

Financial Assistance Given by Financial Institutions and State Industrial Corporation for Capital Formation

14. SHRI RAM LAL RAHI : Will the Minister of FINANCE be pleased to State :

(a) the total amount of foreign exchange invested by non-resident Indians in India and the names of companies in which investments were made and the percentage of share in each company that have to be allowed for non-resident Indians;

(b) whether any study has been made by Government or any of its agencies on the role of financial institutions and State Industrial Corporations, and if so, the total amount of financial assistance given by such corporations for the purpose of capital formation;

(c) the effort made by corporate sector in relation to the assistance given by financial institution; and

(d) the share of companies registered under MRTP Act in total assistance given by State Financial Corporations and State Industrial Development Corporation ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARI) : (a) According to data available with the Reserve Bank of India, investment made in India by non-residents of Indian nationality/origin, since April, 1982 is as follows :

- (i) Portfolio investment on repatriation as well as non-repatriation basis upto 36.9.1983 : Rs. 26.5979 crores.
- (ii) Direct investment on non-repatriation basis upto 31.12.1983 : Rs. 15.79 crores.
- (iii) Direct investment on repatriation basis for which proposal have been approved upto 31.12.1983: Rs. 103.67 crores.

Names of companies in which investments were made and the percentage of

share in each company allowed to non-resident Indians cannot be furnished, in view of the confidentiality attached to investments by non-resident Indians through their banks in India.

(b) The role and functions of the financial institutions are under continuous review by the Government. In terms of section 9(1) of the Industrial Development Bank of India (IDBI) Act, 1964, the IDBI has been assigned an apex role in relation to the functioning of the all India and State level financial institutions. Accordingly IDBI has been taken steps to regulate and streamline the operational strategy of the State Industrial Development Corporations (SIDCs) by adopting a system of performance budgeting. In the Financial year 1981-82 all the SIDCs in the country sanctioned an aggregate financial assistance of Rs. 274 crores and disbursed an aggregate financial assistance of Rs. 179 crores.

(c) The financial institutions sanction assistance for specific projects after determining the economic viability and technical feasibility of the projects. The institutions ensure through their follow-up that the amounts are used by the promoters for the purpose for which these are sanctioned. Normally the promoters are required to contribute 20% of the project cost and maintain a debt equity ratio of 2 : 1 for the project. These norms are however appropriately relaxed in the case of projects being set up in hill/backward areas, projects promoted by technically qualified and local entrepreneurs and capital intensive projects.

(d) The present data collecting system does not yield data relating to assistance extended to MRTP companies by the State Financial Corporations (SFCs) and State Industrial Development Corporations. Since the SFCs are prevented in terms of section 28 of the SFCs Act, 1951, from granting any form of assistance to any industrial concern in respect of which the aggregate of the paid up share capital and free reserves exceeds. One crore of rupees and as the SFCs can not at any point of time sanction assistance in excess of Rs. 30 lakhs to a company in section 26 of

the SFCs Act, the share of MRTTP companies in the assistance sanctioned by the SFCs is likely to be considerably less.

Wholesale and Consumer Price Index

15. SHRI SURAJ BHAN : Will the Minister of FINANCE be pleased to state the wholesale price index and consumer price-

index of cereals, tea, coffee, salt, fuel during the (i) last week of March 1977; (ii) last week of February 1979; (iii) 2nd week of January 1980 and (iv) last week of December, 1983 ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : The desired information is given below :

Index Numbers of Wholesale Prices

(Base 1970-71=100)

	Last week of March 1977	Last week of Feb. 1979	2nd week of Jan. 1980	Last week of Dec. 1983 (P)
1. Cereals	158.8	157.2	183.8	253.4
2. Tea	352.2	202.9	245.0	462.4
3. Coffee	136.4	127.9	132.0	184.3
4. Salt	138.7	198.8	267.4	226.9
5. Fuel, Power, Light & Lubricants	232.0	240.3	295.5	490.5

(P)-Provisional.

Consumer price index numbers are not compiled separately in respect of individual commodities.

Decline in India's Share in World Export Market

16. SHRI K. MALLANNA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that India's share in the world export market has declined over a period of times; and

(b) if so, to what extent, alongwith the names of items ?

oil-exporting countries in world trade. At the same time, prices of fertilisers, chemicals, manufactured intermediate and capital goods also rose, thereby affecting the value of world trade flows. On the other hand, world trade in primary commodities and traditional manufactures, which still constitute a large portion of India's exports, increased relatively slowly. Hence, there was some decline in India's share of world exports.

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) India's relative share in world exports was 0.41% in 1981 as against a share of 06.4% in 1970. Owing to phenomenal increases in prices, the value of world trade in crude oil and petroleum products experienced a quantum jump in this period, which increased the share of

The main items of India's exports, whose share in world exports declined over the years include tea, animal feed, cotton fabrics (woven), woven textiles (non-cotton), leather, iron & steel etc. As against this, items like fish, sugar, leather manufactures, pearls & precious stones, clothing, engineering products etc., increased their relative share.