

[English]

Indo Belgium Trade Relations

1464. SHRI RANJIB BISWAL : Will the Minister of COMMERCE be pleased to state:

- (a) the areas in which Indo-Belgium trade relations established;
- (b) whether steps have been taken by the Government to expand trade relations between both the countries;
- (c) if so, the areas identified to expand trade relation between both the countries;
- (d) whether any trade agreement has signed between India and Belgium for the purpose; and
- (e) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) The principal areas of Indo-Belgium trade are Gems and jewellery, textiles, chemicals, agricultural & marine products and Minerals and Metals.

(b) Yes, Sir. Besides, bilateral exchange of delegations, participation in trade fairs, organising seminars and buyer-seller meets, etc. an Indo-Belgium (Indo-Belgium and luxemberg) Joint Commission at official level is functioning to oversee developments on economic cooperation between the two countries which last met in New Delhi in March, 1995.

(c) The areas identified to expand trade relation between the two countries are Computer software, engineering products, handicrafts, pharmaceuticals and bulk drugs and leather.

(d) and (e) While no trade agreement has been signed between India and Belgium. Avoidance of Double Taxation Agreement was signed in April, 1993 (ratified by Belgium Parliament in August, 1997) and Investment Promotion and Protection Agreement was entered into in November, 1997. Besides, India signed a Co-operation Agreement with EU in 1994 and Belgium being a member-state is covered under that agreement. All these agreements are expected to promote Indo-Belgium economic and trade relations.

Prices of Rubber

1465. SHRI N.N. KRISHNADAS : Will the Minister of COMMERCE be pleased to state:

- (a) whether the Government have given permission for the import of raw rubber;

(b) whether the new EXIM policy has caused steep fall in price of rubber in the domestic market;

(c) if so, whether any representations have been received from rubber growers of Kerala to ensure better price for rubber;

(d) if so, whether the Government propose to export rubber; and

(e) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) No, Sir.

(b) No, Sir. The fall in price of Natural Rubber has been mainly due to reduced consumption of Natural Rubber by the user industries.

(c) Representations have been received from rubber growers of Kerala to ensure a better price for rubber.

(d) and (e) The export of rubber is already under Open General Licence (OGL).

Decline in Sanction of Loans by Financial Institutions

1466. DR. BIZAY SONKAR SHASTRI : Will the Minister of FINANCE be pleased to state:

(a) the total loans sanctioned by financial institutions during 1997-98 as compared to 1996-97, institution-wise;

(b) whether there had been downfall to the extent of nearly 15 percent in the sanction of loans by the financial institutions during 1996-97;

(c) if so, the reasons therefor; and

(d) the steps being taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) As per information provided by the Industrial Development Bank of India (IDBI), institution-wise details of financial assistance sanctioned during 1997-98 as compared to 1996-97 are given in the enclosed Statement.

(b) During 1996-97, sanctions by all India Financial Institutions had declined by 14.9%.

(c) and (d) IDBI has reported that the decline in sanctions in 1996-97 was largely due to subdued investment climate for large projects and decline in operations under non-project loans and capital market products etc. However, with the Government opening

up infrastructure sector for private sector investment and Reserve Bank of India permitting institutions to operate scheme for working capital loans to industry, there was a substantial growth of 48% in institutional sanctions during 1997-98 over the previous year.

Statement

Assistance Sanctioned by all India Financial Institutions during April-March 1996-97 and 1997-98

Sl. No.	Institution	Apr-Mar 1996-97	Apr-Mar 1997-98	(Rs. crore) % Change
SANCTIONS				
1.	Industrial Development Bank of India	17049.9	24198.5	41.9
2.	Industrial Finance Corporation of India Ltd.	7212.3	10982.6	52.3
3.	Industrial Credit & Investment Corporation of India Ltd.	14313.1	25532.0	78.4
4.	Small Industries Development Bank of India	6485.3	7482.5	15.4
5.	Industrial Investment Bank of India Ltd.	816.0	2061.0	152.6
6.	Risk Capital & Technology Finance Corporation Ltd.	30.5	10.8	-64.6
7.	TDICI Ltd.	16.6	42.8	157.8
8.	Tourism Finance Corporation of India Ltd.	303.5	320.1	5.5
9.	Life Insurance Corporation of India	2820.8	3563.1	26.3
10.	Unit Trust of India	3669.1	4229.1	15.3
11.	General Insurance Corporation of India	1035.2	1148.8	11.0
Total		53752.3	74571.4	48.0

Note : Data are provisional

Streamlining of Financial Institutions

1467. SHRI K.P. NAIDU : Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to bring financial institutions under the audit of Advisory Board on Bank Frauds;

(b) if not, the reasons for non-inclusion of financial institutions;

(c) whether financial institutions have huge bad debts on their accounts;

(d) if so, the steps proposed to streamline financial institutions;

(e) whether huge hidden loans are there in the financial institutions; and

(f) if so, the extent thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS