

from some of the Small Scale industries associations for and against.

The investment limit for the small scale sector has been raised to set off the erosion in the value of rupee since 1991 and to enable the small scale units to meet the growing needs for technology upgradation so as to remain competitive. On dereservation issue, Government have decided to go in for dereservation in a phased manner as against the recommendation of the Committee for abolition of reservation entirely.

The Government have set up an Inter-Ministerial Committee to examine the various other recommendations of the Committee and to decide on the follow-up actions.

Hawala Racket in Syndicate Bank

634. SHRI RAMSAGAR: Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "Rs. 95 crores Hawala Racket is unearthed" appearing in the 'Times of India' dated December 20, 1996;

(b) if so, the details thereof;

(c) the action taken by the Government thereon; and

(d) how could the alleged 11 bogus forms be able to open fictitious bank accounts in Syndicate Bank when there are laid down guidelines for opening of bank accounts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Yes, Sir. Inspection of Syndicate Bank, Surat revealed remittances of foreign exchange worth about Rs. 95.53 crores during 1991-1995 out of 11 accounts on the basis of fake import documents. Enforcement Directorate has taken up investigations in the matter.

(d) First current account was opened with the introduction by an existing account holder. The other accounts were opened with the introduction of one to the other. The accounts were opened prior to 1.1.1994 when the system of obtaining photographs of the depositors was not there.

Extra Financial Assistance to States

635. PROF. JITENDRA NATH DAS: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of West Bengal has demanded additional financial assistance from the Union Government for reconstruction/repair of damaged roads and bridges by floods in the State; and

(b) if so, the amount demanded by the State and the amount sanctioned by the Union Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) During last year (i.e. 1996-97). Govt. of West Bengal in their memoranda had requested for a sum of Rs. 26.30 crores out of National Fund for Calamity Relief (NFCR) for restoration and reconstruction of roads. Since the Calamity was not considered one of rare severity, no assistance out of NFCR was approved by the National Calamity Relief Committee (NCRC). However, based on the recommendation of NCRC the third and fourth quarterly instalments of Rs. 19.245 crores as Centre's Share of Calamity Relief Fund (CRF) due on 1st Oct., 96 and 1st Jan., 97 was released on 29.9.96 in advance to the State Govt. for meeting the expenditure on relief and rehabilitation.

High Powered Commission on Laws

636. SHRI CHITTA BASU:

SHRI G.A. CHARAN REDDY:

SHRI R. SAMBASIVA RAO:

Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government have set up a High Powered Commission for reviewing and reforming antiquated laws, regulations and rules;

(b) if so, the composition of the Commission and the terms of reference thereof; and

(c) the time by which final report of the Commission is likely to be submitted?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) Not yet. The Government has decided to set up a Commission.

(b) The Commission may consist of one Chairman, two fulltime Members and one Members Secretary.

(c) Time limit will be specified at the time of Constitution of the Commission.

Merger of MMTC and STC

637. SHRI ANNASAHIB M.K. PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal under consideration of the Government for merger of Minerals and Metals Trading Corporation Ltd. and State Trading Corporation;

(b) if so, the details thereof and its present status;

(c) by when it is likely to be done; and

(d) the steps taken for filling up Board level vacancies in STC/MMTC?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) No, Sir.