

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (d). State Bank of Indore has reported that no case of fraud has come to light in its branches at Calcutta during the last three years and upto 30-6-89. The Bank has, however, reported that some cases of granting large advances in excess of the discretionary powers at its Cotton Street and Brabourne Road branches in Calcutta have come to notice. In these cases, the net liability as on 22-6-89 was to the extent of Rs. 377.38 lakhs. Besides making efforts for recovery/strengthening the security, Bank has also specially posted a senior officer at Calcutta for follow-up and recovery.

Yen Loan Raised by Industrial Finance Corporation of India

637. SHRI P. KOLANDAIVELU: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Finance Corporation of India has raised a loan of twelve billion Japanese Yen from a consortium of foreign banks with the Bank of Tokyo acting as agent;

(b) whether any agreement was signed for this purpose;

(c) the rate of interest and the maturity period; and

(d) the purpose for which the above loan has been raised?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). Yes, Sir.

(c) The rate of interest applicable is 0.3% below Japanese Long Term Prime

Rate (JLTPR) prevailing on the date of borrowing i.e. at 5.4% p.a. and the Maturity is 12 years from the date of draw-down.

(d) The proceeds of the loan will be utilised for on lending to the borrowers for meeting their foreign currency requirements.

Tea Trading Corporation

638. SHRI SRIKANTHA DATTANARASIMHARAJA WADIYAR: Will the Minister of COMMERCE be pleased to state:

(a) whether the Tea Trading Corporation of India Limited is running at loss;

(b) if so, the reasons therefor; and

(c) the steps taken in last three years to improve the performance of the Tea Trading Corporation of India Limited?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Yes, Sir. The losses in Tea Trading Corporation of India Limited are mainly due to less buying of tea by traditional buyers like Iran and Iraq, increased domestic consumption and shortfall in production of tea in the gardens managed by TTCL.

(c) Various steps have been taken to bring improvements in the performance of the Tea Trading Corporation of India Limited. They are:

1. Preparation of Garden revamping scheme.
2. Increase in business base.
3. Attempt to give special attention to green tea exports.
4. Rationalisation of labour force.