that the number of applications received under "Special Training and Employment Programme for Urban Poor" (STEPUP) by the commercial banks for the assistance to gas victims of Bhopal was 3,466, out of which 1,121 were sanctioned loans by the banks. The remaining applications could not be sanctioned, so far, mainly due to following reasons :—

- (i) Non-availability of beneficiaries for appraisal ;
- (ii) Non-fulfilment of eligibility criteria laid down by the State Government for STEPUP. ;
- (iii) Applicants residing out side the area of operation of bank branch and
- (iv) Some applicants whose applications were sponsored earlier declining to accept the loans later.

[Translation]

**Misappropriation in Arrah State Bank Branch**

4855. SHRI KAMLA PRASAD RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news-item captioned "Arrah State Bank Se Lakhon Ka Gaban" (misappropriation of lakhs of rupees in Arrah

State Bank Branch) appearing in the Patna based Hindi daily "Patliputra" of 25 September, 1985 ;

(b) if so, the number of such cases which came to light in various banks from 1982 till date ; and

(c) the facts brought to light after inquiry and the number of corrupt officials punished ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c) Government has seen the news-item. The facts, as reported by the State Bank of India, are that a fraud involving an amount of Rs. 31.12 lakhs has been detected at its Arrah Branch. The fraud has been perpetrated by Shri Bharatmuni Mishra, a Clerk at the Branch while he was working at the Savnigs Bank counter between 1979 and 1985. The modus operandi adopted by Shri Mishra was that he developed close rapport with a number of Savings Bank account-holders who, reposing confidence in him, used to hand over their cash together with their pass books and pay-in-slips for being deposited in their accounts. Shri Mishra used to swindle the money and make fictitious credit entries for these amounts in the pass book under his own authentication. He used to make fraudulent withdrawals from the Savings Bank accounts of several depositors by forging their signatures on the withdrawal forms and by passing the vouchers for payment in his capacity as Officiating Junior Management Officer and thus misappropriated the money. To escape detection, the relevant debit entries in the respective ledgers were also made by him. Whenever the customers, from whose accounts money was giphoned off, presented withdrawal forms, he made the payments to them either from his own pocket or by borrowing from third parties. After his involvement in the fraud came to light, Shri Mishra abstained from his duties and has not so far been traced despite efforts by the local Police, with whom the Bank had lodged an F. I. R. on 19.9.85, to arrest Shri Mishra. The Bank has, however, placed Shri Mishra under suspension. The Bank has also placed under suspension the officer, who was holding the charge of the branch when the fraud came

to light, for his acts of gross negligence and dereliction of duty which led to the perpetration of the fraud. The C.B.I. has since taken up the case for investigation.

(b) The present data reporting system in the banks does not yield information regarding frauds according to their type. However, the number of cases of frauds of various types perpetrated in the public sector banks in India and the amount involved therein (excluding the amount in foreign currencies), irrespective of the date of occurrence, as reported by the banks to the Reserve Bank of India during the years 1982, 1983, 1984 and 1985 (upto 30.9.85) is given below :

Year	No. of cases of fraud	Amount involved (In crores of rupees)
(Data provisional)		
1982	2065	19.44
1983	2360	29.62
1984	2410	38.39
1985	1623	38.44
(upto 30 9.85)		

[English]

#### Taking Over of Sick Companies

4856. SHRI MOHANBHAI PATEL : Will the minister of FINANCE be pleased to state :

(a) whether it is a fact that every year a large number of companies become sick and the management compelled to close their industries ;

(b) whether Government are contemplating to bring forward comprehensive legislation to regulate take-over of such companies for safeguarding the interest of the minority shareholders ;

(c) the number of companies which have been taken over till date by Government and the number out of these which have been re-started ;