

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) (a) Yes, Sir.

(b) The accumulated loss up to 31.3.1985 is Rs. 113.04 crores (including interest of Rs. 20.73 crores on Government loans).

(c) The performance of National Jute Manufactures Corporation is under constant review. The Government have taken up the following steps to reduce losses of NJMC :—

- i) For improving the capacity utilisation of NJMC Mills (excluding RBHM units), a scheme of modernisation/Renovation involving a total outlay of Rs. 28.34 crores has been taken up ;
- (ii) Measures to improve the performance of RBHM units of NJMC have been initiated ;

Proposal to set up a Protection Fund for Shareholders

4962. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under consideration of his Ministry to set up a Protection Fund for shareholders affected by default on the part of members of the stock exchanges ;

(b) if so, the broad outlines thereof ;

(c) the reaction of the principal stock exchanges in the country particularly their contribution to the proposed fund ; and

(d) the stage at which the matter stands at present ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A proposal for creation by the stock exchanges, of a Customers' Protection Fund

to take care of the legitimate investment claims of the clients of a defaulting member of a stock exchange has been forwarded to the stock exchanges for working out the details thereof. The proposal envisages that the Fund will be initially financed by way of a levy on the turnover of members and contribution from the listing fees received by the Stock Exchanges.

(c) and (d) The reaction of most of the principal stock exchanges is favourable. They are working out the details of the scheme.

Re-Investment of Dividend Earnings by Foreign Companies for Industrialisation of the Country.

4963. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government are contemplating to introduce any measures making it incumbent upon the foreign companies in India to reinvest their dividend earnings for the industrialisation of the country ;

(b) if so, the broad outlines thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) to (c) It is open to companies operating in India, including foreign companies, to set-up fresh capacities or expand or diversify within the parameters of Government's industrial policy. Whether in doing so the companies would like to plough back their profits/dividend is a matter for corporate decision and it is not for Government to lay down any guidelines in this regard.

News Captioned "Declaration of Undisclosed Income-Reservation on Validity of Ministry's Offer."

4964. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "Declaration of undisclosed income-reservations on validity of Ministry's Offer" appearing in the 'Economic Times', New Delhi, dated the 18th November, 1985 wherein it is reported that the assessee and legal experts have welcomed with reservations the offer of Union Finance Ministry to waive penalty on declaring their undisclosed income ; and

(b) if so, the steps taken or proposed to be taken to give a legal shape to this ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) The Board have issued necessary circulars in order to give effect to the T.V. Talk of the Finance Minister and the Press release.

Export of Jute of USSR.

4965. SHRI SANAT KUMAR MANDAL : Will the Minister of TEXTILES be pleased to state :

(a) whether the Jute Corporation of India has secured its first order from the USSR this season for the export of 5000 tonnes of raw jute ;

(b) if so, the worth of the order ;

(c) the action taken by the JCI to procure the fibre in West Bengal ; and

(d) what machinery has been devised to ensure that only good quality of fibre is supplied and there is no complaint which might come in the way of the JCI in entering into such agreements in future ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir.

(b) The total value of the export order is Rs. 242.88 lakhs.

(c) and (d) There is a provision in the export contract for compulsory preshipment inspection. Besides, representative sample bales are sealed and tested by both buyers' and sellers' agents so as to ensure packing standard strictly conforming to soaled samples. These steps ensure that goods shipped are as per approved quality.

Decline in Foreign Exchange Reserves

4966. SHRI R.M. BHOYE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that India's foreign exchange reserves excluding gold and special drawing rights, have declined in November, 1985 ;

(b) If so, to what extent ; and

(c) the details of foreign exchange reserves during last three years, yearwise and percentage-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) Does not arise.

(c) The foreign exchange reserves (excluding Gold and Special Drawing Rights) during the last three years were as under :—

Date	Amount (Rs. Crores)	Percentage change over previous period
1.4.82	3354.47	—
1.4.83	4265.26	+ 27.15
1.4.84	5497.85	+ 28.90
1.4.85	6816.78	+ 23.99

Collusion between Staff and Agents of National Small Savings Organisation, Delhi Region.

4967. SHRI SARFARAZ AHMED : Will the Minister of FINANCE be pleased to state :