

इतना ही नहीं, त्रिभुवन विश्वविद्यालय, नेपाल में भी मैथिली की पढ़ाई हो रही हैं। 850 वर्ष पुरानी मैथिली भाषा हैं। इस देश के 6 दर्शन हुए जिनमें 3 दर्शन के निर्माता मैथिली के विद्वान थे।

{उपसभाध्यक्ष (श्री टी.एन. चतुर्वेदी) पीठासीन हुए।}

मैं सरकार से यह आग्रह करना चाहता हूँ कि मैथिली भाषा को संविधान की अष्टम अनुसूची में जोड़ा जाए। 1969 से मैथिली भाषा को बिहार पब्लिक सर्विस कमीशन की परीक्षा में ऐच्छिक विषय बनाया गया था। इसमें दो सौ नम्बर दिए गए थे। 1992 तक यह चला। लेकिन 1992 में लालू यादव ने मैथिली भाषा को बिहार पब्लिक सर्विस कमीशन से हटा दिया जिससे हजारों पढ़े-लिखे नौजवानों के सामने कठिनाई हो गयी हैं। इसलिए मैं पुनः आपसे आग्रह करना चाहता हूँ कि मैथिली भाषा का संविधान की अष्टम सूची में जोड़ी जाए और बिहार पब्लिक सर्विस कमीशन ने 1969 से परीक्षा में जो दो सौ नम्बर का यह ऐच्छिक विषय दिया था इसको पुनः लागू किया जाए।

THE EXPORT-IMPORT BANK OF INDIA (AMENDMENT) BILL, 1998

THE MINISTER OF STATE IN THE
MINISTRY OF PERSONNEL, PUBLIC
GRIEVANCES AND PENSIONS AND THE
MINISTER OF STATE IN THE MINISTRY
OF FINANCE (BANKING, REVENUE
AND INSURANCE) (SHRI KADAMBUR
M.R. JANARTHANAN): Sir, I move:

"That the Bill further to amend the
Export-import Bank of India Act, 1981, as
passed by Lok Sabha, be taken into
consideration."

Mr. Chairman, Sir, the export-Import Bank of India, as hon. Members are aware, is a specialised financial institution constituted under the Export-Import Bank of India Act, 1981. It is wholly owned by the Government of India. The charter of the Exim Bank stipulates that it shall provide financial assistance to exporters and importers, and function as the principal financial institution for coordinating the working of institution engaged in financing export and import

of goods and services with a view to promoting the country's international trade and for matters connected therewith or incidental thereto.

The Exim Bank has been assigned a special role in:

1. Providing medium and long term export credit to exporters, i.e. project exporters as well as exporters of capital goods and other manufactured goods on deferred payment terms;

2. Providing lines of credit to banks and foreign government agencies to finance imports of eligible goods and services from the country;

3. Providing term loans to export oriented units in the country and equity finance to Indian companies setting up joint ventures/wholly owned subsidiaries abroad;

4. Providing information and advisory services to Indian exporters.

The Exim Bank's performance over the ten years (1988-1999) has been satisfactory. During this period its loan assets have grown at an annual average of 19 per cent with cumulative sanctions at Rs. 14,893/- crores. In 1997-98, sanctions and disbursement amounted to Rs. 1,840/- crores and Rs. 1,370/- crores respectively. The bank's operations have been profitable since the first year of its establishment and it has also been paying dividends to the Government every year.

The authorised capital of the Exim Bank is Rs. 500/- crores. The paid-up capital of the Exim Bank has been augmented every year out of the budgetary allocation. In the year 1995-96, an amount of Rs. 59.66 crores was released to Exim Bank increasing the paid-up capital to Rs. 500 crores approximately. In order to provide the Exim Bank an adequate capital base to support its future business growth, maintain its credit worthiness with international lenders, to enable it to raise external commercial borrowings at competitive rates and to retain adequate resource flows to enable Exim Bank to

maintain its flexibility, Exim Bank's authorised capital is proposed to be raised from Rs. 500 crores to Rs. 1000 crores provided that the Central Government may, by notification, increase the said capital to Rs. 2000/-crores.

I submit that this Bill may be taken into consideration and passed. And if the Vice-chairman so wants, the Bill may be passed without discussion also.

The question was proposed.

