

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF FINANCE (SHRI BRAHM DUTT): (a) and (b) Yes, Sir. the Reserve Bank of India study pertains to 541 Non-Government Non-Financial Public Limited Companies, each with a paid-up capital of Rupees One crore and above, which closed their accounts during the period April, 1985 to March, 1986. Out of the 541 large Public limited companies 373 companies reported earnings in foreign exchange of Rs. 1779 crores in 1985-86. The growth in foreign exchange earnings worked out to 6.9 per cent in 1985-86. As regards the total expenditure of the companies in foreign-exchange, 504 companies reported such expenditure. The expenditure in foreign-currency was Rs. 2439.2 crores in 1985-86 recording a rise of 35.4 per cent in 1985-86. The expenditure in foreign currency was therefore more than the earnings in foreign currency by Rs 660.2 crores in 1985-86.

Companies belonging to tea plantations, tobacco and grading were among those industries/industry groups in whose cases exports exceeded imports. On the other hand, the prominent industries/industry groups whose imports exceeded exports were cotton textiles, motor vehicles, electrical machinery, apparatus, appliances, etc and basic Industrial chemicals.

(c) Government has initiated several measures for export promotion which will also have a direct bearing on Exports of large public limited companies. The effort has been to ensure that in the growth sectors capacities are generated, capital goods and equipment is available for up-grading technologies, raw materials are available at international prices and easier access, provided for such materials and components as have to be imported and to ensure that exports become profitable. Government has identified thrust areas of export potential and specific action plans for each area are being introduced. A decision has also been taken recently to the effect that Industrial Development Bank of India would give a rebate of 20 per cent on the interest on their loans in favour of industrial concerns who effect a

minimum export of 25 per cent of their total sales.

Corruption and misconduct of Officers of Bank and Insurance Companies

666. SHRI J. P. GOYAL:

SHRI HARVINDRA SINGH HANSPAL:

Will the PRIME MINISTER be pleased to state

(a) whether Government are aware of the growing corruption and misconduct of officers of banks and insurance companies;

(b) whether it is a fact that the Central Vigilance Commission has recently suggested that a special criminal law should be enacted for bank and insurance offences?;

(c) if so, what are the details of the suggestion made by the Central Vigilance Commission in this regard; and

(d) what is the reaction of the Government in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Available data does not indicate any significant change in the extent of corruption and misconduct of officers in Banks and Insurance companies.

(b) to (d) The Central Vigilance Commission, while dealing with cases relating to frauds in Banks and insurance companies, has observed that it would be worthwhile considering amendment in the law, including provision for confiscation of ill-gotten wealth and special courts, to enable such offences to be looked into and adequately punished. The suggestions of the Commission are being examined in consultation with Reserve Bank of India.

Agreement with GE of USA for the supply of engines for LCA,

667. SHRI MAHENDRA PRASAD:

Will the Minister of DEFENCE be pleased to refer to answer to the starred Question 1966 given in the Rajya Sabha on the 12th March 1987 and state:

(a) what are the details of the contract entered into with M/s. General Electric,