

Raids on the Premises of Indian Express Group

*445. SHRI H.N. NANJE GOWDA:
SHRI BANWARI LAL PURO-
HIT:

Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax Department conducted country wide raids at the premises of the Indian Express group during March 1989;

(b) if so, the details of the incriminating documents seized during the raids;

(c) further steps contemplated by Government against the Indian Express group?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) During March 1989, the Income-Tax Department conducted searches at the office premises of two companies of the Indian Express Group in Bombay. Also, searches were simultaneously carried out at Delhi and Calcutta at the premises of certain persons, reportedly having business links with the Indian Express Group.

(b) Incriminating documents seized during the searches, prima facie, indicate substantial tax evasion. Disclosure of the details of these documents will not be in the interest of the continuing investigations.

(c) Appropriate action as called for under the Direct Taxes enactments, is taken in such cases.

[Translation]

Appointment of Educated Unemployed as Full-Time Insurance Agents

*447. SHRI KAMLA PRASAD RAWAT:
Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to appoint educated unemployed as full-time insurance agents; and

(b) if so, the time by which a final decision will be taken in the matter

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) While there is no such proposal under the consideration of Government, the Life Insurance Corporation of India has a scheme called "Career Agents Scheme" for recruiting agents who want to make insurance as their career. LIC grants agency to a person for the purpose of procuring life insurance business for the Corporation if he has completed 18 years of age and has passed matriculation thereto for appointment in a town or a city with a population of one lakh and above or who has passed at least 8th standard in case of appointment to any other place. The Career agents have to pass test and after interview, they are selected for special training. Under the Career agents Scheme, agents are given monthly stipend so as to provide some support initially. After the stipendary period, the Career Agents get only commission in respect of life insurance business procured by them, like other agents.

[English]

Bank Credit Outstanding Against Sick Units

*448. SHRI H.A. DORA : Will the Minister of FINANCE be pleased to state:

(a) the reasons for outstanding bank credit locked in sick units going up; and

(b) the corrective steps taken or contemplated in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Reserve Bank of India (RBI) has reported that the outstandings of banks in sick units have in main gone up due to extension of assistance by way of holding on operation till the rehabilitation package is prepared. Further under rehabilitation packages also, banks are expected to give additional working capital facilities.

RBI has already enjoined on banks to undertake viability studies/nursing programme of SSI Sick industrial units in a time bound manner, Board for Industrial and Financial Reconstruction set up under the Sick Industrial Companies (Special Provisions) Act 1985 too, has been appreciably taking action in respect of Non-SSI units.

Exports to UK

*449. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) the items presently being exported to the United Kingdom (UK).

(b) whether steps are being taken by Government to increase the export of those items to the UK;

(c) whether the matter was discussed in the last Indo-British Economic Committee meeting; and

(d) if so, the response of the Government of the UK thereto?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) and (b). The main items being exported to UK from India include textiles, garments, cashew nuts, oil cakes, jute products, leather products and

garments, finished leather, engineering goods, gold jewellery, marine products, tea, spices, carpets, etc. Continuous efforts are being made to increase exports through trade promotion measures, exchange of trade delegations, buyers-seller meets, participation in trade fairs, publicity, etc.

(c) and (d). In the Indo-British Economic Committee meeting held in February, 1989 in New Delhi, possibilities of expanding and diversifying the trade between the two countries was discussed. It was agreed that both sides will make efforts to expand trade levels so as to correct the imbalance in bilateral trade.

Meeting of Bankers and Small Scale Units

*450. SHRIMATI GEETA MUKHERJEE: SHRI NARAIN CHOUBEY:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has proposed to convene a meeting of bankers and small scale units in order to ascertain the causes and extent of sickness and draw up remedial measures; and

(b) if so, the details thereof and the action taken in this direction?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve bank of India (RBI) had held a meeting on 28th January, 1989 in Bombay to discuss the problems connected with the credit needs of small scale industrial units including sick units. Based on such discussions and other feed back received by RBI, suitable guidelines are issued to the banks from time to time.