SHRI H. HANUMANTHAPPA (Karnataka): Sir, the hon. Minister, while moving the Bill, has made a statement, but has not justified the necessity of increasing the capital base from Rs. 500 crores to Rs. 1,000 crores and then on to Rs. 2,000 crores. He has only narrated the report. I have got a copy of the report. He has said how the Export-Import Bank is functioning; it has earned profit, created assets and has started giving dividend from the very first year. But, Sir, he has not at all argued a case for the increase in the capital base. In the absence of that, his demand actually becomes unworthy of any consideration. At least in his reply, he should make up this lacuna and justify the demand as to what his projections and expectations are and what are the demands before the Export-Import Bank and also what are the new areas it is expanding into.

Sir, I have a serious objection on one more point. Parliament had created a Board of Directors. In that Board are represented experts, part-time or full-time Directors and so on. Under Section 7, Parliament permits that the Board may constitute committees consisting of Directors or other persons, on a whole-time or a part-time basis. The power given to the Committee under this section is to assist the Board in carrying on the activities of the Bank. Here what has happened is that, they have constituted an Executive Committee, which consists of only three to five persons, who are whole-time operators — Managing Director, Executive Director, Financial

Director, etc. They are the day-to-day Managers. All the powers of the Board of Directors have been transferred to them. The Power given under Section 7 is not to over-rule the Board of Directors Parliament's will was that the Board of Directors should have a technical, nontechnical and business management. That is why full-time and part-time Directors have been provided. But, this Board has created a small Executive Committee, which is running the day-to-day activities of the Bank. It is exercising all the powers. The Board of Directors is only to approve the Annual Accounts and Annual Reports. This is one serious objection. I would request the Hon. Minister to look in-o it and rectify the mistakes.

SHRI VEDPRAKASH P. GOYAL (Maharashtra): Mr. Vice-Chairman, Sir, the Export-Import Bank of India (Amendment) Bill, 1998 which seeks to amend the Export-Import Bank of India Act, 1981, deserves to be endorsed wholeheartedly and without any reservation. The Exim Bank is a principal financial institution in India for coordinating the institutions engaged in finance of export and import trade and for financing, facilitating and promoting foreign trade of India. The authorised capital of the Exim bank is proposed to be enhanced to Rs. 1,000 crores, with a provision to increase it to Rs. 2,000 crores by a notification. In today's world, these amounts are really not that large as are being considered. The amount of Rs. 500 crores was very, very small. The Statement of Objects and Reasons clarifies as to why this Bill is being brought forth which the hon. Minister has enunciated just now. In 1981 when the Exim bank was established, as a statutory corporation owned by the Central Government, it had assumed export finance functions of the IDBI, with an authorised capital of Rs. 250 crores, with a provision to increase it to Rs. 500 crores by a notification. Our export growth has been very slow. It has taken 13 long years to reach the maximum of Rs. 500 crores. The

target of this Rs. 500 crores was reached three years back. Since three years it languished at the same level, because the Bill could not be brought forth, at that time. Every Government has been shouting from the house-tops the need of exports by this country. The economy of this country depends a lot on exports. But the exports have not increased. If exports are to be given a high priority, then, they need some support. I am happy to endorse that this Government has seen to the need of expediting the measure by bringing forth this Bill before the honourable House.

The export finance is provided at various stages of export cycles, namely, export product development, export production, export marketing and export credit at pre-shipment and post-shipment stage. This bank can also give loans to foreign Government companies, financial institutions by way of overseas buyers credit, lines of credit to foreign Government, relending facilities to overseas banks. The bank also provides refinance of exports, finance credit to commercial banks in India, on the issue of advance payment guarantees, foreigner's guarantee for retention money, guarantee for borrowing and for execution of export contracts. Since the inception of this bank, some 16 years ago, it has undoubtedly played a pivotal role in the promotion of India's foreign trade, more particularly, exports. The bank has been through many ups and downs like any other business venture. The bank was many success stories to its credit to be proud of, and failures to learn from them. Earlier during its functioning, the bank had to face severe setbacks, mainly due to faulty assessment of projects, inadequate in its perception and dependence on outside agencies for monitoring the projects. Over the years, the bank has enriched its expertise through experience and development of inhouse facilities and skills which stand the bank in good stead in the years to come. There was a question as to what the need was. The developments that have taken place

