

[17 April, 2001]

RAJYA SABHA

Replenishment Scheme. The Export Promotion Capital Goods Scheme allows import of capital goods at a concessional duty of 5% for export production. In addition, there are special Schemes for the Gem and Jewellery Sector allowing import and replenishment of inputs at Zero Duty. The Export Oriented Units, the Export Processing Zones and the Special Economic Zones are customs bonded areas with facility of duty free import of inputs, raw materials, capital goods and all other requirement, as also exemption of profits from Income Tax. All these Schemes are essential because of relatively high interest rates and customs and excise duty incidence in the country. The Schemes have made significant contribution to the promotion of exports.

Since exports are increasing every year, the duty refund under these schemes is also slightly on the rise. Such refunds are not considered as costs in any country.

The export promotion measures are reviewed continuously and necessary changes are made as per the requirements of the situation. The overall thrust has been on reduction in transaction time and cost through procedural simplifications and transparency through computerisation of the DGFT and customs offices and online filing and processing of exporter's applications.

Liquidation of Madhavpura Co-operative Bank in Gujarat

*448. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has decided to liquidate Madhavpura Co-operative Bank in Gujarat;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Bank had given an exposure of Rs. 200 crores to the Bull Operator Ketan Parekh;

(d) if so, the details thereof;

(e) whether Ketan Parekh Company also received substantial fund from Global Trust Bank;

(f) if so, the details thereof; and

(g) whether in view thereof Government propose to bring any legislation in line with Glass Steagle of United States debarring Commercial Bank lending to finance share market operations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Reserve Bank of India (RBI) has informed that the Central Registrar of Co-operative Societies, New Delhi has advised RBI that a group consisting of representative from National Federation of Urban Co-operative Banks, Registrar of Co-operative Societies, District Central Co-operative Bank Ltd., and Administrator of the Madhavpura Mercantile Co-operative Bank has been constituted to work out the modalities for revival of the bank. The group is expected to submit its report shortly. A final decision would be taken about the future set up of the bank on receipt of this report.

(c) and (d) As reported by RBI, the Mandvi (Mumbai) Branch of Madhavpura Mercantile Co-operative Bank Ltd. had allowed unsecured/unauthorised overdrafts to the extent of Rs. 843.57 crore to companies in which either Shri Ketan V. Parekh or his close relatives were directors. The details of these overdrafts are given below:

Sl. No.	Name of the Company	Amount Outstanding as on 24-3-2001 (Rs. Crores)
1	2	3
1.	V.N. Parekh Securities (P) Ltd.	74.47
2.	K.N.P. Securities Pvt. Ltd.	80.14
3.	Saimangal Investrade Pvt. Ltd.	61.53
4.	N.H. Securities Ltd.	92.43
5.	Panther Investrade Ltd.	89.22
6.	Panther Fincap and Management Services Ltd.	54.59
7.	Luminent Investment (P) Ltd.	80.35
8.	Nakshatra Software (P) Ltd.	80.15

1	2	3
9.	Goldfish Computers (P) Ltd.	111.27
10.	Chitrakut Computers (P) Ltd.	108.42
	Total	843.57

(e) and (f) RBI has reported that the exposure of the Global Trust Bank Ltd. to Ketan Parekh Group of Companies as on 31 March, 2001 was reportedly as follows:

Funded Exposure	Non-funded exposure
Rs. 219.52 crore	Rs.26.50 crore

The exposure of GTB is stated to be backed by the security of shares.

(g) No such proposal is under consideration of the Government.

International flights from Cochin Airport

*449. SHRI A. VIJAYARAGHAVAN: Will the Minister of CIVIL AVIATION be pleased to state:-

(a) whether Government of Kerala has submitted any representation to start more international flights from Cochin Airport;

(b) If so, the details thereof; and

(c) the details of requests from different airlines pending before the authorities in this regard?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) to (c) Government of Kerala have requested the Government of India to consider the requests of various foreign airlines to operate services to/from Cochin International Airport. Out of the 9 airlines namely Oman Air, Kuwait Airways, Gulf Air, Shri Lankan Airlines, Qatar Airways, Emirates, Saudia, Singapore Airlines and Yemen Airways, who have expressed interest to operate services to/from Cochin, the Government of India has agreed to grant Cochin as a point of call *in lieu* of Chennai to Saudia as requested by them. A commitment has also been given to grant Trivandrum or Cochin as a point of call to