

positive and helpful attitude. BIFR reserved its orders and gave directions *inter alia*, to Allahabad Bank to hold a consortium meeting and discuss the various issues so that need based working capital is made available to both the Kakinara and the Tangra units as per the banks' commitment at the hearing held on 20.09.1994 and the provisions in the draft revival scheme.

(d) BIFR has further reported that Allahabad Bank has since informed it that the banks have agreed in principle to participate in the package on the terms and conditions envisaged in the package subject to Government of India agreeing to: (i) participate in the package on terms and conditions envisaged in the scheme and provide funds to the company simultaneously, (ii) provide a term loan of Rs. 20 crores at a rate of interest of 10% and also infuse additional interest free funds so as to improve the debt service coverage ratio (DSCR) to the minimum level of 1.33, (iii) provide continuous guarantee for the entire commitment of banks including principal and interest; and (iv) replenish the past cash losses of TCIL so that the same may be utilised towards regularisation of the accounts and as such there may be no working capital term loan.

It may also be added that under Section 19(2) of SICA, a rehabilitation scheme requiring reliefs, concessions or sacrifices from banks and/or envisaging fresh financial assistance from banks is, *inter-alia*, circulated to the banks concerned for their consent. Banks give their consent to such schemes based on their commercial judgement. Section 19(3) of SICA provides that once a rehabilitation scheme has been sanctioned by the BIFR for revival of a sick industrial company, it is binding on all concerned, including the banks. Section 33 of SICA vests sufficient powers with

BIFR to deal with cases of violation of any sanctioned scheme.

#### **Action against brokers of SEBI**

**5283. SHRI V. GOPALSAMY:** Will the Minister of FINANCE be pleased to state:

(a) the total number of stock sub-brokers against whom SEBI has taken action during the last three years year-wise and exchange-wise;

(b) whether SEBI is planning to take action against certain registrars of issue, companies and other for violation of rules, etc; and

(c) if so, the details thereof

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY):** (a) The total number of stock-brokers against whom SEBI has taken action during the last three years is given in the statement. (see below) SEBI has not taken action against any sub-broker during this period.

(b) and (c) While SEBI has initiated enquiry proceedings against two registrars to an issue and share transfer agents, it has issued notices to six others asking them to show cause as to why their applications for renewal of registration should not be rejected. SEBI has launched prosecution against four companies and issued show cause notices to four other companies. SEBI has initiated enquiry proceedings against nine Merchant Bankers for various defaults in accordance with the provisions of SEBI Merchant Bankers (Regulations), 1992.

**FINANCE**

The percentage and stock exchange-wise number of stock brokers against whom SEBI has taken action referred to in reply to part(a) of 2 Rajya Sabha unstarred Question No. 5283 for 9th May, 1995

**A. Number of stock-brokers suspended**

Name of the Stock Exchange	1992	1993	1994
Bombay Stock Exchange	—	1	5
Calcutta Stock Exchange	—	—	5
Bangalore Stock Exchange	—	—	1
Delhi Stock Exchange	—	—	4*
Madras Stock Exchange	—	—	1
Vadodara Stock Exchange	—	—	1**
Ahmedabad Stock Exchange	—	—	1
<b>TOTAL:</b>	<b>—</b>	<b>1</b>	<b>18</b>

\* Includes 2 stock-brokers where enquiry proceedings were ordered to be conducted again in view of the fact that the members have challenged the order of SEBI suspending them.

\*\* This stock-broker also has membership of Saurashtra Kutch Stock Exchange at Rajkot.

**B. Number of stock-brokers warned**

Name of the Stock Exchange	1992	1993	1994
Bombay Stock Exchange	—	—	2
Vadodara Stock Exchange	—	—	1
<b>TOTAL:</b>	<b>—</b>	<b>—</b>	<b>3</b>

**Interest on personal provident fund**

5284. SHRI V. GOPALSAMY: Will the Minister of FINANCE be pleased to state:

(a) What has been the rate of interest given to personal Provident Fund Account holders during the last three years, year-wise;

(b) whether Government have since increased the rate of interest in case of various deposits to encourage savings and also to check inflation;

(c) if so, what is the specific reason for not increasing the rate of interest of PPF deposits; and

(d) whether, Government now propose to increase the rate of interest on PPF and if so, the details thereof?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY):** (a) The rate of interest on Public Provident Fund Account for financial years 1992-93, 93-94 and 94-95 was 12% per annum.

(b) The rate of interest on various small savings schemes have not been increased in the recent past.

(c) Does not arise.

(d) At present there is no proposal to increase the rate of interest on Public Provident Fund Account.