

(c) to (f) the measures for monitoring utilisation of issue proceeds and for ascertaining if the companies exist after they made public issues are given below:

- (i) According to the SEBI guidelines, in case of issues exceeding Rs. 500 crore the issuers are required to voluntarily disclose the names of financial institutions who would monitor the use of proceeds;
- (ii) Stock Exchanges have amended their listing agreements on the advice of SEBI which requires companies to give cash flow statements in their Annual Reports indicating the utilisation of funds raised from the public;
- (iii) Based on the SEBI sponsored report of the Malegam Committee, DCA have amended Schedule VI of the Companies Act which requires that all unutilised funds out of the issue must be separately disclosed in the balance-sheet of company indicating the form in which such unutilised funds have been invested.

Plywood and Timber Industries

3245. SHRI C. NARASIMHAN: Will the Minister of INDUSTRY be pleased to state:

- (a) whether plywood and timber industries are under compulsory licencing;
- (b) if so, the details thereof;
- (c) the number of licences issued to produce plywood and timber in the country;
- (d) whether licences are also issued to Small Scale Industries for producing such products; and
- (e) if so, the details thereof ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Plywood, veneers of all types and other wood based products such as particle board, medium density fibre board/block board fall in the list of industries for which an industrial licence is compulsory.

(c) There are at present about sixty units in the organised sector for the manufacture of plywood.

(d) and (e) In terms of the New Industrial Policy, 1991, all industrial undertakings are required to obtain industrial licence for setting up plywood industry, except those small scale industrial undertakings which employ less than fifty workers with the aid of power or less than hundred workers without the aid of power.

Jute Bags

3246. DR. M. JAGANNATH: Will the Minister of TEXTILES be pleased to state:

(a) whether the Standing Advisory Committee of Experts (S.A.C.E.) have submitted their recommendations in regard to use of jute bags for packing of cement;

(b) if so, the recommendations thereof; and

(c) the action taken by the Government thereon ?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (c) The Standing Advisory Committee (SAC) have submitted their recommendations in regard to use of jute bags for packing of Cement, food grains, Sugar and Fertilizer (Urea). The recommendations are under consideration of the Government.

Merger of MITCO with MMTC

3247. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of COMMERCE be pleased to state:

(a) whether the Mica Trading Corporation of India Ltd. has been merged with Minerals and Metal Trading Corporation of India Ltd. w.e.f. May 2, 1996; and

(b) if so, the new name given to the Mica Trading Corporation of India Ltd. and whether the facilities being provided to the employees of the then Mica Trading Corporation of India Ltd. are at par with the employees of M.M.T.C.?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b) Yes, Sir. The Rehabilitation-cum-Amalgamation/merger scheme was sanctioned by BIFR during its final hearing held on 8.4.96 in accordance with the approval given by the Group of Ministers (GoM). MMTC in its Extraordinary General Meeting held on 25.5.96 passed the order for merger, effective from 1.4.95.

After merger, it is functioning as a division of MMTC. The facilities being provided to the employees of the then MITCO are in accordance with the Rehabilitation-cum-Amalgamation/merger scheme approved by BIFR but are not at par with MMTC.

Profit/Losses by CIL units

3248. JUSTICE GUMAN MAL LODHA: SHRI NITISH KUMAR:

Will the Minister of COAL be pleased to state:

(a) whether the Government have formulated any scheme for revival of loss making subsidiaries of CIL;

(b) if so, the details of the scheme, and

(c) the amount of additional investment likely to be required for the scheme and the sources from which the above amount is likely to be mobilised ?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c) In February, 1996 the Government introduced a scheme for capital restructuring of Coal India Limited; the details of the scheme are as under :

(i) Moratorium on the interest-free non-plan loan of Rs. 432.64 crores as on 31.3.1992 for three years i.e. upto 1998-99 and repayment of the amount

in three equal annual instalments thereafter with usual interest.

- (ii) Conversion of outstanding plan loan of Rs. 904.18 crores as on 31.3.1992 into non-cumulative 10 per cent preference shares redeemable in the year 2003-04.
- (iii) Waiver of overdue interest (non-plan loans) of Rs. 891.75 crores and penal interest accruing since 1.4.1995.
- (iv) Allowing Western Coalfields Limited, a CIL subsidiary, to charge grade prices of coal notified for Singareni Collieries Company Limited.
- (v) Deregulation of prices and distribution of coking coal and A,B and C grades of non-coking coal.

In February, 1997, the Government have also decided to deregulate the prices and distribution of D grade of non-coking coal and hard coke and soft coke.

The cumulative effect of the above measures will strengthen the financial base of CIL and consequently the financial health of loss making subsidiaries of CIL will improve. Moreover, CIL has a proposal to reduce equity of some of its healthier subsidiaries by conversion of equity into debt in such subsidiaries with simultaneous reverse conversion of debt to equity in the weaker subsidiaries. As per information received from CIL the amount intended to be used as fresh equity in weaker subsidiaries is as follows:

ECL	Rs. 923.60 crores
BCCL	Rs. 979.50 crores

As a result of deregulation of coking coal and A,B and C grade of non-coking coal ECL, and BCCL have earned additional income of Rs. 360 crores and Rs. 400 crores respectively.

Industrial Growth

3249. SHRI SANAT MEHTA:

SHRI PAWAN DIWAN:

Will the Minister of INDUSTRY be pleased to state:

- (a) the details of industrial growth in the country during the last three years and the current year so far;
- (b) the contribution of the Indian companies as well as companies with foreign collaboration in industrial production separately; and
- (c) the areas in which Indian companies have registered maximum growth rate after the liberalisation ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) As per the Index of Industrial Production, broad sectoral growth rate have been as under:

Sectoral Growth Rate in per cent

	1993-94	1994-95	1995-96	1996-97*
Manufacturing	6.1	9.8	13.0	11.0
Mining	3.5	7.5	7.1	2.5
Electricity	7.5	8.5	8.2	3.7
Overall	6.0	9.4	11.6	9.1

*April-November

Data on separate contribution of the Indian and Foreign Companies in the industrial production is not maintained.

[Translation]

World Bank Loan

3250. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government have given permission to the Government of Maharashtra to seek assistance from the World Bank for improving the financial position of the State;

(b) if so, the details of the assistance sought by the Government of Maharashtra; and

(c) the assistance provided or proposed to be provided by the World Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) GOI have not received any proposal from Government of Maharashtra to seek assistance from the World Bank for improving the financial position of the State.

(b) and (c) : Does not arise.

[English]

Charges Against The Promoters of Indus Bank and Times Bank

3251. SHRI GEORGE FERNANDES: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that there are grave charges of financial and criminal malfeasance against the promoters of the Indus Bank and the Times Bank;

(b) whether these facts are overlooked while granting permission to these promoters to set up these two banks;

(c) if so, the reasons therefor;

(d) whether applications from other private parties being rejected or kept in hold because of similar charges against them; and

(e) if so, the details thereof ?