

The total number of workers involved in sick industrial units registered with the Board (excluding those dismissed as non-maintainable) is 11,83,432. The total networth of these companies is Rs. 8,981 crore.

(g) Government has taken a number of steps for revival of industrial sickness which, inter-alia, include, guidelines of Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction under Sick Industrial Companies (Special provisions) Act, National Renewal Fund, National Equity Fund, etc.

[*English*]

Strategy for Industrial Growth

*257. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA:

SHRI G.A. CHARAN REDDY:

Will the Minister of INDUSTRY be pleased to state:

(a) whether concerned over the decline in the industrial growth, he has begun a series of meetings with various sector specific groups to evolve a strategy for revitalising the growth;

(b) if so, whether he has already completed discussions with the representatives of paper and cement industry;

(c) if so, the main problems pointed out by these representatives;

(d) the extent to which the Government have agreed to provide assistance to industries to overcome the difficulties; and

(e) to what extent this type of exercise has helped the Government as well as the industry in improving the industrial production?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir.

(c) and (d) The main problems pointed out by the cement industry included high incidence of tax, infrastructural constraints as well as the problem of compulsory jute package order. In case of paper, the main problems indicated were inadequate availability of raw materials, technological obsolescence, infrastructural constraints and dumping by foreign suppliers. Ministry of Industry has taken up some of these issues with the concerned Ministries.

(e) Government-industry inter-action facilitates improved production.

Modernisation of Handloom Sector

*258. DR. ASIM BALA:

SHRI MADHUKAR SARPOTDAR:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have prepared any plan for modernisation of handloom sector during 1997-98;

(b) if so, the details of the project package scheme prepared for the purpose;

(c) by when the scheme is likely to be implemented; and

(d) the details of the additional incentives likely to be provided to handloom weavers?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) Modernisation of Handloom Sector is a continuous process. The Government have been taking a number of measures through various ongoing Schemes to modernise the sector.

(b) The Project Package Scheme, which has been modified recently, envisages, inter-alia, requisite assistance for provision of new/modern looms, modernisation of obsolete looms, conversion of existing looms to commercial/improved looms, provision of accessories & product adaptation/development.

(c) The Project Package Scheme has been continued during 1997-98.

(d) The additional incentives under the new Project Package Scheme are for requisite support in regard to modernisation of looms/accessories, provision of inputs and infrastructure development to augment production and marketing.

Amendment in Contract Act

*259. SHRI ANNASAHIB M.K. PATIL: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether attention of the Government has been drawn to the news item captioned "Amendments in contract Act flayed", appearing in the Hindustan Times dated May 31st, 1997;

(b) if so, the details thereof; and

(c) the corrective measures proposed to be taken by the Government to ensure that industrial and trading activities are not adversely affected as a result thereof?

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP): (a) and (b) Yes, Sir.

(c) Some representations have been received against the amendment undertaken in the Indian Contract Act, 1872. These would be examined and the corrective measures will be taken if considered necessary.

Asian Development Bank Assistance

*260. SHRI R. SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether India's infrastructure development in the

next five years would need \$ 100 billions;

(b) if so, whether the Asian Development Bank has agreed to provide the amount to India;

(c) if so, whether the Finance Minister also attended the meeting with ADB held on May 12;

(d) if so, the decisions taken at the meeting; and

(e) the extent to which India's requirement has been accepted by them?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) The Finance Minister in his capacity as the Governor for India, in his statement at the 30th Annual Meeting of the Board of Governors for Asian Development Bank at Fukuoka, Japan, held in May 1997 highlighted India's requirement of over US\$ 100 billion during the next five years for the Infrastructure Sector.

There were no specific discussion in the meeting on any particular infrastructure project or on the funding of the full infrastructure needs by ADB.

Use of Bank Account of Demise

2650. SHRI JANG BAHADUR SINGH PATEL:

SHRI I.D. SWAMI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the legal heirs of the bank account holders are not informing the bank authorities of the demise of the bank account holders in some cases and the said accounts are used by their legal heirs even after the demise of the account holders;

(b) if so, the number of cases that have come to the notice of the Government, Reserve Bank of India and the individual banks both private and public sector in the last three years; and

(c) the details thereof and the action taken thereon by the Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Reserve Bank of India (RBI)'s data monitoring system does not generate the information asked for.

According to RBI, in case of Joint accounts where the man-date for operating the accounts is 'either or survivor', the surviving holder can operate the account as he is entitled to the balance of the account in the event of death of one of the joint account holder. In case of the other joint account holder (s) where the operations are allowed either jointly by the account holders or in the case of accounts operated by a single depositor no operations are to be allowed consequent on the death of the account holder. In such cases the surviving holder(s)/nominee(s)/legal holder(s) have to satisfy the bank by producing the

requisite documents viz death certificate declaration as regards names of various legal heirs, claim application succession certificate etc. from a competent Court if large amount is involved. It is incumbent for the survivors to inform the Bank about the death of the account holder.

Dilute of Prudential Norms

2651. SHRI RAM NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve bank of India have found it necessary in January, 1997 to dilute prudential norms for loan classifications and loan provisions; and

(b) if so, the details thereof alongwith the reasons for diluting the prudential norms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Reserve Bank of India (RBI) have reported that they have issued a circular in January, 1997 to all commercial banks clarifying certain issues relating to income recognition, asset classification and provisioning and capital adequacy. These clarifications have been issued after discussion at the meeting of the Bank Audit Committee. The instructions contained in this circular are intended to eliminate practical difficulties and not to dilute prudential norms and loan classification and loan/loss provisions.

SC's Directions on CBI

2652. SHRI I.D. SWAMI: Will the Minister of FINANCE be pleased to state:

(a) whether the Supreme Court has delivered a judgement in a case of Central Bank of India last year that a course of conduct spread over sufficiently long period and involving innumerable instances is by itself a misconduct;

(b) if so, the details thereof;

(c) the number of officials in the private and public sector banks found involved for lapses in performance of their duties spread over a sufficiently long periods in the last three years; and

(d) the action taken against all such officials, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) The Supreme Court of India in its judgement delivered in 1996 in a case relating to Central Bank of India had, inter-alia, observed that in the case of a bank or any other organisation, every officer/employee is supposed to act within the limits of his authority and a bank cannot function properly and effectively if its officers and employees do not observe the prescribed norms and discipline. The Court had also held that the very act of acting beyond authority—that too a course of conduct spread over a sufficiently long period and involving innumerable instances—is by itself a misconduct.