all over the globe in the current decade and in every walk of life have defied the imagination of the most fertile minds. The end of the Cold War, the fragmentation of communist regimes, the formation of regional cooperation groups like the SAARC, the emergence of EEC markets, the growing influence of countries like China, the pressure-wielding tactics of the World Trade Organisation, the world labour organisation and the GATT are some of the epoch-making event of the current decade which have not only changed the definition "of international trade but have also raised intimidating issues and challenges before the semi-developed countries like us. These challenges have opened the flood-gates of opportunities and also fierce competition amongst nations of all hues and ideologies. The world has become one big market place which is driven by only one cardinal principle, that is, survival of the fittest. If we have to survive in this scenario, the teeth of our financial institutions like the Exim bank must be sharpened. India was not left with any other option but to fall in line with the global developments and make the best of them for our own good. This started the process of reforms and liberalisation in our country which still continues. It is now an irreversible process. After forty years this process of liberalisation has unshackled the economy of this country from the stranglehold of a monopolistic order. It has now to make attempts to steer clear of another monopoly, the capitalistic monopoly of the European and the American world. I am sure the Exim bank and its operations will see to it that the advantages of liberalisation are spread out in the country to all sections of society. With the explosive growth in the information technology and the arrival of the industrial and financial giants from the developed countries, with whom some of our own Indian giants are also now standing up in competition, the globalisation of Indian economy will be further accelerated in the near future. It is high time we did something positive and concrete to protect and promote the

interests of our industries and trade so that they survive, spread and strengthen side-by-side, in the face of this on coming invasion. We have to think globally, act globally, in order to survive globally. The growth of India's foreign trade on sophisticated and sane lines, therefore, holds the key to India's role in the world economy. For this purpose, we need to fortify our premier, financial and development institutions like the Exim bank and make them acquire international standards in all parameters such as resources availability, infrastructural know how, upgradation and updating of business acumen with the help of state-of-the-art technology. The first and foremost step in this direction, therefore, could only be the endowment of financial prowess by infusion of substantial capital. The Government's proposal needs to be endorsed whole-heartedly and without any reservation. In the wake of reinforced financial vigour will come along many advantages for the image and over-all functioning of the Exim bank. To mention some of them the bank would acquire greater respectability and improved ranking amongst the international financial agencies, the negotiating capability and manoeuvrability of the operations will get a desirable boost vis-a-vis the multi national groups, in contracts and deals with them, the qualitative improvement in the services rendered to the clients by virtue of accessibility to world class infrastructure and the latest knowhow for assessment of restructured market perceptions and management. In the international arena, size, skills and strength matter most. The developing countries in Africa and the Indian sub-continent offer tremendous, business opportunities to India in the promotion of their industrial and economic growth. The level of excellence India has achieved in the technological advancement has placed India in an enviable position. India can compete with the global players from the developed countries if our institutions, like Exim Bank, are made financially strong and healthy. Finally, in order to show better perform-

ance and accentuated growth, the Bank must develop innovative products and services to suit the needs and demands of the Indian entrepreneurs. For this purpose, research and development activities and creation of extensive and exhaustive data base are of paramount importance. Allocation of substantial resources for such purposes is, therefore, very essential. To expect the Exim Bank to deliver goods in time, we need to create a level-playing field. We intend to do exactly the same by this Bill. In the end, I must emphasise that this is a very welcome move, though very much belated, and still, rather a modest increase in authorised capital. In fact, I hope, with the type of professionals who are manning this Bank, the growth in exports, demand of export finance, facilities and support will soon overtake the provisions of this Bill and the Government will be required to again double those limits; maybe, in a year or so, and we do not have to wait for another thirteen long years to increase these limits to double the size that I have mentioned. Thank you.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Shrimati Kamla Singh;.. She is not present here at the moment. Shri A. Vijaya Raghavan.

SHRI A. VIJAYA RAGHAVAN (Kerala): Thank you, Mr. Vice-Chairman. While participating in this discussion, I would like to endorse one point which was made by the hon. Member, Shri H. Hanumanthappa. While enhancing the capital of this Bank, the hon. Minister did not lay emphasis on the priority areas where this Bank will work in future. While going through the performance of this Bank, we can say that in the balance-sheet, the performance is good. You have profit and you have paid dividends and so on. But in real terms, did we succeed in promoting the export of this nation? Basically, we have to say that this is not an Export-Import Bank. This is only an Import Bank. If you go through the performance of our country in the field of export, you will find that this Bank was started in 1981. If you go

