

- The said securities (shares) were pledged by Hiten P. Dalai in favour of Stanchart to secure a loss,
- Stanchart has been able to prove a loss of Rs. 280 crore only (against Rs.1253 crore claimed) and hence these pledged securities can be sold by Stanchart over a period of two years to secure the said loss,
- The bonus, dividends and interest received on above securities do not form part of the pledged securities and therefore Stanchart should return the same to the Office of the Custodian,
- Cantriple units of face value Rs. 35.5 crore should be handed over to the Office of the Custodian.

In its judgement the Special Court made some observations about Standard Chartered Bank. The observations, inter-alia, included an observation to the effect that the bank tried to hide facts from RBI by creating false records. The Special Court also observed both the bank as well as the broker were keeping back the arrangements from the Court and that the bank was not admitting the arrangement because it was contrary to and in breach of RBI regulations and against prudent banking practices.

On an application moved on behalf of

Standard Chartered Bank and Hiten P. Dalai the Hon'ble Special Court has extended stay of operation of its judgement beyond 24.1.99 by a further four weeks.

#### **Foreign aid through bilateral and multilateral agreements**

54. SHRI E. BALANANDAN: Will the Minister of FINANCE be pleased to state:

(a) the amount of foreign aid made available to India through the multilateral and bilateral agreements this fiscal years;

(b) the amount of loan received during the current fiscal year from the World Bank and the IMF; and

(c) the purpose for which such loans were granted?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The amount of foreign aid for various projects for which agreements have been signed with the multilateral and bilateral donors during 1998-99 is given in the annexed Statement I.

(b) The amount of loan received during the current fiscal year upto 31.1.99 from the World Bank and the IMF are Rs. 3580.58 crores and 'nil' respectively.

(c) The information is given in the annexed Statement.

#### **Statement**

*Foreign aid made available to India by Multilateral & Bilateral Countires during 1998-99*

(D.C. in million)

| S.No. | Country | Description of projects                 | D.C. | Amount |
|-------|---------|---|------|--------|
| 1     | IDA     | National Agriculture Technology         | US\$ | 100.00 |
| 2     | IDA     | Orissa Health Sys Development           | us\$ | 76.40  |
| 3     | IDA     | UP Diversified Agr Support              | us\$ | 79.90  |
| 4     | IDA     | Rural Women Development and Empowerment | us\$ | 50.00  |
| 5     | IDA     | Kerala Forestry                         | us\$ | 30.00  |
| 6     | IDA     | Maharashtra Health System Dev           | us\$ | 134.00 |
| 7     | IDA     | Andhra Pradesh Economic Restructuring   | us\$ | 241.90 |
| 8     | IDA     | UP - Sodic Land Reclamation Pjt-H       | us\$ | 194.10 |
| 9     | IBRD    | National Agriculture Technology         | us\$ | 96.80  |
| 10    | IBRD    | UP Diversified Agr Support              | us\$ | 50.00  |

| S.No. | Country     | Description of projects                                     | DC.     | Amount |
|-------|-------------|---|---------|--------|
| 11    | IBRD        | A.P. Economic Restructuring                                 | us\$    | 301.30 |
| 12    | Germany     | Fertilizer Programme  | D.M.    | 70.00  |
| 13    | Germany     | Minor Irrigation Prog Maharashtra                           | D.M.    | 45.00  |
| 14    | France      | Implementation in management of Water Supply Calcutta       | F.Fc.   | 36.00  |
| 15    | France      | Centre for laser Application in Mysore                      | F.Fc.   | 13.80  |
| 16    | France      | Impact Assessment of mining activities in Subamarekha Basin | F.Fc.   | 19.00  |
| 17    | ADB         | Mumbai Port Trust   | US\$    | 97.80  |
| 18    | ADB         | Chennai Port Trust  | US\$    | 15.20  |
| 19    | ADB         | LPG Pipeline Programme                                      | US\$    | 150.00 |
| 20    | Germany     | Industrial Pollution at NPC                                 | D.M.    | 5.50   |
| 21    | Germany     | Water Shed Management-III                                   | D.M.    | 5.00   |
| 22    | Germany     | Attachment of savings & credits -Self Help Group to Banks   | D.M.    | 4.00   |
| 23    | Germany     | Integrated Social Security Scheme for Women (SEWA)          | D.M.    | 2.00   |
| 24    | Sweden      | Consultancy Fund  | SEK     | 27.00  |
| 25    | Sweden      | National Rural Water Sply & Sanitation                      | SEK     | 48.50  |
| 26    | Switzerland | Pig Breeding Centre in Kerala                               | Rs.     | 4.50   |
| 27    | U.K.        | Haryana Power Sector Reforms                                | UK Pds  | 15.00  |
| 28    | U.K.        | Health Policy and System Dev.                               | UK Pds  | 0.80   |
| 29    | U.K.        | UK/India collaboration in Oil Seed Crops Phase-II           | UK Pds  | 1.99   |
| 30    | Canada      | Boiler Emission Upgradation                                 | C\$     | 2.50   |
| 31    | Denmark     | National Programme for Eradication of Leprosy Ph.III        | D.Kr.   | 76.40  |
| 32    | Netherlands | Pilot Project for Usar and Reclamation in UP                | D. Gldr | 10.89  |
| 33    | Japan       | Project for Eradication of Poliomyelitis                    | Yen     | 392.00 |
| 34    | Japan       | Debt Relief Grant   | Yen     | 185.67 |

**News-item captioned "Standard Chartered Bank is lying"**

55. DR. Y. LAKSHMI PRASAD:

SHRI K. KALAVENKATA RAO:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item appearing in the 'Indian Express' dated the 14th January, 1999 captioned "Stanchart Bank is lying";

(b) if so, the details of the judgement referred to in the news-item; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) to (c) Yes, Sir. Standard Chartered Bank had filed a suit in the Special Court because the Custodian required the bank to establish its rights on the shares, debentures and stocks belonging to notified broker, Hiten P. Dalai and held by the bank. In the said suit, the main questions for consideration before the Special Court were whether the plaintiff had suffered