

	1	2	3	4	5
3. Profitability ratios :					
(a) Gross margin to CE (%)		17.94	18.83	18.01	17.33
(b) Gross profits to CE (%)		10.88	11.59	11.39	11.57
(c) Net profits to CE (%)		2.23	2.00	2.33	2.78
4. Value of exports (Rs. crores)		7086	8980	10338	11936
5. Value added (Rs. crores)		31922	35213	38509	41466

(b) Several steps have been taken by the Government to improve efficiency of Public Sector Undertakings (PSUs) including strengthening the Memorandum of Understanding (MOUs) with public sector enterprises, delegation of more powers to the Board of Directors, allowing PSUs to form joint ventures and the raise fresh equity from the market, disinvestment of Government equity in selected PSUs, reference of sick companies to the Board for Industrial and Financial Reconstruction (BIFR), establishment of National Renewable Fund (NRF) to facilitate training and redeployment of workers and to finance voluntary retirement scheme (VRS).

[Translation]

Capital Investment in Public Sector

*149. JUSTICE GUMAN MAL LODHA : Will the Minister of INDUSTRY be pleased to state

(a) the number of industrial units being run in the public sector at the end of 1991-92 and 1995-96;

(b) the amount of capital investment made in these units during 1991-92 and 1995-96;

(c) the number of workers working in these units year-wise during the above years separately;

(d) whether the amount of losses in these units has also increased during the last three years; and

(e) if so, the extent of increase in losses suffered during 1995-96 as compared to 1993-94?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) Details showing the number of Central PSUs, capital investment and number of employees in them at the end of 1991-92 and 1993-94, upto which period only information is available, is given below :

	No of Central PSUs	Investment by way of equity & loan (Rs. in crores)	No of regular employees (in lakhs)
At the end of 1991-92	246	135445	21.84
At the end of 1993-94	246	164332	20.69

(d) and (e). Out of the 246 PSEs during 1991-92, 102 PSEs incurred loss of Rs. 3723 crores and during 1993-94, 117 PSEs incurred loss of Rs. 5287 crores. However all PSEs taken together earned overall profit of Rs. 2355 crores in 1991-92 and Rs. 4435 crores in 1993-94.

[English]

Income Tax due against Foreign Banks

*150. SHRI DADA BABURAO PARANJPE : Will the Minister of FINANCE be pleased to state

(a) the names of the foreign banks in India which are defaulters in payment of income tax as on date;

(b) the amount due against each of the banks; and

(c) the steps taken by Government so far to recover the said amount?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b) The names of foreign banks against whom Income-tax demand remained outstanding as on 1-7-1996 are as under :-

S No.	Name of the Foreign Bank	Amount Outstanding as on 1-7-1996 (Rs. in crores)
1	2	3
1.	Deutsche Bank	29.42
2.	Credit Lyonnais	00.30
3.	Hong Kong & Shanghai Bank	6.05
4.	Bank of Bahrain & Kuwait	1.25
5.	Oman International Bank	42.10
6.	Standard Chartered Bank	8.98
7.	Banque Indosuez	12.15
8.	Banque National De Paris	164.19
9.	Mashreq Bank (Bank of Oman)	0.70
10.	Abu Dhabi Commercial Bank	2.50
11.	Societe Generale	0.28
12.	American Express Bank	6.99

1	2	3
13. Bank of Nova Scotia		5.44
14. Barclays Bank		0.82
15. Dresdner Bank		0.01
16. ANZ Grindlays Banks	28.88	As on
17. Bank of Tokyo		31.3.1996

(c) High priority is given to the work of collection/reduction of arrear demand and appropriate administrative, legal and other measures are taken to recover the same. Request is made to the concerned appellate authorities for early disposal of cases. Wherever the recovery proceedings are stayed by the Courts, steps are initiated to get the stay vacated. Coercive measures are also taken in suitable cases for speedy recovery of demand. In bigger cases, the dossiers are maintained and the recovery position is reviewed regularly.

[Translation]

Jute Mills

*151. SHRI RAJESH RANJAN Alias PAPPU YADAV :

SHRI HANNAN MOLLAH :

Will the Minister of TEXTILES be pleased to state:

(a) whether many jute mills in the country, particular in Bihar and West Bengal are lying closed for a long time or are on the verge of closure;

(b) if so, the reason for their closure; and

(c) the steps being taken by the Govt. to revive these mills?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):

(a) Out of 73 mills in the country the following three jute mills are lying closed for more than one year.

Name of the Jute mills	State	Date of closure	Average workers affected
1. Kanpur	U.P.	13.04.87	1040
2. Katihar	Bihar	24.12.87	1300
3. Tirupati	W.B.	25.06.95	1250

The total number of mills lying closed as on 15.7.96 is 17.

(b) Among the various factors contributing to the closure or sickness in jute units are lack of modernisation, imbalance in cost price structure, inadequate availability and high price of raw jute, stiff competition from cheaper synthetic substitute in packaging sector, etc.

(c) Government has set up BIFR to enquire into working of Sick Industrial Companies and to prepare and sanction, as appropriate schemes for their revival.

Under the Industrial Disputes Act, resolution of industrial disputes is handled by the State Government, who initiate conciliation proceedings with the management.

Meanwhile, adequate orders for B. Twill bags at cost plus prices have been ensured by the Central Government by advancing such purchases during current plan period, so as to sustain viability of mills to the extent possible.

[English]

Bank Scam in Payment for Imports

*152. SHRI RAJIV PRATAP RUDY :
SHRI BANWARI LAL PUROHIT :

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to a news item appearing in 'Hindustan Times' dated May 25, 1996 under the caption "\$ 165m Bank Scam Unearthed";

(b) if so, the extent of Indian Foreign Exchange siphoned through fictitious accounts in foreign banks;

(c) whether the nationalised Indian banks colluded to facilitate illegal transfer of foreign exchange; and

(d) if so, the details thereof and the action taken by the Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) Yes, Sir.

(b) and (c) Investigations conducted by Enforcement Directorate have revealed that foreign exchange to the tune of approximately US \$ 161 million (Rs. 546 crores approx.) was remitted abroad on the basis of forged/bogus import documents through fictitious accounts. These remittances were facilitated on account of alleged collusion of bank employees in some cases and alleged ignorance of bank staff and their inability to detect the fake documents, in other cases.

(d) Four of the bank employees (including an ex-employee) were arrested by the Enforcement Directorate for their suspected involvement in the racket. Various aspects relating to import bills were examined by the Reserve Bank of India and a circular prescribing specific operating procedure to prevent recurrence of such fraudulent transactions has been issued to banks. The banks have also been advised to take appropriate action against officials found involved/suspected in these frauds.