

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) There is no system of auditing of public sector banks by the Comptroller and Auditor General of India (CAG) at present. Having regard to the nature of operations of the banking sector, Government are of the view that auditing of public sector banks by the CAG would not be appropriate.

(b) and (c) Statutory auditors of public sector banks are appointed in accordance with the provisions of the relevant statutes. In the case of Nationalised Banks such auditors are to be appointed by the bank concerned with the previous approval of Reserve Bank of India. For SBI such auditors are to be appointed by the Reserve Bank in consultation with Central Government, while in the case of associate banks of SBI these are to be appointed by the State Bank with the previous approval of RBI.

#### Trade Barriers by the Developed Countries

1591. SHRI NARESH PUGLIA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have expressed concern over the increasing propensity towards erecting new trade barriers by the developed countries;

(b) if so, whether the Government propose to formulate new strategy to face the increasing trade barriers by the developed countries; and

(c) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes Sir.

(b) and (c) Our strategy for encouraging other countries to remove trade barriers consists of the following elements:

- (i) The procedure of dispute settlement through the World Trade Organisation;
- (ii) Bilateral contracts, especially through the mechanism of Joint Commissions;
- (iii) Diplomatic activity through our Missions abroad;
- (iv) Raising the issues in the appropriate WTO Committees.

#### Heavy Industry in Punjab

1592. SHRI SATNAM SINGH KAINTH : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Union Government are aware that there is a pressing demand from the people of Punjab for setting up of Heavy Industry in Public Sector in the State particularly at Jullandar, Nawan Shehar districts;

(b) if so, whether the Union Government have conducted any survey in this regard; and

(c) if so, the result thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) No, Sir. At present there is no proposal to set up Heavy Industry in Public Sector in the State particularly at Jullandar, Nawan Shehar districts.

(b) and (c) Does not arise.

#### Merger of MMTC and STC

1593. SHRI RAMCHANDRA VEERAPPA : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government proposed to merge the State Trading Corporation with MMTC;

(b) if so, the details thereof; and

(c) whether a huge loss have been incurred recently in comparison to income;

(d) if so, the details thereof; and

(e) the action taken by the Government to cover up such huge losses and make the Corporation profitable?

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

(b) Does not arise.

(c) to (e) STC is a profit making Corporation and the trading profit earned by it during the last three years is as under:-

	(Rs. in Crores)	
Year	Trading Profit	
1995-96	36.00	
1996-97	48.00	
1997-98 (Provisional)	29.00	

#### Integrated Infrastructure Development Centre

1594. SHRI A. VENKATESH NAIK : Will the Minister of INDUSTRY be pleased to state: