

got the work of some housing schemes done in Uttar Pradesh;

(b) if so, the details thereof; and

(c) the amount spent on these schemes during the last three years and the amount likely to be spent during the current year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) No, Sir. Life Insurance Corporation of India (LIC) grants loans at concessional rate to all State Governments, including Uttar Pradesh, for financing various social housing schemes as per allocations made by the Planning Commission and the Ministry of Urban Affairs & Employment every year.

#### **Controversy over wage**

4459. SHRI PARASRAM BHARDWAJ : Will the Minister of FINANCE be pleased to state :

(a) whether the controversy of wage has arose in the banking industry because of the recent decision of the Board of United Commercial Bank to withhold annual increment of its employees;

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

(c) the remedial steps taken by the Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) It has been reported by UCO Bank that its Board of Directors in a meeting held on 14th December, 1996, while considering the Bank's Balance Sheet as on 30.9.96, gave various directions for dealing with weak financial position of the bank for bringing out a strategic revival plan which, inter-alia, included wage freeze. UCO Bank has further reported that this decision with regard to wage freeze stands withdrawn after deliberations in another meeting of Board of Directors held on 19th February, 1997.

#### **Export or MICA scrap by MITCO**

4460. SHRI R.L.P. VERMA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Mica Trading Corporation of India is playing any role of broker/middlemen in the export of Mica Scrap;

(b) if so, whether MITCO has been charging 40 percent commission at the cost of mining industry;

(c) if so, whether there is any other agency charging huge commission causing huge loss to the Mica-Mining Industry; and

(d) if so, the steps taken by the Government to abolish commission to encourage and promote mica industry ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir, MITCO has been merged with MMTC with effect from 1.4.95. MMTC As per the Rehabilitation-cum-Amalgamation Scheme of merger of BIFR, export of mica scrap has to remain canalised through MMTC Limited till 1997-98. Through its global network, MMTC is exporting canalised mica scrap effectively as would be evident from the increase in exports from Rs. 4.5 crores in 1991-92 to Rs. 11.80 crores in 1995-96.

(b) to (d) The BIFR Scheme also envisages net contribution (Margin) of 27% on sales of mica scrap). However, MMTC is working on a contribution (margin) of average 24-25%. MMTC is paying nearly double the price to the local Mica Suppliers for supply of mica scrap to it for export purposes as compared to the price paid when they supply to its (MMTC's) Plants for manufacturing value added products. To develop Mica Industry MMTC has set up plants for value addition of mica scrap.

#### **Indian Overseas Bank**

4461. SHRI BHAGWAN SHANKAR RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news item captioned "Case closed, IOB to lose Rs. 100 crores" appearing in the Economic Times dated February 18, 1997;

(b) if so, the details of the points raised therein; and

(c) the steps taken by the Government to remedy the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) and (c) Indian Overseas Bank has reported that in respect of the six accounts referred to in the news item, they have recovered Rs. 152.90 crores during 1993 and 1994-95 against the outstanding amount of Rs. 245.37 crores. Attempts to recover the remaining amount constitute an ongoing process.