

(b) if so, what precise apprehensions were expressed by the President elect of ICC and what was the Prime Minister's response thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) The President of International Chamber of Commerce met the Prime Minister on 30th December, 1992. The objective of the meeting was not to express the industry's concern about the impact of Ayodhya incidence and its aftermath on the pace of economic reforms;

(b) No apprehensions were expressed by the President elect of ICC on impact of Ayodhya incidence. The President elect conveyed to the Prime Minister industry's support for continuation of economic reforms in the country.

Smuggling on Rajasthan Border

3474. SHRIMATI KAMLA SINHA : DR. BAPU KALDATE :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the smuggling of a chemical called ascetic anhydride into Pakistan from the Rajasthan border as it fetches enormously a high price being in short supply in Pakistan;

(b) whether Government are also aware of the changing tracks for smuggling in Rajasthan desert;

(c) if so, what are the details thereof; and

(d) what steps have been taken by Government to intensify the measures in checking the smuggling from Rajasthan border.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a)

Government are aware of such smuggling.

(b) and (c) Available reports do not indicate any significant change in the tracks for smuggling in Rajasthan desert.

(d) A new Sub-Collectorate of Customs with headquarters at Jodhpur with 5 Customs Divisions and 21 Customs Ranges was created in 1989 for combating smuggling on the Rajasthan-Pakistan border. A Regional Unit of the Directorate of Revenue Intelligence and a Sub-Unit have been recently opened at Jaipur and Jodhpur respectively. The Officers of Border Security Force deployed on the Rajasthan-Pakistan border are designated as Customs Officers. Close coordination is being maintained among all the agencies concerned in the detection and prevention of smuggling.

Working of Mahila Nidhi Scheme

3475. SHRIMATI KAMLA SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the working of the Industrial Development Bank of India (IDBI) assisted new 'Mahila Nidhi Scheme'; and

(b) if so, what are the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) Yes, Madam. The Government is aware of the Mahila Nidhi Scheme which was initially introduced by the Industrial Development Bank of India (IDBI) in July, 1989 and subsequently taken over by the Small Industries Development Bank of India (SIDBI) when it came into existence on 2-4-1990.

(b) Under the Scheme, equity type of assistance is provided to women entrepreneurs to set up new industrial projects costing upto Rs. 10 lakhs under the SSI sector. All new industrial projects in the SSI sector, as also service activities, set up by women entrepreneurs are eligible for assistance. The scheme envisages a debt equity ratio not exceeding 3 : 1 and a minimum promoters contribution of 10% of the project cost. Under the Scheme, seed capital assistance by way of a soft loan is given upto a maximum of 15% of the project cost to meet the gap in equity after taking into account the promoters' own contribution. No

interest is levied on such assistance and only a nominal rate of 1% is payable by way of service charge annually. The scheme permits repayment of seed capital over a period of 10 years including moratorium upto 5 years. This scheme is operated through all the State Financial Corporations and twin function State Industrial Development Corporations.

Report submitted by International Finance Corporation

3476. SHRI KAMAL MURARKA : Will the Minister of FINANCE be pleased to state :

- (a) whether the International Finance Corporation has submitted a report on 'Indian Stock Market' to the Government of India;
- (b) if so, what are the details thereof; and
- (c) what is the reaction of Government on the findings of the report

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) The International Finance Corporation has on the basis of a survey of the Indian Capital Markets, prepared a draft report. The draft report contains, inter alia, the following recommendations :

- (i) A coordinated strategy to develop the capital market;
 - (ii) An integrated national stock market system should be introduced to meet the needs of large, smaller and regional companies and private and public sector debt;
 - (iii) SEBI should be strengthened and as far as possible SEBI should be the single regulatory voice for securities issuance and trading;
 - (iv) A central clearing and depository system should be introduced at the national level.
- (c) The Government takes into consideration our own experience, international experience and various studies on the subject including that of draft report of

IFC while formulating a broad policy framework for development of the capital market. All the recommendations of IEC are thus broadly kept in view while deciding on various issues relating to capital market reforms.

Donation by Banks

3477. SHRI S. MADHAVAN : Will the Minister of FINANCE be pleased to state :

- (a) whether it is a fact that our nationalised banks are donating funds for public purposes;
- (b) if so, what are the details of such donations made during the financial years from 1985 to 1992 by the various nationalised banks;
- (c) whether there is any complaint about any of the chairman of the nationalised banks for misusing the power to make donations to gain undue publicity and to favour some persons;
- (d) if so, what are the details thereof; and
- (e) what are the rules and guidelines prescribed in giving such donations ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) Yes, Sir.

- (b) The present data reporting system does not generate the required information.
- (c) and (d) Reserve Bank of India (RBI) have received an anonymous complaint alleging donation by a nationalised bank for construction of a stadium. RBI is already seized of the matter.
- (e) RBI have reported that as per its extant instructions, the banks are allowed to make donations to individuals/ institutions for worthy causes to the extent of 1% of their published profits for the previous year. The banks are also allowed to make donations to national funds recognised/ sponsored by Central/State Governments subject to overall ceiling of 2% of published profits for the previous year for all types of donations.