

- (c) if so, the details and the outcome thereof; and
 (d) the action taken against the persons found guilty?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (d). The information is being collected and to the extent available will be laid on the Table of the House.

[Translation]

Export Growth

534. SHRI SHIVRAJ SINGH CHAUHAN :
 SHRI RAMESHWAR PATIDAR :

Will the Minister of COMMERCE be pleased to state :

(a) the impact of new Import and Export Policy on export trade and the value of the export undertaken from April, 1996 till date in various sectors;

(b) whether export to such countries having common currency has increased;

(c) if so, the details thereof; and

(d) the steps proposed to be taken to improve export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The impact of the Exim Policy as reflected in the levels of exports appears to be favourable. Indian exports (as per latest available DGCIS data) for April-Sept. '96 are valued at US \$ 16.14 billion which represents a growth of 9.9% over the export level of US \$ 14.68 billion for April-Sept., 1995.

(b) and (c). India's exports to all principal regions in the world have increased excepting Eastern Europe. Trade Data as received from DGCIS is indicated in Indian Rupee terms. Denominated in dollar terms, for purposes of comparison, India's exports to principal regions during April-August, 1996 (which is the latest period for which data is available) is given below :-

Value in US \$ million

Region	1995-96 (Apr.-Aug.)	1996-97 (Apr.-Aug.)
West Europe	3677	3763
Asia & Oceania	4753	5358
America	2524	2999
Africa	592	672
East Europe	532	487

(d) Export promotion is a continuous process and steps are being taken to boost exports in consultation with trade, industry and other concerned institutions.

[English]

Bungling in Hazaribagh Banks

535. SHRI JAI PRAKASH (Hardoi) : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Bunglings detected in Hazaribagh Banks" appearing in the Hindustan Times dated October 5, 1996;

(b) if so, the facts thereof and the action taken by the Government thereon;

(c) whether any proposal to undertake a survey of commercial banks in the country is under the consideration of the Government to detect such more cases; and

(d) if so, the details thereof and if not the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (d). The information is being collected and will be laid on the Table of the House.

Supply of Coal to SAIL

536. SHRI ANNASAHIB M.K. PATIL : Will the Minister of COAL be pleased to state :

(a) whether Coal India Limited (CIL) has decided to stop coking coal supplies to SAIL, under the credit system because of mounting arrears and consequent cash crunch and introduced a cash and carry system;

(b) if so, the details of the arrears of payment outstanding against major steel units, unit-wise;

(c) the reasons for non-payment of dues by SAIL;

(d) the steps taken for realisation of arrears and results thereof; and

(e) the steps taken by the CIL to improve its coal supply services?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Coal India Limited has introduced a Cash and Carry system for supplies of coal from Bharat Coking Coal Limited (BCCL) to the units of Steel Authority of India Limited (SAIL) since 15.10.96. Other coal subsidiaries of CIL, however, continue to supply coal to steel plants as per the earlier system.

(b) Details of the arrears of coal sale dues outstanding against major Steel Plants, unit-wise as

on 30.9.96 were as under :

Steel plants	Total outstanding dues	(Rs. in crores) Dues disputed by Steel plants
Durgapur Steel Plant	102.15	101.51
Rourkella Steel Plant	77.33	71.53
Bhilai Steel Plant	151.2	135.29
Bokaro Steel Plant	46.18	57.42
IISCO	43.00	39.09
Total	419.86	404.84

(c) Steel plants are unilaterally making certain deductions from the bills raised by the coal companies for the coal supply on various grounds. In the perception of the coal companies all such disputes must be resolved at the loading end where the ownership of the coal is transferred.

(d) Regular and periodic bilateral meetings are held between SAIL and all the supplying companies/CIL to improve the realisation and settle the amount in disputes. Meetings are also held at corporate level to evolve acceptable guidelines for amicable settlement of major disputes. These are regularly followed up on a plant to plant basis.

The consensus arrived at in the previous meetings were not being adhered to by SAIL and it continued to make unilateral deductions from coal bills. As a result of this, the system of cash and carry for supplies from BCCL to the units of SAIL was introduced with effect from 15.10.96.

(e) Coal companies are inter-alia taking the following steps for improving coal supply and services :

- (i) The sampling and analysing system at the washery end is being updated and modernised.
- (ii) All washeries are being provided with adequate modern weighment system which would minimise the disputes on account of weighment of coal.
- (iii) Modernisation of existing washeries are in progress for further improving the quality of despatches of washed coal to steel plants.
- (iv) Two new washeries are being set up to increase the supplies of washed coal.
- (v) Regular meetings are held between the supplying coal companies and steel plants

to investigate the disputes regarding supply of coal to steel plants and corrective action taken wherever necessary.

Removal of Quantitative Restrictions on Imports

537. SHRI MOHAN RAWALE : Will the Minister of COMMERCE be pleased to state :

(a) whether India has been under pressure by the US and other countries to announce a time-bound programme for the removal of quantitative restrictions on all imports;

(b) whether the said removal of restrictions is likely to take away India's power to control imports; and

(c) if so, the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). Article XI of the General Agreement on Tariffs and Trade, 1994 requires that no prohibitions or restrictions other than duties, taxes or charges, whether made effective through quotas, import or export licences or other measures shall be maintained by any member of the World Trade Organisation (WTO). However, keeping in view the difficult balance of payments situation, India has been maintaining import restrictions since 1948 under Article XII, and since 1950 under Article XVIII.

During the consultations held last with India in December, 1995, many members of the WTO Committee on Balance-of-Payments-restrictions stated that India's balance of payments position was comfortable, that India did not currently face the threat of a serious decline in foreign exchange reserves as set out in Article XVIII and that, therefore, continued recourse to import restrictions for balance-of-payments reasons by India could not be justified. Many members requested India to present a firm time-table for phasing out the restrictions.

The full consultations with India are to be resumed in January, 1997. The WTO provisions relating to the balance-of-payment-restrictions contemplate that a country must progressively relax the restrictions as conditions improve and must eliminate measures when the conditions no longer justify. It also provides that a member must announce publicly, as soon as possible, time-schedules for the elimination of restrictive import measures taken for balance-of-payments purposes. If a public announcement is not possible, justification as to the reasons therefore are required to be provided by the Member. In view of these provisions, India may be requested by the Members of the WTO Committee on Balance-of-Payments-Restrictions, at the consultations in January, 1997, to announce a time-schedule for phasing out the import restrictions.