through the performance of this country in the field of exports after 1980, you will find that in respect of export of tea, our share in the world market was 27.7 per cent in 1980. Now, it has been reduced to 12 -percent. In respect of spices, it was 14.5 per cent in 1980. Now, it is 9.1 per cent. In respect of leather, it was 10 per cent in 1980. Now, it is 2 per cent. As regards the export of these goods, we did not succeed in expanding their scope. We tried to change some of our policies to promote the trade. Even though the tariff on exporting goods has been reduced from 127.7 per cent in 1990 to 34.2 per cent in 1997, we could not succeed in enhancing our share in the world trade. Even now, it is meagre—.64 per cent. In this way, our performance in exports is not good and we have failed in promotion of exports. What is the reason? It is because of the economic policy we are following in our country. We have to concentrate on one thing, as to how the benefits of exports can reach the peasants and the down-trodden sections of society. We have also failed, if you see our share in the export market of manufacturing goods and agricultural products. What is the situation in agricultural products? I am coming from the State of Kerala. It is highly export-oriented. What happens to the peasants? They cultivate rubber, coconut, cardamom, pepper and so on. These are all export products, if you go through the -pricing pattern of agricultural products which are exported, you will find that there is a sharp fall in the prices of these agricultural products. Is this Barik supporting the agriculturists who are working in this field, who are cultivating rubber, pepper and other export-oriented agricultural products? Is there any support given by the Bank to the agriculturists? No support is given to the peasants. Here, we just announce programmes for improving our performance in exports. The Bank has reduced the rate of interest from 16 per cent to 14 per cent. Even then, is there an increase in the offtake by the exporters? The Minister has to explain this before the House. It is stated that the offtake from the

banks is coming down. Even the offtake from the Exim Bank is coming down. What is the reason? If we see the overall performance, the overall perspective of our economy, it has failed, and that is reflected in the performance of Exim Bank. This Bank has shown a steps-motherly attitude towards my State. If you go through the performance of the Exim Bank from 1993-94 to 1997-98, you will find that in those four years, the Exim Bank has given a very meagre amount to Kerala; it is only Rs. 15.46 crores, I could not understand the reasons for this kind of attitude towards my State. This is a matter of concern for the people of Kerala. The Exim Bank did not given assistance to Kerala. You go through the CD ratio of my State. It is a State which is helping in promoting the economic trade of this country. The other day, the hon. Finance Minister has mentioned this in the House. When this Government goes for borrowing from NRIs, who will contribute more? Those who are living from that land. If you see the number of people who are working in the Gulf, a large number is from Kerala. We have contributed more. Whenever this country requested for assistance, NRIs from Kerala contributed more to the Exchequer of the country.

1.00 P.M.

Regarding the deposits in the commercial banks in the State, the contribution of those people from Kerala, who are working in Gulf countries, is %ery. large. As far as investing in the State or giving some credit to the State is concerned, the attitude of the Central Government and the commercial banks is totally against the interests of the State. If you go through the details, you will find that in 1996-97, the amount of deposits in the nationalised banks in Kerala was Rs. 20,110 crores. Now it has been increased and it is more than Rs. 28,000 crores. But the CD percentage has come down from 45.77 to 43. This is what is happening The* national average is 53% Why is there such a stepmotherly' attitude towards Kerala? This is very bad

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): You have made your point. Your time is also over.

SHRI A. VIJAYA RAGHAVAN: Sir, I want to make one more point. As far as Kerala is concerned, the Central Government is saying that the State Government is not making requests to the banks or placing the projects before the banks. One thing has happened recently. The Kerala State Electricity Board, a profit-making institution, went for a bond. This was mentioned in this august House. It introduced a bond. Unfortunately, the biggest nationalised bank in Kerala, which has the highest borrowings from Kerala, the State Bank, of Travancore, did not pay a single penny. It was not ready to invest in this specific borrowing programme. This is what has happened.

Lastly, I want to say in this House and-I would like to request the hon. Minister-that they should change this attitude. When they are thinking of this kind of Export-Import Bank or this kind of institutions they should think about the small peasants, the medium peasants and those who are manufacturing the export-oriented products and they should assist them. Now, the prices are coming down. This kind of banks should be asked to give some information about what is happening in the world market. Such a role should also be played by this Bank. Now, there is only the balance-sheet, profit or loss. It has got a social commitment to the society. But that is not found there. So, my request is that they should help the traditional industries, the agricultural sector and the areas which are contributing to the international export arena. They are helping some others who are not contributing anything to the society. They are helping some people who are exporting to some countries and importing from there. There are some such people. If you go through the records of this Bank you will find that those who have got the maximum assistance from this Bank are this kind of middlemen, who are exporting and importing. Their contribution to the economy is very

small. Their contribution to the interests of the people is very small. So, my request is that they should think about the common man and the poor peasants in the society, and they should assist those people who are actually working and promoting the interests of the nation. That is not there is the functioning of this Bank While participating in this discussion, I want to project that and draw the attention of the hon. Minister to that. Thank you.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Now, the House stands adjourned for... (*Interruptions*)...

प्रो. विजय कुमार मल्होत्रा (दिल्ली) : पहले पास करा दीजिए(व्यवधान)....

श्री संघ प्रिय गौतम (उत्तर प्रदेश) : हां, यह ठीक रहेगा।(व्यवधान)....

