

According to the assessment made and furnished to the Reserve Bank of India by the 3 banks, major portion of the advances to the Group is covered by bill receivable claims/securities/guarantees. There have, however, been irregularities in lending to the group companies. Some officials of the London branches of the 3 Indian banks had granted advanced in excess of the sanctioned limits and without obtaining the approval of Head Office. Collusion among their officers and the company with a view to defraud the banks is also suspected. These banks and the Reserve Bank of India are seized of the position and necessary action is being taken. In November, 1984 the main borrowing company viz. ESAL (Commodities) Ltd. has been put into compulsory liquidation by a court in London and its Managing Director has been declared bankrupt. In the circumstances, the concerned banks would be required to enforce the securities available to them for realisation of dues and file their claims wherever necessary with the liquidators.

Multi Crore Cement Scandal

290. SHRI ANAND SINGH : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether a multicrore rupees cement scandal involving cheating of State Trading Corporation by black-marketing of imported cement came to light in February this year, as reported in the "Times of India" of 10th February, 1985.

(b) if so, the details thereof; and

(c) the action taken to bring all concerned to book ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA) : (a) to (c) The STC allotted to St. Antony's Guild, Madras about 25,000 MT of cement on High Seas Sale basis for construction of 300 houses in Madhavaram, Madras meant for repatriates from Burma and other places. The allegation is that Fr. Ignotius, Director of St. Antony's

Guild and 13 others, diverted the cement for selling in the black market in various places in Kerala. A regular case viz. RC No. 2/85-CIU(E).II dated 1.2.1985 u/s 420, 120-B, r/w Sec. 34 IPC and Section 5 of the Imports and Exports (C) Act, 1947 has been registered by the Central Bureau of Investigation.

New Textile Policy to Re-Vamp Sick Mills

291. SHRI ANAND SINGH : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Government have evolved a new textile policy to re-vamp sick mills, increase production and provide additional employment avenues;

(b) if so, the details thereof; and

(c) the steps so far taken in that direction, case in such a policy has not yet been evolved ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA): (a) to (c) A new Textile Policy is under formulation. An expert committee is examining various aspects and issues involved. A meeting of the Central Advisory Council on Textile Industry was held on the 9th March, 1985, to elicit views and suggestions regarding the Textile Policy.

Demand for Appointment of A Committee by NRI Investors

292. SHRI ANAND SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether prominent non-resident Indians have recently addressed a communication to Government suggesting constitution of a high powered committee to look into the problems of NRI investors;

(b) if so, the specific problems mentioned by them; and

(c) the reaction of Government thereto ?