

[*Translation*]**Increase in Earnings of Foreign Exchange with Liberal Import-Export Policy**

2772. SHRI LALA RAM KEN : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that our foreign trade and foreign exchange earnings have

increased since the time Governments liberalised their export-import policy; and

(b) if so, the items in regard to exports and imports of which further facilities are proposed to be given with a view to ensure further increase in our foreign trade in the near future ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) The trends in India's foreign trade during the 1980's are outlined below :

Year	Exports		Imports	
	Value in Rs. crores	% change over the previous year	Value in Rs. crores	% change over the previous year
1980-81	6710.70	+ 4.6	12549.15	+37.3
1981-82	7805.90	+16.3	13607.56	+ 8.4
1982-83	8907.75	+14.1	14355.76	+ 5.5
1983-84	9872.10	+10.8	15762.95	+ 9.8
1984-85*	11395.98	+20.4	16591.86	+ 7.9

*Provisional, updated till April, 1985 and subject to revision. The percentage growth rate for 1984-85 has been worked out over the corresponding provisional (Updated) export and import figures of Rs. 9468.25 crores and Rs. 15382.16 crores respectively for 1983-84.

(b) The import and Export Policy announced on 12.4.85 for a three-year period from April, 1985 to March, 1988, has already been laid down on the table of the House. The policy has been formulated to give a major thrust to exports as well as encourage efficient import substitution. The other measures in this regard reviewed from time to time as and when necessary.

[*English*]**Curb on Advertising Expenditure**

2773. DR. G. VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to relax curbs on advertising expenditure by public sector companies; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) and (b). In May, 1985, the Government have reviewed the instructions on advertising expenditure by public sector companies. Public Enterprises have now been advised that while unnecessary and ostentatious expenditure on supplements, advertisements etc. should be avoided, there is no restriction on incurring of expenditure on advertisements and publicity related to sales-promotion and obligatory advertisements.

Export of Wheat to South Korea

2774. SHRI MANVENDRA SINGH : Will the Minister of COMMERCE be pleased to State :

(a) whether there is any proposal under consideration of Government to export wheat to South Korea; and

(b) if so, the details thereof and if not, whether any proposal was made in this

regard during the recent visit of foreign Minister of South Korea to India ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b). The Food Corporation of India (FCI) has explored the possibility of export of wheat to South Korea. No contract has, however, so far been concluded.

Opening of Regional Office of State Bank of India in North Kerala

2775. SHRI M. RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to open a regional office of the State Bank of India in North Kerala to cater to the needs of people of the six districts there since presently State Bank has a regional office only at Trivandrum which is not within the easy reach for these people; and

(b) whether Government propose to locate the said regional office at Calicut in view of the increase in the number of branches consequent to the amalgamation of Cochin Bank with the State Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) : (a) and (b). The State Bank of India has presently no proposal to open a Regional Office in North Kerala. The State Bank of India has reported that even after the amalgamation of the Bank of Cochin Ltd. with the Bank, there would be no operational difficulties in administering these branches through its existing Regional Office at Trivandrum which is being strengthened by posting two additional Regional Managers.

Safety of Money Deposited by Certificate Holders in Peerless General Finance and Investment Company Limited

2776. SHRI BHARAT SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Peerless General Finance and Investment Company Limited invests the money deposited by the certificate holders in fixed deposit with nationalised banks and in Government securities;

(b) whether the company can withdraw the amount with the permission of the Reserve Bank of India and that too for the payment to the certificate holders only; and

(c) whether the money deposited by the certificate holders is thus fully secured ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) : (a) to (c). The Peerless General Finance and Investment Company Ltd. is a company registered under the Companies Act, 1956 and its affairs are managed by the 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 290A of the Companies Act, 1956 on 21-12-1983. The Company however, obtained a conditional stay order from the Calcutta High Court and further appealed to the Division Bench.

According to the Company, amounts to the extent of contractual liabilities to the certificate holders arrived at by the company as per the actuarial calculations are invested in Government securities and fixed deposits with the nationalised banks.

The Reserve Bank had earlier granted, in 1973, exemption to the company from the ceiling restrictions on acceptance of deposits under RBI Directions of 1973 as applicable to miscellaneous non-banking companies. This exemption was, however, cancelled by the Reserve Bank in March, 1980. The Bank has, however, directed the company not to withdraw the securities lodged in the custody of any banks, except for repayment.