

(a) whether on 27 March, 1982 a new company Neelachal Ispat Nigam Limited was formed as a wholly owned Union Government Company to implement the steel project (Orissa);

(b) whether after some time Union Government decided to change the site from Paradip to Daitari as it was felt that Paradip would not be suitable site due to adverse meteorological and site conditions; and

(c) if so, the details regarding its progress?

THE MINISTER OF STEEL AND MINES (SHRI K.C. PANT) : (a) Yes, Sir.

(b) Yes, Sir.

(c) The notification for the acquisition of land has been issued by the State Government. Soil investigation and raw material testing have been completed as also studies on the availability of water. As a part of the enabling works, 16.74 acres of land near the site has been acquired. A storage shed has been completed with facilities of temporary water supply. Construction of 50 quarters for bachelor and family accommodation in the form of barracks is in the final stage of completion. Work on the water supply system, the sewage disposal scheme and power supply is in hand.

**Increase in Export of Commodities during Seventh Five Year Plan**

1716. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to increase exports during the Seventh Five Year Plan;

(b) if so, the commodities the export of which is proposed to be increased;

(c) the quantum of these commodities exported during the Sixth Five Year Plan period and the foreign exchange earned thereby; and

(d) the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. The volume of exports is projected to rise by about 7 per cent per annum during the Seventh Five Year Plan period 1985-90.

(b) to (d). It is proposed to increase exports, during the Seventh Five Year Plan period, from all the sectors, both traditional and non-traditional. The projections of exports in respect of selected products/product groups for 1989-90 as compared to the exports in the terminal year, 1984-85, of the Sixth Five Year Plan are as below :—

(Rs. crores at 1984-85 prices)

Products/Product groups	1984-85 (Estimated)	1989-90 (Projected)
Tea	718	770
Cashew Kernels	217	312
Marine Products	388	446
Iron Ore	438	608
Cotton Textiles	380	440
Readymade garments	875	1336
Engineering goods	870	1862
Chemicals and allied products	760	1224
Gems and jewellery	1367	1663

**Opening of Branches of Andhra Bank and Central Bank of India at Ibrahimpatnam Distt Krishna (A.P.)**

1717. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the Andhra Bank and Central Bank of India have proposed to open branches at Ibrahimpatnam, District Krishna, A.P.; and

(b) the likely data by which a branch of either of the Banks will be permitted to be opened to cater the banking needs of people of Ibrahimpatnam?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to the information received from Reserve Bank of India only Andhra Bank had applied for opening a branch at Ibrahimpatnam, District Krishna, Andhra Pradesh. The branch expansion programme for 1982-85 has been completed and considering all the relevant factors, the application was treated as lapsed by Reserve Bank of India.

(b) The centre Ibrahimpatnam with a population of 5370 is at present served by an Agricultural Development Branch of State Bank of India and a branch of District Central Cooperative Bank. It is the assessment of Reserve Bank of India that the centre is adequately banked and there is no need for an additional bank office for the present.

**Loss incurred by Singapore Branch of State Bank of India**

1718. DR. B.L. SHAILESH :  
SHRI SANAT KUMAR  
MANDAL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Singapore Branch of State Bank of India has incurred a net loss of about Rs. 24 crores during 1984, according to a survey on financial institutions operation conducted at Singapore;

(b) if so, whether any investigation had been ordered into the causes of this Rs. 24 crores loss;

(c) the other branches of the State Bank of India and other nationalised banks in foreign countries which have incurred similar losses and the reasons therefor; and

(d) the steps Government propose to take to cut down such losses and close down the unremunerative branches abroad ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The risk of some debts going bad is inherent in banking operations. Commercial Banks,

including Public Sector Banks, make provision every year out of their annual income for meeting their liability towards bad and doubtful debts to the satisfaction of their statutory auditors and write off the debts which are considered by their managements as ultimately unrecoverable against the provisions so made. State Bank of India has also made provisions for meeting its liability towards bad and doubtful debts including those at the Singapore branch. According to the form of balance-sheet and profit and loss account prescribed under the Banking Regulation Act, 1949 and according to customary practices and usages amongst bankers, particulars of bad and doubtful debts, for which provision has been made to the satisfaction of their auditors, are not to be disclosed. In view of this, information in this regard can not be divulged. Reserve Bank of India has, however, reported that it has already asked State Bank of India to look into the various loan losses incurred at the Singapore Branch and take appropriate action.

(c) A few other branches of State Bank of India and other Public Sector Banks are reported to have suffered loan losses during the year 1984. According to the Reserve Bank of India, these losses have occasioned due to failure of some large borrowers and the problem of externalisation of payments from some countries,

(d) The performance of the overseas branches of Public Sector Bank is continually reviewed by Government and the Reserve Bank of India. Instructions have already been issued to the banks to strengthen the working of all foreign branches and close down unremunerative branches if they are not viable.

[Translation]

**Fraud committed by General Manager, Punjab & Sind Bank**

1719. SHRI SIMON TIGGA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a case of embezzlement of twenty crores of rupees against the General Manager of Punjab & Sind Bank has come to light;

(b) if so, the action taken thereon;