

(b) and (c). Ginning and Pressing Units functioning in the State are as under :

No. of Ginning factories	No. of pressing factories
246	64

No. of units among them which are sick-21.

(d) Most of these Units are sick due to financial problems which is taken care by the Financial Institutions.

[English]

Export to Russia

4715. SHRI S.M. LALJAN BASHA . Will the Minister of COMMERCE be pleased to state :

(a) whether the Government are aware that Russia has requested for changes in the present law which bar the export of products with more than 50% import component against Rupee earnings; and

(b) if so, the reaction of the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) The Russian Government has represented that the value addition norm for exports under the debt repayment route i.e., rupee trade should be brought in line with the value addition norm of 33-1/3% as applicable for exports in freely convertible currencies.

(b) However, as per the provisions of Paragraphs 21 (d) and 61 of the EXIM Policy (amended upto 31 March, 1995), and Appendix XIII of the Hand Book of Procedures, Volume I, (amended upto 30 April, 1995), the following value addition norms are currently applicable for exports to Russia :

- (i) For the trade taking place in freely convertible currency, the value addition norms will be the same as applicable to exports to GCA countries;
- (ii) For the exports from India against liquidation of rupee balances to the credit of erstwhile RPA countries, the value addition norms shall be 100% or the percentage of value addition indicated in the Handbook of Procedures (Volume 2), 1992-97, whichever is higher; and
- (iii) For exports to Russian Federation against India's repayments of State credits granted by the former USSR, the value addition norms shall be 100% or the percentage of

value addition indicated in the Handbook of Procedures (Volume 2), 1992-97, whichever is higher.

Loss/Profit of Banks in Gujarat

4716. SHRI N.J. RATHVA : Will the Minister of FINANCE be pleased to state :

(a) the amount of profits earned and loss suffered by various nationalised and co-operative banks in Gujarat during 1993-94; and

(b) the steps taken by the Government to make the loss making branches profitable?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) Reserve Bank of India (RBI) has intimated that its data reporting system does not generate State-wise position of loss/profit of banks.

(b) Government and RBI have been impressing upon the banks the need to strengthen the credit appraisal machinery and exercise close supervision and control over advances. Targets for recovery/reduction of Non-Performing Assets (NPAs) have been fixed by RBI. Banks have also set up recovery cells at their headquarters under the charge of their General Managers to exclusively monitor the recovery of NPAs. Branchwise targets have been fixed for recovery of NPAs and the performance of branches in recovery is to be monitored at head office level on a monthly basis by the Chief Executives. The Board of Directors are also required to be kept informed about the progress in recovery at quarterly intervals. Emphasis has also been laid on reduction of expenses.

Regional Rural Banks

4717. SHRI CHITTA BASU :
SHRI GEORGE FERNANDES :

Will the Minister of FINANCE be pleased to state :

(a) whether the National Industrial Tribunal under the Chairmanship of Justice S. Obul Reddi, a retired Chief Justice of the High Court of Andhra Pradesh had given an award on April, 30 in regard to the salaries and other allowances and benefits payable to the employees of the Regional Rural Banks;

(b) if so, the details thereof;

(c) whether the award has been implemented;

(d) if not, the reasons therefor;

(e) whether the Regional Rural Banks have since been made Associate member of the IBA as recommended by the working group constituted by NABARD; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):
(a) Yes, Sir.

(b) to (d). The Tribunal in its Award, *inter-alia*, held that officers and other employees of Regional Rural Banks (RRBs) be entitled to pay scales, allowances and other benefits on par with the officers and other employees of comparable level in corresponding posts of sponsor banks with effect from 1.9.1987. The employees of the RRBs are being paid revised salary with effect from January, 1991. The arrears due to them for the period prior to 1.1.1991, however, have not been paid due to weak financial position of most of the RRBs. The matter is now sub-judice before the Supreme Court.

(e) and (f). No decision has been taken yet.

Shares of ICICI in Private Banks

4718. PROF. UMMAREDDY VENKATESWARLU : Will the Minister of FINANCE be pleased to state :

(a) whether Industrial Credit and Investment Corporation of India (ICICI) is buying significant shareholdings in various private banks;

(b) if so, the purpose of such an entry into already established financial and banking companies;

(c) whether ICICI has reduced its role in promoting new companies;

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):
(a) and (b). Industrial Credit and Investment Corporation of India Limited (ICICI) has reported that it has invested in the equity capital of two private sector banks. The purpose of investment was by way of alliance to utilise their existing branch network.

(c) ICICI has reported that it provides finance to commercially viable projects and due consideration is given to proposals from new companies.

(d) Does not arise.

Taxing Consequence

4719. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether the Income Tax Department conducts investigations to assess the extent of expenditure on ostentations events and functions as reported in the Hindustan Times dated March 29, 1995;

(b) if so, the norms being followed in this regard;

(c) the details of such investigations made by the Income Tax Department during the last three years, year-wise; and

(d) the total amount of tax recovered through assessment of such expenditures during this period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):
(a) and (b). Yes Sir, Section 133A (5) of the Income Tax Act provides that where, having regard to the nature and scale of expenditure incurred by an assessee, in connection with any function, ceremony or event, the income-tax authority is of the opinion that it is necessary or expedient so to do, he may, at any time after such function, ceremony or event, require the assessee by whom such expenditure has been incurred or any person who, in the opinion of the income-tax authority, is likely to possess information as respects the expenditure incurred, to furnish such information as he may require as to any matter which may be useful for, or relevant to, any proceeding under this Act and may have the statements of the assessee or any other person recorded and any statement so recorded may thereafter be used in evidence in any proceeding under this Act.

(c) Details of surveys conducted u/s 133A (5) during the last three years are as under :

1992-93	664
1993-94	487
1994-95 (upto Feb', 95)	226*

(*provisional)

(d) Such statistics are not being maintained.

[Translation]

Testing Laboratories Under N.T.H.

4720. SHRI RAM KRIPAL YADAV : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to establish additional testing laboratories of the National Test House to meet increased work;

(b) if so, the details thereof; and

(c) the steps taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) A Regional Testing Laboratory of National Test House is being established at Guwahati to cater to the Testing facility needs of the various small, medium and village industries located in North Eastern States.

(b) The Testing Centre, Guwahati will have a Civil Laboratory, a Rubber, Plastic and Textile Laboratory and a Chemical Laboratory. The approved outlay of the Testing Centre is Rs. 1.85 crores.

(c) Possession of premises, made available by the Government of Assam for the proposed Testing Centre, has been taken and necessary renovation work will be started shortly. Further, in the wake of Plan Allocation