

[*Translation*]

**Members of Stock Exchanges**

1651. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government has taken a decision to make commercial banks, financial institutions and insurance companies of the country as members of the Stock Exchanges;

(b) if so, the number of such institutions approved by Government and the criteria laid down in regard to the role to be played by these institutions in the Stock Exchanges;

(c) whether Government have obtained the consent of office bearers and brokers of the Stock Exchanges of the country in this regard;

(d) whether it will have adverse effect on small investors and capital market of the country; and

(e) if so, the reaction of Government in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Government have amended in July, 1987 the Securities Contracts (Regulation) Rules, 1957 to make a company eligible to be elected as a member of a Stock Exchange subject to certain conditions. The amended Rules also provide for the admission of the IFCI, IDBI, LIC, GIC, UTI, ICICI, the subsidiaries of these institutions, and any subsidiary of the SBI or any nationalised bank set up for providing merchant banking services, buying and selling securities and other similar activities, subject to the recommendation of the Government to the Governing Body of a Stock Exchange.

(b) Government have recommended admission of one subsidiary each of four banks as members of Stock Exchanges. No formal criteria have been laid down with regard to the role to be played by these subsidiaries as members of the Stock Exchanges.

(c) Government have amended the Securities Contracts (Regulation) Rules, 1957 as above after taking into account objections and suggestions from the public.

(d) None of the subsidiaries of banks referred to at (b) above have been admitted so far by the Stock Exchanges as their members.

(e) Does not arise in view of answer to (d) above.

[*English*]

**Amount Recovered from Export Duty on Pepper**

1652. SHRI K.P. UNNIKRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the international prices of pepper have shown a declining trend since 1987 and if so, the reasons therefor;

(b) whether an export duty of Rs. 5 per Kg. is being levied on pepper since 1986;

(c) the total amount recovered from this duty for the year 1986-87 and 1987-88; and

(d) what percentage the export duty component would work out to the average export prices of pepper in 1986-87 and 1987-88 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) There has been a decline in the international prices of pepper since March, 1988. Reasons for the decline in prices *inter alia* could be better supply position in the producing countries during 1988 as compared to 1987.

(b) Yes, Sir.

(c) Based on figures for export of pepper during 1986-87 and 1987-88, the duty collected during the 2 years has been estimated at Rs. 18.43 crores and Rs. 19.63 crores respectively.

(d) A statement is given below.

## Statement

*F.O.B. Price of Black Pepper (whole) Exported from India and the percentage of duty Component on the Average Export Price*

Month	1986-87		1987-88	
April	48.72	(6.16)	62.94	(7.94)
May	49.21	(6.10)	61.30	(8.16)
June	49.43	(6.07)	61.08	(8.19)
July	45.86	(6.54)	60.72	(8.23)
August	53.13	(5.65)	64.06	(7.81)
September	55.77	(5.38)	61.92	(8.07)
October	55.41	(5.41)	61.79	(8.09)
November	56.09	(5.35)	63.83	(7.83)
December	54.47	(9.18)	58.70	(8.52)
January	62.06	(8.06)	57.38	(8.17)
February	61.40	(8.14)	56.22	(8.89)
March	64.14	(7.80)	51.42	(9.72)

Figures given in brackets indicate the impact of export duty on FOB in terms of percentage for April 86 to Nov. 86, duty at the rate of Rs. 3 per kg. and December 1986 onwards Rs. 5 per kg. has been taken into consideration for the Calculation.

**IDBI Assistance for Modernisation of NTC Mills**

1653. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal for restructuring and modernisation of the N.T.C. mills;

(b) if so, the details thereof;

(c) whether the Corporation has sought the assistance of the Industrial Development Bank of India (IDBI) for modernisation of some of its mills; and

(d) if so, funds already sanctioned by the IDBI for the purpose ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). A proposal for restructuring/amalgamation and modernisation of various unviable mills of NTC is still in its preliminary stage of discussions at various levels.

(c) Yes, Sir.

(d) The funds already sanctioned by IDBI for modernisation of NTC Mills are Rs. 18 crores (Approx.)

**Subsidy on Controlled Cloth**

1654. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of TEXTILES be pleased to state :

(a) the total quantity of controlled cloth produced by the National Textile Corporation during 1987-88 and 1988-89;