

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): Reserve Bank of India (RBI) issues detailed guidelines from time to time to banks on grant of loans to borrowers. The management of the banks lays down the policies and instructions keeping in view the various circulars of RBI. It has to be ensured that loans and advances are made with the following three basic objectives:

- (i) To grant advances on a sound and realisable basis.
- (ii) To invest the bank's funds profitably subject to instructions and advice of RBI in matter of lending to specified sectors where considerations of profitability have to be harmonised with wider national objectives.
- (iii) To serve the legitimate credit needs of the community in its areas of operations for productive and other desirable purposes.

The banks are also required to have an efficient system of monitoring by way of an internal system, inspection and reviews.

Committee on Pricing

*356. SHRI PYARELAL KHANDELWAL:
DR. A.K. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have set up a Committee to study the relationship between cost of production and market price of certain commodities like sugar, yarn and vanaspati etc. to determine profit ratio and eliminate excessive profits;

(b) if so, what are the findings of the Committee; and

(c) the steps taken to implement them?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) No, Sir.

(b) and (c). The question does not arise.

Iron Ore Export

*359. DR. SHRI HENDRA NATH SHRIVASTAVA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Minerals and Metals Trading Corporation is exporting iron ore to Japan and other foreign countries;

(b) if so, the quantity of iron ore exported by the Minerals and Metals Trading Corporation during 1988-89 and 1989-90, country-wise; and

(c) the amount of foreign exchange earned during the above period?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU):

(a) Yes, Sir.

(b) and (c). A statement is given below.

STATEMENT

Countrywise Export of Iron Ore by MMTC During 1988-89 and 1989-90 (April-February)

Qty: Million Tonnes

Val: Rs. Crores

<i>Country</i>	<i>1988-89</i>		<i>1989-90</i>	
			<i>(April-February) (Prov.)</i>	
	<i>Qty.</i>	<i>Value</i>	<i>Qty.</i>	<i>Value</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Japan	10.496	247.25	9.001	279.73
South Korea	3.112	71.53	2.551	79.34
Rumania	2.356	29.61	1.829	26.16
Hungary	0.031	0.70	0.010	0.33
GDR	0.612	11.29	0.660	16.51
Yugoslavia	0.036	0.81	—	—
Dubai	0.146	2.81	0.318	6.29
Kuwait	0.021	0.30	—	—

<i>Country</i>	<i>1988-89</i>		<i>1989-90</i>	
			<i>(April-February) (Prov.)</i>	
	<i>Qty.</i>	<i>Value</i>	<i>Qty.</i>	<i>Value</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
North Korea	0.343	6.20	0.345	6.99
Pakistan	0.338	6.93	0.338	8.83
China	0.151	3.82	0.251	7.34
Australia	—	—	0.149	5.05
Nepal	0.002	0.03	0.002	0.03
Grand Total:	17.644	381.28	15.454	436.60