

(a) whether Government have examined the proposal to develop Daringibari, a place of tourist interest located in Phulbani district, Orissa into a national tourist spot :

(b) if so, the steps taken thereon ; and

(c) the details thereof ?

**THE MINISTER OF TOURISM (MUFTI MOHD. SYED) :** (a) to (c) Ministry of Tourism have not received any proposal to develop Daringibari in Orissa as a tourist spot in the State.

#### **Indian Joint Ventures Abroad Set Up by Large Industrial Houses**

1740. **DR. B.L. SHAIKESH :** Will the Minister of COMMERCE be pleased to state :

(a) the particulars of the joint ventures set up abroad by the first 10 large Industrial Houses indicating their investment in the form of equity, plant and machinery and terms of collaboration with foreign Government or companies ;

(b) the profits repatriated by these companies as per latest information available with Government ;

(c) the check being exercised over the misuse of foreign exchange earned by these companies abroad ;

(d) whether any manipulations or under-hand deals by any of these Industrial Houses in the misappropriation of foreign exchange have come to Government's notice recently ; and

(e) if so, their broad particulars and the action taken in each case for any violations of the existing rules and regulations ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) :** (a) to (e) The information is being collected.

#### **Public Issue Collections by Companies**

1741. **DR. B.L. SHAIKESH :** Will the Minister of FINANCE be pleased to state :

(a) whether the Finance corporate management are free to keep their public issue collections in short-term deposits ;

(b) whether any directive has been issued on this subject and if so, the broad outlines thereof ; and

(c) if not, the reasons therefor ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) In terms of the provisions contained in Section 73 (3) of the Companies Act, 1956, all moneys received on account of share allotment are to be kept in a separate Bank Account to be maintained by the Company with a Scheduled Bank until the permission has been granted for the shares to be dealt with in a Stock Exchange, or, where an appeal has been filed against the refusal to grant such permission until the disposal of the appeal. On 30.10.86, the R.B.I. has clarified to all scheduled banks that they should not agree to their clients' requests for transfer of share application moneys received by them and kept in separate account to short term deposits and/or cash credit accounts.

#### **Jugglery of Figures by New Companies**

1742. **DR. B.L. SHAIKESH :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that in a bid to woo investors, some new companies going public have started juggling figures relating to projections on capacity utilisation levels, turn-over and profitability, with the aim to project a more cheerful picture of the company which is at variance with the projections that the Financial Institutions have made while sanctioning term loans to it ; and

(b) if so, steps Government propose to take to countenance such private jugglery behind public issue promises ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) The matters to be specified in the prospectus and reports set out therein are governed by the provisions of the Companies Act, 1956.

The Act also contains penal provisions for mis-statements in the prospectus. Both civil and criminal liabilities accrue to persons specified in the Act in respect of such mis-statements. Government have also issued guidelines to the effect that companies making public issues of capital should not depict at the time of their press conferences or at any other time too glossy a picture about the prospects of the company which is not contained in the prospectus.

#### North-South Gap

1743. DR. B.L.SHAILESH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the North-South gap has widened further ;

(b) if so, the reasons therefor ; and

(c) its impact on India's developing economy ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) :

(a) There has always been a substantial gap between the income levels in the developed countries of the North and the developing countries of the South. During the global economic crisis in the 1980s, many developing countries suffered declines in their income levels. This has tended to widen the gap.

(b) Large falls in commodity prices, recession and growing protectionism in the developed countries have sharply reduced the export earnings of developing countries. Moreover, stagnation, and even declines, in concessional and other financial flows have aggravated their difficult foreign exchange situation. These adverse factors have resulted in a debt and development crisis in many developing countries which has reduced their income levels and living standards.

(c) India has long followed a development policy based on self-reliance. This policy and particularly the attainment of food self-sufficiency, has served India well and has enabled us to weather the recent crisis better than many other developing

countries. However, India cannot remain immune to adverse external developments, particularly protectionism and the erosion of the rules and norms of the international trading system.

#### Economic Cooperation between India and Zambia

1744. SHRIMATI JAYANTI PATNAIK : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether joint economic co-operation is proposed to be intensified between India and Zambia ;

(b) if so, the efforts made by both the countries in that direction ;

(c) the areas of co-operation identified by India and Zambia ; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALERIO) : (a) In the spirit of South South-cooperation Government has been endeavouring to step up cooperation with African and other developing countries. The Prime Minister visited Zambia and :

(b) three other Frontline states in May this year when concrete steps in furthering economic, technical and commercial cooperation with these countries were taken. In response to an invitation extended to him by the Prime Minister, the Prime Minister of Zambia visited India from September 22 to October 1, 1986.

(c) As a result of discussions during the Zambian Prime Minister's visit, the two sides identified oil processing, fruit and vegetable processing, bio-gas development,

(d) handloom weaving, leather goods production, manufacture and repair of agricultural implements, metal fabrication, small scale industries, development of irrigation schemes, steel re-rolling, aluminium production etc. as possible areas of economic and technical cooperation.