

egy, the Ministry of Coal prefers any recruitment which is compatible with the needs of the company.

#### Development of Handloom Sector

3691. SHRI T. GOVINDAN : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have received any proposal from the Government of Kerala for development of handloom sector in the State; and

(b) if so, the details thereof and the action taken thereon so far ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) Office of the Development Commissioner for Handlooms is implementing various Schemes for promotion and development of handloom sector. The Central Assurances under Development Schemes are available to all States including Kerala based on viable proposals which have been received.

(b) The details of releases made under various development schemes to Government of Kerala during last three years are as follows :-

S.No.	Name of Scheme	96-97	97-98	98-99
1.	Workshed-cum-Housing	50.00	—	90.00
2.	Project Package	126.30	518.95	70.35
3.	HDC/QDU	86.95	4.06	--

[Translation]

#### Illegal Export of Garments

3692. SHRI N.J. RATHWA : Will the Minister of TEXTILES be pleased to state :

(a) whether ready-made garments have been exported illegally from various States, particularly from Gujarat;

(b) if so, the details thereof and the number of such cases identified by the Government during the last three years, till date;

(c) whether some Excise Duty Officers/other officers have been found involved in this illegal export;

(d) if so, the details thereof; and

(e) the action taken/being taken so far against the persons found guilty ?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) Government is not aware of any illegal export of garments from any States including Gujarat.

(c) and (d) There is no possibility of Excise Duty Officers being involved in any illegal export garment since there is no excise duty on garments.

(e) Does not arise.

[English]

#### Banking System in N.E. Region

3693. SHRI SAMAR CHOUDHURY : Will the Minister of FINANCE be pleased to state :

(a) the details of the recommendations made by the High Level Commission on North-Eastern Region which presented its report to the then Prime Minister on March 7, 1997 on banking activities;

(b) the details of the recommendations accepted and implemented so far by the Government; and

(c) the time by which all of these recommendations are likely to be implemented ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The required information is being gathered and will be laid on the Table of the Sabha.

#### World Bank Loan to Andhra Pradesh

3694. DR. T. SUBAHRAMI REDDY :

SHRI K. S. RAO :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have recently signed an agreement with the World Bank for \$ 543.2 million loan to assist economic restructuring projects of Andhra Pradesh;

(b) if so, the term and conditions under which such agreement has been made; and

(c) the details of various projects in Andhra Pradesh for which economic restructuring is proposed to be made?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir. An agreement for a loan of US \$ 543.2m. from the World Bank to support the Andhra Pradesh Economic Restructuring has been signed on 4.2.1999. This includes \$ 301.2m. from IBRD and \$ 242m. from IDA.

(b) The terms and conditions for the loans are as under :

#### I. IBRD

Repayment terms : 20 years (including of 5 years grace)

Rate of Interest : 0.75% above Bank's cost

Front end fee: 1% of loan amount

Commitment Charges : 0.75%

#### II. IDA

Repayment period: 35 years (including 10 years grace)

Service charges: 0.50%

Commitment charges: fixed every year upto a maximum of 0.5%

(c) The Andhra Pradesh Economic Restructuring Project provide resources to met priority needs in Human development viz. Primary health, nutrition and education and in the maintenance of economic assets affecting the poor (irrigation, rural roads, and core access roads). The project has six components- primary education, primary health, nutrition, roads, irrigation and public enterprises reform. The World Bank had on 5.3.99 approved a \$ 210m. Adaptable Programme Loan (APL) to support the first phase Andhra Pradesh Power Sector Restructuring Programme.

#### SDF Loan to Private Companies

3695. SHRI TATHAGATA SATPATHY : Will the Minister fo STEEL AND MINES be pleased to state:

(a) whether some private sector companies have sought loan assistance from the Steel Development Fund (SDF) for setting up of steel projects;

(b) if so, the number of applications received in this regard from different private sector companies during last three years;

(c) the amount of loan assistance sought by each of those private companies; and

(d) the details of loan sanctioned from the SDF to those companies, company-wise?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) to (c) Recently, three new private sector companies have sought loan assistance from SDF. The details are :-

Sl. No.	Name of the Party	Amount
1.	Ispat Industries Ltd.	Rs. 1200 crores
2.	Ispat Metallics Ltd.	Rs. 375 crores
3.	Lloyds Steel Industries Ltd.	Rs. 400 crores

(d) No, loan has been sanctioned from the SDF to these companies.

#### Revenue from Diesel/Petrol

3696. SHRI MOINUL HASSAN AHAMED : Will the Minister of FINANCE be pleased to state :

(a) the amount collected by the Government through excise duty on petrol and diesel since 1988;

(b) the amount transferred to the Central Road Fund out of these collections for road development; and

(c) if not, transferred any amount, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The information is being collected and will be laid on the Table of the House.

#### Financial Crisis in SAIL

3697. SHRIMATI JAYANTI PATNAIK : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Steel Authority of India Limited (SAIL) has been facing serious financial crisis;

(b) if so, the details thereof and the reasons therefor;

(c) whether one of the reasons of the crisis is due to increase of privatisation in SAIL; and

(d) if so, the details of steps taken by the Government to remove the crisis of SAIL?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) : (a) and (b) SAIL has been consistently making profit since 1984-85. However, during the period April-Dec., 1998, SAIL has reported a loss of Rs. 890 crores.

The main reasons for decline in profits include sluggish demand for steel, greater competition from imports arising due to lower international prices and enhancement in supplies in domestic market resulting in decline in the net realization from sales. Export prices have also declined in the international market.

While the benefits of modernization would materialize in phases, SAIL has to absorb higher capital related cost (interest and depreciation) because of capitalization of modernization/capital schemes, and also for maintaining a higher inventory level.

(c) No, Sir.

(d) Government have taken following steps to improve the profitability of steel industry including SAIL and to overcome the present problems:-

(i) To boost the demand and consumption of steel, the Development Commissioner for Iron and Steel (DCI & S) has launched a National Campaign.

(ii) To reduce input costs for steel making, the special import duty on several inputs such as coaking coal (ash content <12%), metallurgical coke, ferro nickel, charge nickel and nickel oxide sinters, low silica limestone and graphite electrodes (>28") has been waived.

(iii) Anti-dumping duty on Hot Rolled Coils imported from Ukraine and Russia has been imposed.

(iv) Rationalization of Duty Entitlement Pass Book (DEPB) rates for steel exports has been carried out to boost exports.

(v) A Steel Exporter's Forum has been set up to help steel exporters overcome bottlenecks in exports.

(vi) Enhanced project financing to steel sector by All India Financial Institutions and relaxation of