

Promoters of Companies

2762. SHRI PIUS TIRKEY:

Will the Minister of FINANCE be please to state:

(a) whether the Securities and Exchange Board of India has detected that a large number of companies actually belong to the promoter of the company/group which is also the actual beneficiary of these funds and is also an authorised signatory of these companies.

(b) if so, the details thereof: and

(c) the action being taken by the Government to remove this anomaly?

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

(a) to (c). As per the regulations of the Securities and Exchange Board of India, there is no restriction on a company being promoted by one or more companies belonging to a promoter or his group provided full disclosures are made in the documents making public offer of shares. SEBI guidelines also require companies raising capital to give details of other companies belonging to the same group and their financial performance, earlier public issues etc. Based on the disclosures made and due diligence certificate submitted by the Lead Managers, the offer documents are vetted by SEBI.

All observations conveyed by SEBI are also required to be incorporated in the offer documents to enable investors to make an objective and informed assessment of the offer.

[Translation]

Regional Rural Banks

2763. SHRI RAJVEER SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to bring certain changes in the existing set up of Regional Rural Banks in the country; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) and (b). Majority of the Regional Rural Banks (RRBs) are incurring losses continuously. Government initiated a process of consultation for restructuring of RRBs. After considering different alternative models including National Rural Bank of India (NRBI), It has been decided to revamp the RRBs cleansing up of their Balance Sheets on a 'Stand alone' basis. In pursuance of the Finance Minister's announcement made on 28th February, 1994 during his Budget Speech regarding restructuring of RRBs, a Committee was set up by Reserve Bank of India (RBI). The Committee identified RRBs which could be taken up

for restructuring on the basis of definite financial norms/parameters. Government has accepted the recommendations of the Committee and approved the restructuring of 49 RRBs out of 196 RRBs as mentioned in the statement attached.

STATEMENT

List of 49 RRBs identified for restructuring

S.No.	State	Name of the Regional Rural Banks
1	2	3
1.	Andhra Pradesh (16)	1. Sri Rama Grameena Bank
		2. Godavari Grameena Bank
		3. Kanakadurga Grameena Bank
		4. Sri Sathavahana Grameena Bank
2.	Arunachal Pradesh (15)	5. Arunachal Pradesh Rural Bank
3.	Assam (5)	6. Pragjyotish Gaonlia Bank
4.	Bihar (22)	7. Magadh Gramin Bank
		8. Gopalganj Kshetriya Gramin Bank
		9. Bhojpur Rohtas Gramin Bank
		10. Monghyr Kshetriya Gramin Bank
		11. Siwan Kshetriya Gramin Bank
5.	Gujarat (9)	12. Valsad Dangs Gramin Bank
		13. Surat Baruch Gramin Bank
6.	Haryana (4)	14. Gurgaon Gramin Bank
7.	Himachal Prad. (2)	15. Himachal Gramin Bank
8.	J & K (3)	16. Jammu Rural Bank
9.	Karnataka (13)	17. Tungabhadra Gramin Bank
		18. Bijapur Grameena Bank
		19. Malprabha Grameena Bank
10.	Kerala (2)	20. South Malabar Gramin Bank
11.	Maharashtra (9)	21. Thane Gramin Bank
		22. Aurangabad Jalna Gramin Bank
12.	Manipur (1)	23. Manipur Rural Bank
13.	Meghalaya (1)	24. Khasi Janitia Bank
14.	Mizoram (1)	25. Mizoram Rural Bank
15.	Madhya Prad. (24)	26. Rewa Sidhi Gramin Bank
		27. Durg Rajnandgaon Gramin Bank
		28. Kshetriya Gramin Bank, Hoshangabad

1	2	3
		29. Sharda Gramin Bank
		30. Bundelkhand Kshetriya Gramin Bank
16. Nagaland (1)		31. Nagaland Rural Bank
17. Orissa (9)		32. Koraput Panchabati Grama Bank
		33. Cuttack Gramya Bank
18. Punjab (5)		34. Faridkot Bhatinda Gramin Bank
19. Rajasthan (14)		35. Jaipur Nagapur Anchalik Gramin Bank
		36. Bhilwara Ajmer Kshetriya Gramin Bank
		37. Shekhawati Gramin Bank
20. Tamil Nadu (3)		38. Vallalar Grama Bank
21. West Bengal (9)		39. Howrah Gramin Bank
		40. Bardman Gramin Bank
22. Uttar Pradesh (40)		41. Bhagirath Gramin Bank
		42. Saryu Gramin Bank
		43. Vindhyavasini Gramin Bank
		44. Avadh Gramin Bank
		45. Samyut Gramin Bank
		46. Farrukhabad Gramin Bank
		47. Prathma Bank
		48. Basti Gramin Bank
		49. Gorakhpur Kshetriya Gramin Bank

(Note : Figures in brackets indicate total No. of RRBs in the State)

[English]

Loss Making PSUs

2764. (DR. G.L. KANAUIA):

Will the Minister of LABOUR be pleased to state:

(a) whether the Government propose to constitute a high level committee to study low productivity/efficiency of employees in PSUs which results in losses;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF LABOUR (SHRI P.A. SANGMA):
(a) to (c). The Government has no such proposal to constitute a high level committee to study low productivity/efficiency of employees in PSUs. Productivity and quality improvement is no longer a matter of choice but the essence of survival in the emerging competitive

environment. To provide further fillip to productivity and quality improvement the National Productivity Council has taken the initiative to generate productivity consciousness through seminars, workshops meetings, discussions throughout the country.

[Translation]

C.B.I. Raids in Banks

2765. SHRI BRAHMAN AND MANDAL:
SHRI SHRAVAN KUMAR PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether the C.B.I. has conducted raids on several public sector banks of the country during the recent past and detected some cases of frauds;

(b) if so, the details thereof for the last two years and the amount involved therein; and

(c) the punitive steps taken in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):
(a) to (c). Central Bureau of Investigation (CBI) has reported that during the last two years 1993 and 1994 they have conducted 282 searches of the residential/office premises of various bank officials in connection with investigation of 133 cases of bank frauds, etc. registered during the period. The amount involved in the searches including immovable property during the years 1993 and 1994 was Rs. 113.62 lakhs and Rs. 50.64 lakhs respectively.

CBI has reported that action has been initiated against the accused persons for the above cases as per law.

Guarantee to Investors

2766. SHRI MANJAY LAL:

Will the Minister of FINANCE be pleased to state:

(a) whether international financial institutions and investors have offered to make investment in power and irrigation sector of the country;

(b) if so, the details thereof;

(c) whether the Government have offered guarantee for some proposals of companies and rejected guarantee for others;

(d) if so, the reasons therefor;

(e) whether the Government propose to continue the policy of guarantee; and

(f) if so, the financial implications for such counter guarantee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASEKHARA MURTHY):
(a) and (b). Yes Sir. With the initiation of the private