

Special Audit by SEBI on Plantation Companies

1766. SHRI SATISH CHANDRA SITARAM PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Securities and Exchange Board of India (SEBI) conducted a special audit on 22 Plantation Companies;

(b) if so, the details of gross irregularities committed in fund mobilisation and deployment, nature and extent of financial frauds committed, company-wise;

(c) the details of action taken/proposed to be taken against defaulting companies to protect the interests of investors; and

(d) what is the 'present status' of action taken against plantation firms, firm-wise, alongwith the steps proposed to be introduced and the mechanism proposed to check and monitor fraudulent dealings of Plantation Companies?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) As per information furnished by SEBI a sample of 52 firms operating Collective Investment Schemes has been chosen for special audit by RBI empanelled Chartered Accountants. Till now 34 audit reports have been received by SEBI which show possibilities of misappropriation/misutilisation of funds by these companies. The reports in respect of these 34 companies have been forwarded by SEBI to the Department of Company Affairs for taking action.

(d) SEBI has initiated court proceedings against five companies on the basis of investor complaints. The cases are subjudice. SEBI has appointed a Committee of experts under the Chairmanship of Dr. S.A. Dave to frame regulations for Collective Investment Schemes.

Increase in Foreign visits by Ministers/ Government Functionaries

1767. MISS MABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Prime Minister has issued instructions to the entire Council of Ministers at the Unwarranted increase in foreign travel in the recent months by Union Ministers, other senior functionaries of the Central Government as well as of the State Governments;

(b) if so, the details thereof;

(c) the number and names of Union Ministers who visited foreign countries during the last six months; and

(d) the total expenditure spent by each Union Minister on foreign visits?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The need for various Government functionaries exercising restraint in undertaking foreign travel has been emphasised by the Prime Minister.

(c) and (d) The information is not readily available and will have to be collected from all the Ministries/Departments. This will, therefore, be laid on the table of the House as soon as possible.

Substitution of Subsidy by Productivity Linked Incentives

1768. DR. ARUN KUMAR SARMA: Will the Minister of FINANCE be pleased to state:

(a) the particulars of items on which subsidies are provided by Government alongwith year-wise financial involvement;

(b) whether any policy is being formulated to substitute subsidy by productivity linked incentives; and

(c) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Statement is enclosed (See below)

(b) and (c) The endeavour of the Central Government has been to rationalise the system of subsidies by making them transparent, and helping the poor, vulnerable and weaker sections of the community.

Statement

Details of Subsidies

(In crores of Rupees)

	Actuals 1989-90	Actuals 1990-91	Actuals 1991-92	Actuals 1992-93	Actuals 1993-94	Actuals 1994-95	Actuals 1995-96	Actuals 1996-97	Actuals 1997-98	Actuals 1998-99
A. Major Subsidies	9032	9581	9793	9414	10764	11527	12430	13664	18366	19883
1. Food	2476	2450	2850	2800	5537	5100	5377	6066	7500	9000
2. Sugar	...	...	...	...	...	...	...	...	400	400
3. Indigenous (Urea) Fertiliser	3771	3730	3500	4800	3800	4075	4300	4743	6600	6000
4. Imported (Urea) Fertiliser	771	659	1300	996	762	1166	1935	1163	826	983
5. Fertiliser subsidy to small and marginal farmers	...	...	385	...	...	...	...	...	...	...
6. Export promotion and Market Development	2014	2742	1758	818	665	658	318	20	440	500
7. Sale of decontrolled fertiliser with concession to farmers	...	...	...	...	...	528	500	1672	2600	3000
B. Debt Relief to Farmers	...	1502	1425	1500	500	341	...	...	...	...
C. Other Subsidies	1442	1075	1035	1081	1418	1064	942	2461	1278	2142
8. Railways	233	283	312	353	412	420	388	466	526	628
9. Mill-made Cloth	10	10	15	15	16	...	...	...	...	...
10. Handloom Cloth	181	185	187	161	174	148	126	98	64	46
11. Import/Export of sugar, Edible Oils etc.	...	...	...	...	...	...	100	50	20	30
12. Interest Subsidies	881	379	316	113	113	76	34	1257	78	39
13. Assistance for fertilizer promotion	...	...	...	340	517	...	...	...	...	...
14. Other Subsidies	137	218	205	99	186	420	294	590	590	1399
TOTAL SUBSIDIES	10474	12158	12253	11995	12682	12932	13372	16125	19644	22025

Loans for Development of Industries in North-Eastern Region

1769. **DR. ARUN KUMAR SARMA:** Will the Minister of FINANCE be pleased to state:

(a) the total amount of investment of the Nationalised Banks and financial institutions operating in NE region for the development of industries in the States of the said region during the last three years, State-wise and bank-wise;

(b) whether Government have formulated any specific Action Plan to

liberalise conditions for granting of loan by Nationalised Banks and financial institutions to industries in the NE-region;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANARTHANAN): (a) to (d) The information is being collected and will be