

**Supply of Billets and Semis by S.A.I.L.  
to States**

2924. SHRI S. M. BHATTAM : Will the Minister of STEEL, MINES AND COAL be pleased to State :

(a) whether the steel Authority of India Limited is supplying the billets and semis in large quantities to various States for converting them into rods by rerollers;

(b) the quantity so supplied to various States during 1984-85 by S.A.I.L.;

(c) whether some of the mills in Andhra Pradesh are facing the problem of closure for want of raw materials and non-supply by S.A.I.L.; and

(d) if so, the steps proposed to be taken in the matter ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b). Yes, Sir. SAIL supplies billets, blooms and semis to various users in States. In 1984-85 (upto February 1985) SAIL supplied 6,14,172 tonnes of these materials to different States. SAIL has also appointed conversion agents in various States who are largely supplied billets for conversion into bars and rods. As on 1-4-1985, SAIL had 57 conversion agents and they were supplied a total of 1,08,705 tonnes (provisional) of billets and other semis during 1984-85.

(c) and (d). No specific information has been received that re-rolling units in Andhra Pradesh have closed down for want of raw materials from SAIL. It may be stated that SAIL provides about 20% of the raw material requirements of the rerolling industry, the balance is met by TISCO, the mini steel plants, ship-breaking and domestic scrap arisings. As supply of semis from the ministeel sector which is the major source of supply did not keep pace with demand, the demand for billets, blooms and other rerollables from SAIL increased. To cater to this enhanced demand from August 1984 SAIL introduced a system of entitlement for the supply of material. Supplies to Andhra Pradesh were in proportion to the all India average.

**Assets and Liabilities of Peerless  
General Finance and Investment  
Company Limited**

2925. SHRI V. S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) the total assets and liabilities of the Peerless General Finance and Investment Company Limited as on 31st March, 1983;

(b) whether the amounts collected by Company from the policy-holders are deposited wholly in Government securities;

(c) whether the Reserve Bank of India has given exemption to this Company from the Deposit Ceiling Act of 1973;

(d) whether the general administration of the above Company is controlled by the Union Government and Company Law Board; and

(e) whether there is any proposal to grant income tax rebate to the policy-holders on par with the L.I.C. ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The Peerless General Finance and Investment Company Limited is a company registered under the Companies Act, 1956 and its affairs are managed by its board of Directors. The administration of the Company is not controlled by the Central Government or Company Law Board. The Company has been served with a notice on 10-8-1979 by the Government of West Bengal for winding up its business under Prize Chits and Money Circulation Schemes (Banning) Act, 1978. The Company has however, obtained a stay order from Calcutta High Court and the matter is sub-judice.

The Company was inspected by Reserve Bank of India in 1978-79. The Reserve Bank was of the view that the accounting system followed by the Company did not give a "true and fair view" of the Company's state of affairs. Further Department of Company Affairs ordered inspection of accounts of the company under section 290-A of the Companies Act on 21-12-1983. The Company however, obtained a conditional stay from the Calcutta High Court and further appealed to Division Bench. The Government has, therefore, no precise information about the working of this Company.

According to the Company's Annual Report for the year ending 31-12-1983, its assets as also liabilities were of the order of Rs. 44084.90 lakhs. Amounts to the extent of contractual liability to the policy-holders arrived at by the Company as per actuarial calculations are invested in Government securities, and fixed deposits with nationalised banks.

The exemption given to the Company by the Reserve Bank from ceiling restrictions on acceptance of deposits under RBI Directions of 1973, as applicable to miscellaneous non-banking Companies, was cancelled in March, 1980.

There is no parity between Life Insurance Corporation (LIC) schemes and the Company's schemes. There is therefore, no proposal to grant any income tax rebate to the subscribers investing in the Company.

#### **World Bank Loan to Bangalore Transport Service**

2926. SHRI V. S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether any World Bank loan was given to the Bangalore Transport Service (KSRTC) for the purchase of fleets to provide better facilities to the commuters of Bangalore city; and

(b) If so, whether Government propose to get World Bank loan for Bangalore Transport Service to improve its fleets ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) No such proposal is at present under consideration.

#### **Export of Coir Products**

2927. PROF. RAMKRISHNA MORE : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether exports of coir products have declined considerably;

b) if so, the reasons thereof; and

(c) the steps being taken to step up exports ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES

(SHRI CHANDRA SHEKHAR SINGH) :

(a) According to the latest provisions figures available with the Coir Board, between April, 1984 and February, 1985 export of coir products *i.e.* coir door-mats, mattings, rugs and carpets increased to 12,339 tonnes valued at Rs. 15.28 crores from 11,444 tonnes valued at Rs. 12.99 crores exported during the corresponding period of 1983-84.

(b) Does not arise.

(c) The various steps taken to step up exports include sending trade delegations, conducting market studies and market research, releasing advertisements in foreign trade magazines and distribution of publicity material, participation in fairs in major markets, quality improvement of coir products and grant of Cash Compensatory Support.

#### **Demand for Scrapping the Gold Control Act**

2928. PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether the All India Sarafa Association has urged the Government to scrap the Gold Control Act;

(b) if so, the details thereof; and

(c) Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The All India Sarafa Association in their representation dated 17-1-1985 has requested for repealing the Gold (Control) Act, 1968 on the grounds that the Act has outlived its utility and is a source of harassment to the dealers.

The objectives of the Gold (Control) Act, 1968 broadly are :

(i) curbing the general demand for gold from the public with a view to reduce it progressively;

(ii) to serve as an economic measure to supplement other preventive measures, to make circulation of smuggled gold difficult and its detection easier by extending the control over gold beyond the stage of import.