उपसभाध्यक्ष (श्री टी.एन.चतुर्वेदी) : अभी तो इसमें तीन लोग हैं।(व्यवधान)....

SHRI NAGENDRA OJHA. He is not there. Shri R.K. Kumar. (*Interruptions*)...

SHRI BALKAVI BAIRAGI (Madhya Pradesh): Sir, you have adjourned the House. (*Interruptions*)...

SHRI R.K. KUMAR (Tamil Nadu)- I will take only two minutes.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): I have not adjourned the House. I was in the process of adjourning the House. We will do it with your concurrence. (*Interruptions*)...

SHRI R.K. KUMAR: I will take only two minutes. I won't take much time. (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): The Minister has made a request to pass it without discussion. Now, let him finish.

SHRI SURESH A. KESWANI (Maharashtra): Sir, you have adjourned the House. (*Interruptions*)...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): I was in the process of adjourning the House. Now, let him finish. It will take just three minutes.

SHRI R.K. KUMAR: Sir, this is a very simple Bill seeking to increase the Export-Import Bank's authorised capital. In my personal opinion, we should pass it without much discussion. However, this is an opportunity for us to say a few things about the performance of this Bank. That is why we are discussing this. Other-wise, there is no need whatsoever for discussing this Bill in an elaborate fashion. I want to point out only one thing. While in the case of other banks, there are many qualifications in auditors reports, the Exim Bank Auditor's Report does not contain any qualifications whatsoever and that itself is a credit for the institution. Here, I find only one shortcoming. In terms of disbursement of loans for exports, etc., its performance is very good. But in the matter of giving guarantees for project exports—it is my personal knowledge also when the Bank receives advance from foreign importers, it does not execute the guarantee in time. There are many cases where the export business has been lost. In the auditor's statement, the number of guarantees has been given. The number is; commitment for giving a guarantee—12,000 guarantees sanctioned—4,000; and guarantees issued 1,900. There is a very big gap. After receiving the advance from foreign importers, if the guarantees are not given in time, the Indian exporters will lose business. I take this opportunity to impress upon the Bank to look into this area of furnishing performance guarantee well in time particularly in cases where they have received the advance.

Shri H. Hanumanthappa raised a point about the Executive Committee. Sir, I find that the Board comprises senior IAS officers and the Deputy Governor of Reserve Bank of India, They cannot attend to the day-to-day business of the bank. Therefore, probably an Executive Committee has been formed. I think there is nothing wrong in it. with these

words, I whole heartedly support this Bill. Thank you.

PROF. M. SANKARALINGAM (Tamil Nadu): Mr. Vice-Chairman, Sir, this is a very simple amendment which has to be passed. But, at this juncture, I would like to suggest how exports can be augmented. Of course, this Act was passed in 1981 with an authorised capital of Rs. 200 crores. Subsequently, it was raised to Rs. 500 crores. Now the amendment seeks to increase it to Rs. 1,000 crores of rupees and also seeks that the Central Government should have sufficient powers to enhance it to Rs. 2,000 crores, if necessary. We have no objection if they raise the amount. But I would, like to make some suggestions for improving the functioning of the Export-Import Bank of India. Till now the only work of the Bank is to lend money to exporters and importers. But the Charter of the Exim Bank says, "Provide financial assistance, function as a principal institution for coordinating the working of the institutions engaged in export and import of goods and services with a view to promoting country's international trade and for matters connected therewith or incidental thereto and providing information and technical assistance to exporters and importers." So far as this aspect is concerned, the functioning of the Exim Bank is not to the satisfaction of exporters and importers.

The number of items listed for export is 294. This number needs to be revised. Here more items should be included. Ours is an agrarian country. We export agricultural products. Even now we produce industrial, mechanical and engineering products for export. There is a need for establishing a wing in the Bank itself for giving technical training and technical assistance in this regard.

THE VICE-CHAIRMAN (SHRI T. N. CHATURVEDI): Mr. Sankarlingam, please conclude.

PROF. M. SANKARALINGAM: Sir, I would like to mention one more thing. I am supporting this Bill. Our traders and

producers need to be taught to produce standard products. The hon. Finance Minister knows very well that at Vel-acherry the textile business is flourishing like anything. Now, that is not the case because the standard has been reduced. In the case of exports of say, textiles, they must achieve the standard. So also, our sugar industry all over India has been affected because of our import policy. Since we should boost our exports in a rapid manner so as to improve our financial and economic situation, we have to regulate the import policy as well. The tax levied on import of sugar is just five per cent, but we can levy up to 20 per cent. As a result, our exports and the domestic sugar industry have been very much affected. I would suggest that an expert committee in the Exim Bank should be constituted to regulate all these things. With these words, I support the Bill.

