

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). A statement is given below.

Statement

Reserve Bank of India have reported that there have been press reports about the functioning of certain unincorporated bodies known as 'Blade Companies' in some parts of Kerala. It has been alleged that they are accepting deposits from the public by offering exorbitant rates of interest and charge high rates of interest on loans advanced by them.

The 'Blade Companies' are mostly unincorporated bodies. In so far as unincorporated bodies are concerned, Chapter-IIIC of Reserve Bank of India Act prohibits them from accepting deposits in excess of the specified number of depositors. Reserve Bank of India have addressed the State Governments to create necessary enforcement machinery in their respective States to enforce the provisions of the law. The Government of Kerala are reported to have asked its officials to initiate action against offenders contravening the provisions of the Act.

Regarding the Money Lending activities of these 'Blade Companies', the issue relates to a subject reserved for State Governments. The Government of Kerala have enacted the "Kerala Money Lenders Act, 1958", which regulates the lending activities of these bodies.

SHRI VAKKOM PURUSHOTHAMAN : A good number of private investment companies known as 'Blade Companies' are coming up in Kerala, just like the 'Mutka'. The interest offered by them is very attractive and in many cases more than 35 per cent is offered. And the interest they collect is even much higher. After collecting a huge amount, many of them disappear from the place and it is impossible to locate them. Will the Government take effective steps either to prohibit these companies or to insure the money deposited by the public in these banks ?

WRITTEN ANSWERS TO QUESTIONS

[English]

Proposed Merger of Hindustan Commercial Bank Ltd. with Dena Bank

*804. SHRI M.V. CHANDRASEKHARA MURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to merge the Hindustan Commercial Bank Ltd. with Dena Bank ;

(b) if so, the details thereof ; and

(c) when the merger will be executed ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) and (c). Do not arise.

Land Under Mulberry Plantations

*806. SHRI V. KRISHNA IYER : Will the Minister of TEXTILES be pleased to state :

(a) the area of land under mulberry plantation in the country ;

(b) whether the area of land under mulberry plantation will be increased during the Seventh Plan ;

(c) if so, how many hectares will be utilised for mulberry plantation ; and

(d) whether any incentives will be given to the farmers to grow mulberry ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The land under mulberry cultivation was approximately 2,14,838 hectares at the end of VI Plan. The target for additional area to be developed during VII Plan has been tentatively fixed at 64,200 hectares,

(d) Farmers would continue to be encouraged to grow mulberry by providing them with assistance in the form of free supply of mulberry cutting in new areas and quality disease free silk work seeds at reasonable rates. Besides, technical guidance and training will continue to be provided to farmers by the Central Silk Board.

Closure of Plastic Units

*809. SHRI JAI PRAKASH AGARWAL :

SHRI R.S. MANE :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of adverse reaction on plastic units all over the country due to increase in customs and excise duties in the budget ;

(b) whether a large number of units are on the verge of closure as a result of increase in duties ; and

(c) if so, the steps Government propose to take to help the units ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Government has received representations from various plastic manufacturers Associations, regarding problems arising consequent to the 1986 budget proposals in respect of customs and excise duties. It would, however, not be correct to say that a large number of units are facing closure due to increase in customs and excise duties. In fact in respect of certain items the duties have been reduced. In respect of Low Density Polyethylene and High Density Polyethylene the excise duty has been reduced to 30% from the earlier levels of 31.5% and 36.75%, respectively. The customs duties in respect of certain engineering plastics have also been reduced.

2. Prior to the 1986 budget the small scale exemption was only available in

respect of plastic raw materials falling under sub-item (1) of Item 15A of the earlier Excise Tariff. In the 1986 Budget all the plastic items have been brought under the general scheme of small scale exemptions with a few exceptions and have also been covered under the MOD-VAT scheme for the purposes of availing input duty relief.

3. In certain areas where representations have been received Government has taken necessary steps to help the plastic units. The general small scale exemption scheme announced in the 1986 budget has been further liberalised. Small scale units with a turn over not exceeding Rs. 1.5 crores in the previous financial year are eligible for complete excise exemption upto a clearance limit of Rs 15 lakhs in respect of items falling under a single tariff heading. In the case of small scale units producing more than one item falling under more than one tariff heading the complete excise exemption limit has been raised to Rs. 30 lakhs subject to the excise exemption limit in respect of a single tariff heading not exceeding Rs. 15 lakhs. Items like H.D.P.E. Woven Sacks, plastic canes and waste and scrap of plastics made from duty paid plastics materials have been completely exempted from excise duty.

Export of Rice

*814. SHRI MOHANBHAI PATEL :
SHRI CHINTAMANI JENA :

Will the Minister of COMMERCE be pleased to state :

(a) the varieties of rice which are being exported and the export price of each variety ;

(b) the agency through which export of rice is being made and the quantity of rice of each such variety exported during 1984-85 and 1985-86 indicating the names of the countries to which rice was exported ;

(c) whether a particular variety IR-8 was exported to some countries at less