

maintaining a higher inventory, which has been adversely affecting its financial performance.

Similarly existing extraneous factors like slowdown in demand for steel, greater competition from other domestic producers and imports and increased input costs have affected the financial performance. Profitability being dependent on such varied dynamic factors, predicting any time frame for plant to generate profits is not feasible.

Economic Inequality

3731. DR. ASIM BALA : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has released any report regarding economic inequality among the World Bank aided countries;

(b) if so, the details thereof;

(c) the reasons cited in the report for widening the economic inequality;

(d) whether the Government have gone through the report; and

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

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

Urban Banks

3732. SHRI ABHAYSINH S. BHONSLE : Will the Minister of FINANCE be pleased to state :

(a) whether the RBI has shifted the operation work of urban banks of some districts of Maharashtra from Mumbai to Nagpur;

(b) if so, the reasons therefor;

(c) whether the Marathwada Urban Cooperative Banks Association has requested the RBI to continue the earlier attachment of the urban banks in Marathwada region with Mumbai; and

(d) if so, the reaction of RBI in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) Reserve Bank of India (RBI) has reported that it has shifted the regulatory work relating to 95 primary (urban) cooperative banks located in all the 7 districts of Marathwada region from Mumbai to Nagpur office. The transfer was effected in pursuance of policy decision of RBI to decongest some of the departments at Mumbai and also to render better customer services. Besides, it will be operationally convenient for the bankers and the public of the Region to visit Nagpur rather than Mumbai.

(c) and (d) RBI has reported that no request from the Marathwada Region Urban Cooperative Banks, Association has been received to continue the earlier arrangement.

Misuse of Funds by Companies

3733. SHRI JAGAT VIR SINGH DRONA : Will the Minister of FINANCE be pleased to state:

(a) the number of listed companies against whom action has been taken since April 1, 1994 till March 31, 1999 for misuse of funds by not applying the money for the purposes stated in the Offer Document at the time of their Public issue and Rights issue;

(b) the aggregate amount involved therein; and

(c) the number of companies against whom prosecution were launched for the misuse of funds or siphoning them off?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) According to Department of Company Affairs, provisions of the Companies Act, 1956 do not require that the Department of Company Affairs maintain information relating to use of proceeds of public issues by listed companies. However, as per information furnished by SEBI, 1893 companies came out with initial public offerings during the years 1993-94, 1994-95 and 1997-98. Out of these, 41 companies are not traceable. The details of these companies have been forwarded by SEBI to Department of Company Affairs for appropriate action.

Fall in Prices of Natural Rubber

3734. SHRI K. KARUNAKARAN : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are aware that the natural rubber growers in Kerala are facing an acute crisis due to steep fall in prices of natural rubber;

(b) if so, the step taken by the Government to help the rubber growers in Kerala;

(c) whether Kerala Government have submitted any proposal to the Union Government in this regard; and

(d) if so, the steps taken/proposed to be taken by the Union Government thereon?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Yes, Sir. In order to help the rubber growers in Kerala to get remunerative price for their produce, the Government of India is interalia engaged in a market intervention operation through STC for procuring rubber on Government Account and selling the same to Advance Licence Holders. The Government of India have also suspended import of rubber under Advance Licence w.e.f. 20th February, 1999.