THE VICE-CHAIRMAN (SHRI T. N. CHATURVEDI): Shri Nagendra Nath Ojha....

श्री जितेन्द्र प्रसाद(उत्तर प्रदेश) :महोदय, क्या लंच आवर नहीं होगा? दो बजे प्रधान मंत्री जी आ रहे हैं। इस बिल को पास कराने की इतनी जल्दी क्या है?

उपसभाध्यक्ष (श्री टी.एन.चतुर्वेदी) : यह छोटा सा बिल है। सदस्यों की इच्छा थी ...

SHRI SANGH PRIYA GAUTAM: You kindly limit the time of the Members to just one or two minutes.

THE VICE-CHAIRMAN (SHRI T. N. CHATURVEDI): Shri Nagendra Nath Ojha....

श्री जितेन्द्र प्रसाद : प्रधान मंत्री जी दो बजे आ रहे हैं। उसको देखते हुए लंच आवर के लिए हाउस को एडजार्न करना चाहिए और उसके बाद इसको लेना चाहिए।

श्री नागेन्द्र नाथ ओझा (बिहार) : उपसभाध्यक्ष महोदय, मैं इस बिल का समर्थन करता हूँ। लेकिन कुछ जरूरी बातों की तरफ मैं ध्यान दिलाना चाहता हूँ। पहली बात तो यह है कि आथराइज्ड कैपिटल कुछ इससे ज्यादा बढ़ाई जाती तो अच्छा होता। मुख्य बात यह है कि हमारे

देश में आयात-निर्यात की नीति में हाल के वर्षों में कुछ परिवर्तन हुए हैं। अभी हाल में यह पाया गया कि अन्तर्राष्ट्रीय और राष्ट्रीय कारणों से निर्यात में काफी कमी आई है। इस बैंक का रोल निर्यात और आयात के मामले में होता है। इसे यह देखना चाहिए कि बैंक अपनी भूमिका कहां तक निभा पाते हैं? खासतौर से जो एक्सपोर्टर्स हैं, जिन्हें फाइनेंसियल आसिसमेंट मिलता है उसको भी देखने की जरूरत है कि उसका कहां तक सही इस्तेमाल किया गया है? हमें इस नीति के बारे में फिर से पुनर्विचार करना पड़ेगा। जिन जिनों के निर्यात और आयात की सूची बनाई गई है, उन पर पुनर्विचार किया जाए और ऐसी नीति अपनाई जाए कि हमारे देश में जरूरत है। हमारी जरूरतें पूरी होने के बाद ही वैसे आइटम्स का निर्यात होना चाहिए। हम जिन जिन्यों का इम्पोर्ट करते हैं, वहां भी स्वदेशी के नारे को ख्याल में रखते हुए हमें उन जिन्यों के आयात की इजाजत नहीं देनी चाहिए जिनसे हमारा घरेलू मार्केट प्रभावित हो रहा हो।

उपसभाध्यक्ष (श्री टी.एन.चतुर्वेदी) : धन्यवाद। ओझा जी। हो गया, अब तो हो गया।

श्री नागेन्द्र नाथ ओझा : मैं दो और बातों की तरफ ध्यान दिलाना चाहूंगा। हमारे देश में कुछ ऐसे हिस्से हैं जहां साफ्टवेयर इंडस्ट्रीज काफी डेवलप हो रही है। इसलिए साफ्टवेयर में एक्सपोर्ट को बढ़ावा देना चाहिए। कृषिजनित कई ऐसी जिनसे हैं जिनमें हमारे कृषकों को ट्रेड किया जाना चाहिए, खासतौर से हार्टीकल्चर में और फ्लौरीकल्चर में जिससे कि हम ऐसी जिन्यों का एक्सपोर्ट कर सकें। इसलिए एक्सपोर्ट और इम्पोर्ट की जो पालिसी है उसको देखने की जरूरत है। इसमें जो इस बैंक का रोल होता है उस पर पुनर्विचार करने की जरूरत है जिससे कि यह अपना सही रोल अदा कर सके।

अंत में, मैं यह जानना चाहूंगा कि विभिन्न राज्यों को किस रूप में इससे असिस्टेंस मिला है और खासतौर से बिहार को कितना असिस्टेंस मिला है? मैं यह भी जानना चाहता हूँ कि जूट उद्योग को इस बैंक से कितना असिस्टेंस मिला है? धन्यवाद।

