

on an on-going basis. The proposal for restructuring of overseas operations of Indian banks is a part of this on-going exercise. No final decision has yet been taken in this regard.

#### **Assistance to Victims of Natural Calamities**

\*39. SHRI BHAJAMAN BEHERA:  
SHRI ANADI CHARAN DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether the general guidelines issued by the Reserve Bank of India in 1984 were revised in 1989 to enlarge the scope of assistance by banks to victims of floods, cyclones, landslides, riots, etc. so as to provide financial assistance/housing/agricultural credit facilities to persons affected in the coastal districts;

(b) if so, the number of persons in Orissa provided assistance as per the above guidelines during 1989 and 1990 till date;

(c) whether, in view of the unprecedented floods/cyclones in Ganjam District of Orissa during the current year, any fresh instructions have been issued to the financial institutions/banks in the District to give more financial assistance to the affected persons; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b). Reserve Bank of India (RBI) had issued standing guidelines to banks in August, 1984 for providing relief and rehabilitation assistance to the persons affected by natural calamities such as floods, droughts, cyclones etc. without waiting for instructions from RBI each

time. These guidelines envisage inter alia (i) conversion of short-term production loans into medium term loans, (ii) rescheduling/postponing of existing term loan instalments and (iii) provision of additional need-based crop/investment loans etc.

In the event of riots/disturbances, generally on receipt of information regarding the extent of loss of life, damage of property, etc., from the concerned State Government, banks are advised by RBI to follow broadly the above guidelines for extending rehabilitation assistance to the affected people. Banks also provide housing finance for repairs/reconstruction of houses damaged as and when there is a request from the concerned State Government to that effect giving details of the extent of damage caused to house property. The relief by way of fresh advances or any other concession provided to any affected person for pursuing his trade/activity by banks becomes a part of their advances to that sector and no separate reporting system has been prescribed for banks by RBI for this purpose.

(c) and (d). In view of the recent floods in some districts of Orissa, RBI had reiterated to all Scheduled Commercial Banks on 4.12.1990 to implement the standing guidelines of August, 1984 for providing relief and rehabilitation assistance to the persons affected by natural calamities. The Cooperatives and Regional Rural Banks have been advised by National Bank for Agriculture and Rural Development (NABARD) on 27th November, 1990 to provide immediate relief to the farmers affected by the floods/cyclones in the various districts of the State and ensure that the affected borrowers who had taken khariff loans be provided financial assistance for taking up Rabi operations.

UCO Bank, Convenor, State Legal Bankers Committee, Orissa has reported

that a special meeting of the District Consultative Committee (DCC) was convened in Ganjam district on 15th November, 1990 to discuss rehabilitation programme when action plan was drawn up for banks. They have also advised regional heads of banks operating in the district to extend necessary financial assistance to flood victims including rescheduling of repayment in terms of RBI guidelines.

#### **Return of Indians from Kuwait and Iraq**

\*40. PROF. P.J. KURIEN:  
SHRI G.S. BASAVARAJ:

Will the Minister of FINANCE be pleased to state:

(a) the losses incurred by the Union Government during the current financial year in the shape of stoppage of remittances from Indian nationals from Kuwait and Iraq;

(b) the extent to which the country's foreign exchange reserves position is affected this year by the return of a large number of Indian nationals from Kuwait and Iraq;

(c) the estimated additional burden caused by the recent Gulf crisis on Indian economy; and

(d) the steps taken to meet this burden?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b). It is estimated that the losses on account of stoppage of remittances from Kuwait and Iraq during the 8 months of the current financial year would be Rs. 240 crores. In addition, the foreign exchange cost of repatriation of Indians working on Kuwait and Iraq is esti-

mated at Rs. 90 crores upto mid September and Rs. 300 crores at present.

(c) As a result of the Gulf crisis, the impact on the import bill on account of increased oil price for 12 months period commencing September, 1990 is estimated to be Rs. 5,000 crores at an average price of crude oil at US\$25 per barrel, Rs. 6300 crores at a higher rate of US\$30 per barrel and Rs. 8300 crores at still higher level of US\$35 per barrel. This includes the loss on account of remittances, loss of exports, cost of emergency repatriation, but does not include indirect effects on the economy.

(d) A package of measures have since been initiated towards export promotion, restraint in imports and enhanced foreign capital flows including accelerated disbursement of external assistance.

#### **Performance of KIOCL**

231. SHRI SRIKANTHA DATTA NARASIMHA RAJA WADIYAR: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government have received the performance report of Kudremukh Iron Ore Company Limited (KIOCL); and

(b) if so, the performance of Company during the current year?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI BASAVARAJ PATIL): (a) Yes, Sir.

(b) The performance of the Company during the current financial year (upto November, 1990) is indicated below: