

If the Hon'ble Member desires to know of any specific case(s), the same can be collected and furnished to him.

Ban on conversion of non-convertible debentures

3229. PROF. MADHU DANDAVATE :
SHRI BEZAWADA PAPI
REDDY :
SHRI UTTAM RATHOD :
SHRI K. P. UNNIKRIISHNAN :

Will the Minister of FINANCE be pleased to state :

(a) the text of order of Government banning the conversion of convertible and non convertible debentures into equity shares;

(b) the circumstances under which this order was issued; and

(c) number of companies who had offered such conversion facility and number of debenture-holders who have been affected by this decision and details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) In order to set at rest all speculation regarding conversion of non-convertible debentures and of the non-convertible portion of partially convertible debentures, Government have decided that henceforth such conversion shall not be permitted. In other words, non-convertible debentures and non-convertible portion of partially convertible debentures would remain as per the original terms of the approval to the issue.

(b) The above decision was taken in view of the substantial amount of speculation which was reported in some of the non-convertible issues based largely on the expectations that at some future date conversion would be permitted.

(c) Two companies had submitted proposals to the Government for approval of the conversion of non-convertible debentures into equity. Government have no information on the number of debenture holders who

have been affected by the above decision because companies are not required to give the number of debenture holders in their applications for capital issues.

Premium on equity issued by companies

3230. SHRI JAGANNATH PATT-
NAIK : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to liberalise the existing guidelines for the determination of premium in respect of equity issued by existing companies; and

(b) if so, the details regarding the guidelines and the formula adopted in this regard ?

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

(b) Does not arise.

[Translation]

Customer Service Centres in nationalised banks

3231. SHRI JAGANNATH PRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to set up Customer Service Centres in the nationalised banks throughout the country;

(b) if so, the time by which it is likely to be done; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Customer Service Centres are already working at Delhi and all capital cities of States. Besides, all public sector banks have been advised to ensure that complaint cells are set up at branch, zonal, regional and head office levels. Further, each branch is required to keep a complaint/suggestion box. Monitor-