SHRI JOHN F. FERNANDES (Goa): Mr. Vice-Chairman, Sir, we are still debating the Exim Bank Act of 1981. I think this is the most obsolete piece of legislation, but all the same this has been approved and passed by the Lok Sabha

and we have to return it. I think this bank has no relevance now. After 1991, we have liberalised and globalised and we are going in for partial and full-convertibility. Still the government of India is giving authorised capital. From 200 it went to 500 and from 500 it went to 1000 and from 1000 they are authorised to make it to 2000. So, I do not know what is the relevance of this bank at the present scenario. Sir, we have seen that the objective of this bank in the principle Act is that, it shall act as a principal financial institution for coordination, coordinating the other activities of import and export, but if you see the recession of India Bond of State Bank of India, they collected 4.2 billion and this institution is supposed to coordinate the activities. So, I do not know why the Government does not permit them to go in for GDR, *i.e.* Global Depositor Receipt, rather than subsidising it and give its funds. Government has paucity of funds and this fund, I suppose, the Government is going to give at 5.25 per cent of interest which is very low. Mr. Vice-Chairman, Sir, we have seen the mess this Government has made as far as import and export of this country is concerned. I will just give an example. Export during April-October 1998 was estimated at US dollars 18,874.54 millions. Compared to corresponding period last year, it was US dollars 19,884.78 million which is less. It is reduced by 5.08 per cent. Exports during October 1998 are valued at US dollars 2,593.48 million compared to corresponding period last year which was US dollars 2,934.94 million. So, there was a reduction of 11.63 per cent. But we are happy because they made profit in rupee terms. In rupee terms we made a profit of 10.28 per cent, that means our rupee has collapsed. I do not expect this Government to blame the Congress because whatever happens, whatever is the failure of this government, they point a finger at the Congress. But the Janata Dal Government in 1997 *hid* made a profit. So, I think you have miserably failed. I do not know what is the purpose of your pumping in the

authorised capital in the banks. Whom are you helping now? Now, we know that there are many fly-by-night operators. These people are criminals because they get a rebate in income-tax. The moment you export, you get an import. I mean, you get in dollars and those dollars are exempted from income-tax. I had been to Australia, Mr. Vice-Chairman, last month and one gentleman from Delhi exported cashewnuts from Kerala, which was sub-standard. As a result of that, India has been black-listed by Australia and all the cashewnuts are routed from South Africa and South America *via* China.

THE VICE-CHAIRMAN (SHRI T. N. CHATURVEDI): I hope you are not blaming Mr. Raghavan for this.

SHRI JOHN F. FERNANDES: No, I am not blaming him. I am blaming the system, the government. Now, this gentleman, although his exports were rejected but he has not claimed that he has lost this revenue. Now, he is going to utilise that revenue because he will mop up the black money through some channel and he will get rebate in his income-tax. So, I do not know whether this bank is helping this kind of people. Again, there was an incident, Sir, and I will give you one example.

THE VICE-CHAIRMAN (SHRI T. N. CHATURVEDI): I think you can keep this for some other discussion.

SHRI JOHN F. FERNANDES: I will give you an example how this bank is being misused, an exporter exported saffron from Kashmir to Egypt and what really was exported was plain grass and the importer there said that this is sub-standard. Therefore, he packed the same boxes with saffron from Egypt and brought it back to India. This is how the fraud is being played, and this is how this Bank is supporting these people. I don't know as to what is the purpose of this bank still being in service when we have liberalised, when every scheduled bank—in fact, all scheduled banks—has own window for exports.

When these banks are doing better and they are functioning more commercially and professionally, I don't know why the Government is running this institution just to employ some retired IAS officers. So, I hope the Government will review this and see that this Bank is scrapped. The major scheduled banks in this country; for example, the State Bank of India has a very high paid up capital and it has got so much money, 4.2 billion, but there are no takers. Again, they have mentioned that the EXIM Bank will support not only imports and exports, but services also. We need services for the development of infrastructure in this country, and we require foreign knowhow. I don't know how many people are encouraged by this Bank to give services to this country.... (Interruptions).....in infrastructure.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Please conclude now.

SHRI JOHN F. FERNANDES: I am making this brief submission, as we have to adjourn for lunch. I hope the Government will reconsider it and see that this Bank is scrapped. Thank you, Sir.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Mr. Minister, now you may like to make a brief reply, as only brief points have been raised by hon. Members.

SHRI KADAMBU M.R. JANARTHANAM Mr. Vice-Chairman, Sir, first of all, I would like to thank all the hon. Members, the Elders of the House. After my 12 years' experience in Parliament, I am answering this House of Elders. At the outset, I thank the veteran Member, Shri Hanumanthappa, and hon. comrade, sitting on that side. (Interruptions)...

