

received from two new promoters but their schemes were not considered supportworthy. In the BIFR hearing held on 19-7-91, the case was adjourned for two months in order to give a final opportunity to the Workers' Union and the existing promoters.

(c) and (d) The proposal from the Workers' Union to run the mill on cooperative basis is under consideration of a quasi-judicial body, BIFR which is expected to take a suitable decision in due course in terms of the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985.

### Opening of Branches by Nationalised Banks

2499. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether the nationalised banks have fully achieved the target fixed for opening new branches in the country during 1990-91;

(b) if not, the reasons therefor; and

(c) the number of branches proposed to be opened by the said banks during 1991-92 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) to (c) No specific target was fixed for opening of branches by nationalised banks during 1990-91. However, nationalised banks have opened 156 branches during 1990-91. As on 31-3-1991, 219 licences were pending with nationalised banks for opening of their branches. The validity period of these licences has been extended upto 31-3-1992. Since the opening of branches of banks is a continuous process, governed by licences issued by RBI, it is not possible to project the number of branches proposed to be opened by nationalised banks during 1991-92.

### Violation of Portfolio Management by Foreign Banks

2500. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has cautioned the foreign banks

against the violation of its guidelines in relation to portfolio management; and

(b) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) and (b) Reserve Bank of India's sample scrutiny of the portfolio management services of some foreign banks had indicated prima-facie non-observance of Reserve Bank of India's guidelines regarding portfolio management. Reserve Bank of India advised these banks to take corrective measures and strictly follow the guidelines in future. Reserve Bank of India have since issued fresh guidelines to all scheduled commercial banks to prevent circumventing of their instructions. The banks have also been advised by the Reserve Bank of India that any violation of these guidelines will be viewed seriously.

[Translation]

*Maharashtra*

### Production target of Hindustan Aeronautics Limited, Nasik

2501. SHRI VILASRAO NAG-NATHRAO GUNDEWAR : Will the Minister of DEFENCE be pleased to state :

(a) whether the Hindustan Aeronautics Limited, Ozar, Nasik, has achieved the production target during 1990-91;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF DEFENCE (SHRI SHARAD PAWAR) : (a) Yes Sir.

(b) It will not be in the public interest to disclose the details.

(c) Does not arise.

### Gold Import Policy

2502. SHRI VILASRAO NAG-NATHRAO GUNDEWAR : Will the Minister of COMMERCE be pleased to state :

(a) whether the jewellers of Maharashtra have requested the Union Government to liberalise the gold import policy; and

(b) is so, the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) No, Sir.

(b) Does not arise.

[English]

9 Modernisation of Jute Industry

2503. SHRI HANNAN MOLLAH : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government had any programme for the modernisation of Jute Industry;

(b) if so, the details thereof;

(c) how far the aforesaid programme has been implemented and with what results;

(d) the future plans of the Government for the modernisation of Jute Industry; and

(e) the time schedule prepared by the Government for their implementation?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT) : (a) Yes, Sir,

(b) The Jute Modernisation Fund was set up by Government of India in 1986 to cater to the modernisation requirements of the jute industry on the usual terms applicable for such loans. The fund also provides special loans at a concessional interest rate of 6% per annum to meet up to 80% of the promoters contribution of weak but viable units in order to enable them to avail of modernisation assistance. The special loans are repayable over a period of 12 years, with a moratorium for the first six years.

(c) 39 mills had applied for modernisation assistance under the Jute Modernisation Fund till the end of May 1991. 5 of these applications were later withdrawn. IFCI has sanctioned assistance in respect of 22

applications and rejected 9 applications. In the case of 2 applications, processing has been completed and these cases are awaiting disposal by the BIFR. 1 application is under preliminary scrutiny of the Financial Institutions. Rs. 88.58 crores has been sanctioned in the case of 22 applications, out of which Rs. 25.55 crores has been disbursed in respect of 10 cases.

(d) and (e) The progress of the utilisation of the Jute Modernisation Fund is reviewed and monitored regularly by a Committee which includes representatives of the Government of India, the Government of West Bengal, banks and financial institutions.

[Translation]

240 Allotment of Land to Civilians in Cantonment Areas

2504. SHRI SANTOSH KUMAR GANGWAR : Will the Minister of DEFENCE be pleased to state :

(a) the procedure laid down for allotment of land to civilians for their residence in Cantonment areas;

(b) whether there is any proposal for giving ownership rights of such land being used by civilians for self residence; and

(c) if so, the details thereof ?

THE MINISTER OF DEFENCE (SHRI SHARAD PAWAR) : (a) to (c) The existing policy does not envisage allotment of Defence lands, in Cantonment areas, to civilians for residential purposes. However, Defence lands already held on lease/old grant terms by civilians in certain Cantonments, can be converted into freehold on payment of the prescribed conversion charges, provided the site is not required for Defence or public purposes.

[English]

240 New Policy for Industry

2505. SHRI PRAFUL PATEL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to formulate a new policy for India