Sir, the purpose of bringing forward this Bill is to meet the additional capital requirements in the next five years. The EXIM Bank's outstanding loan assets have grown by 19 per cent on an average during the last 10 years, hence, the bank has projected its business to grow by 20 per cent. Loan Assets which stood at Rs.

3917 crores as on March 31, 1998, are expected to reach Rs. 10,000 crores by 2003.

To achieve the above growth, the EXIM Bank will need to make net disbursements (gross disbursement-repayments) of about Rs. 6000 crores. In addition, the Bank will need to repay Rs. 1200 crores of existing borrowings. After taking into account the likely internal generation of funds (net of tax/dividend) of Rs. 700 crores, the Bank will need to raise Rs. 6500 crores. To bridge this gap in resources, the Bank proposes to raise Rs. 500 crores by way of additional capital and market borrowings of Rs. 6000 crores, over the next five years. I hope the purpose of this amendment has become clear to the Members.

Shri Hanumanthappa said that the Board has no power and every power has been usurped. It is not factually correct. In exercise of its power, there is a managing committee for day-to-day administration evolved by such general or special directions as the Board may give from time to time. The policy matter and everything is totally controlled by the Board. Therefore, this committee cannot usurp any policy matter or anything of the Board of the Bank.

Sir, there is a general recession in exports. It is a global thing. Coming to the point, the reported decline was largely due to the negative growth rate in exports to Asia, Oceania and Western Europe which, together, account for a total share of 61 per cent in India's exports. Therefore, there is a fall, but the function of the EXIM Bank is to help technically and abroad. There are so many functions. There is no step-motherly treatment to any State.

SHRI SANGH PRIYA GAUTAM: We all agree with you.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Mr. Fernandes is satisfied with your rationale.

SHRI KADAMBUR M.R. JANARTHANAN!: I request the hon. Member, Mr. Fernandes, to support the Bill. We have not come here to scrap the Exim Bank but we have come for amendments to raise the level of exports and imports of the country. Therefore, I request the hon. Member to support the Bill. He is the only man who wanted to scrap it. I request him to support the Bill. Thank you.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): The question is:

"That the Bill further to amend the Export-Import Bank of India Act, 1981, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): We shall now take up clause-by-clause consideration of the Bill.

Clause 2 was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI KADAMBUR-M. R. JANARTHANAM: I move that the Bill be passed.

The question was put and the motion was adopted.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Thank you. Now, the House is adjourned for lunch till two o'clock.

The House then adjourned for lunch at twenty-seven minutes past one of the clock.

The House reassembled after lunch at two minutes past two of the clock, Mr. Chairman *in the Chair*.

SUPPLEMENTARY DEMANDS FOR GRANTS (RAILWAYS), 1998-99

THE MINISTER OF RAILWAYS (SHRI NITISH KUMAR): Sir, I beg to lay on the Table a statement (in English and Hindi) showing the Supplementary Demands for Grants (Railways) for the year 1998-99.

STATEMENT BY PRIME MINISTER AND DISCUSSION

Bilateral Talks with United States

THE PRIME MINISTER (SHRI ATAL BIHARI VAJPAYEE): Mr. Chairman, Sir, since the May 11 and 13 tests, the Government has, from time to time, taken the House into confidence and sought views of the Hon'ble Members. This was done through statements and discussions in the House on 27—29 May, 8 June and on 3-4 August. Nevertheless, I wish to reemphasise some salients of our policy.

I take this opportunity to reiterate that India's commitment to global nuclear disarmament remains undiluted. As Hon'ble Members are no doubt aware, India has consistently maintained that a nuclear-weapon-free world would enhance not only our security but the security of all nations. That is why numerous initiatives in this direction were taken during the last fifty years; such steps as would encourage decisive and irreversible measures for the attainment of this objective. Regrettably, the international community, particularly countries that have based their security on nuclear weapons or a nuclear umbrella, have been reluctant to embrace this objective. Keeping open our nuclear option, therefore, became a national security imperative three decades ago, an imperative equally valid for India in the post-Cold War period. The option that was exercised in May '98 was thus a continuation of a decision taken nearly 25 years earlier; during which period India had demonstrated an exemplary nuclear restraint, given the exceptional security related complexities of our region. I wish to place on record that successive governments continued to safeguard this option, demonstrate our capability and take such steps as were necessary to ensure the viability of the option through weaponisation.

Just as our conventional defense capability has been deployed in order to safeguard the territorial integrity and sovereignty of India against any- use or