

(d) if so, what is the amount advanced by the branches of these banks, separately;

(e) whether the loans were given according to the banking rules and regulations;

(f) whether the concerned Director/Proprietor has declared himself bankrupt;

(g) if so, what are the details in this regard; and

(h) what steps Government have taken to recover loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) In exercise of powers vested in it in terms of sub-clause (1A) of clause 8 of the Nationalised Bank, (Management and Miscellaneous Provisions) Scheme, 1970, the Central Government terminated, on February 18, 1985, the term of office of Shri S. L. Baluja, Chairman and Managing Director, Punjab National Bank, Shri B. V. Sonalker, Chairman and Managing Director, Central Bank of India and Shri S. S. Master, Executive Director, Bank of Baroda. They were paid salary and admissible allowances for a period of three months in lieu of the prescribed period of notice. The terminations were in accordance with the provisions of the aforesaid Scheme applicable to their appointments.

(c) to (h) Reserve Bank of India has reported that the business group of ESALs had received substantial financial assistance from 3 Indian banks, namely, Punjab National Bank, Central Bank of India and Union Bank of India as well as from four foreign banks in London for their business. The main company in this group viz ESAL (Commodities) Ltd. was engaged in commodity trading, exporting mostly to Nigeria and Sudan. According to the assessment made and furnished to the Reserve Bank of India by the 3 banks, major por-

tion of the advances to the Group is covered by bills receivable[claims]securities]guarantees. There have, however, been irregularities; in lending to the group companies. Some officials of the London branches of the 3 Indian banks had granted advances in excess of the sanctioned limits and without obtaining the approval of the Head Office. Collusion among their officers and the company with a view to defraud the banks is also suspected. These banks and the Reserve Bank of India are seized of the position and necessary action is being taken. In November, 1984 the main borrowing company viz ESAL (Commodities) Ltd. has been put into compulsory liquidation by a court in London and its Managing Director has been declared bankrupt. In the circumstances, the concerned banks would be required to enforce the securities available to them for realisation of dues and file their claims wherever necessary with the liquidators.

#### **Steep Rise in the Prices of Gold and Bearer Bonds**

341. SHRIMATI MAIMOONA SULTAN;

SHRI RAFIQUE ALAM:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the prices of gold and bearer bonds have registered a steep rise during the recent months following enforcement of measures to unearth black money:

(b) if so, what are the highest scale prices of gold and bearer bonds registered during the past two months; and

(c) what are the other factors, if any contributing to the hike in prices?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) The price of standard gold

has risen during the last few weeks upto Rs. 2100/- per 10 grams. This is mainly due to heavy seizures of smuggled gold, soaring prices of the dollar and seasonal spurt in internal demand for gold. There are no official transactions in bearer bonds.

#### **Decline in India's Share in World Trade**

342. SHRI KRISHNA KUMAR BIRLA; Will the Minister of COMMERCE AND SUPPLY be pleased to state:

(a) whether it is a fact that while India's share in world export has declined from 2 per cent in 1950's to 1.2 per cent in 1960's and to 0.5 per cent in recent years, the share of some countries like South Korea, Taiwan, Hong Kong and Singapore have registered an appreciable increase during the said period;

(b) if so, what are the reasons for this sharp decline in the export trade; and

(c) what steps Government propose to take to improve India's share in world trade?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH): (a) India's share in world exports was about 2 per cent in 1950, 1.04 per cent in 1960, 0.65 per cent in 1970, and about 0.5 per cent in 1983. It is correct that the share of South Korea, Hong Kong and Singapore in world exports has gone up since 1960. Data for Taiwan are not available.

(b) During the 1950's and the 1960' much of the growth in world trade was in the sphere of non-traditional manufactures, while India's exports were concentrated in primary commodities and traditional manufactures, world trade in which inplreased relatively slowly. During the 1970'g there was a sharp increase in the value of world trade in crude

oil and petroleum products, on account of substantial price increases, which increased the share of oil-exporting countries in world trade. Hence, there was a decline in India's share of world exports.

(c) Import and export policy measures are being continuously evolved for increasing India's exports. These include measures for increasing and diversifying' the production, making our exports more competitive, finding new markets for our products and processing commodities for higher value realisation. Different instruments of poliZcy available to government are being utilised for this purpose and adjusted when necessary.

#### **Import of Newsprint by S.T.C.**

343. SHRI KRISHNA KUMAR BIRLA: Will the Minister of COMMERCE AND SUPPLY be pleased to state;

(a) what profits the State Trading Corporation makes on newsprint that it imports for the newspaper industry;

(b) what is the break-up of the cost the State Trading Corporation incurs and the price at which it sells the newsprint to the newspaper industry;

(c) whether Government propose to consider to permit the individual units of the actual users to import their own requirements of newsprint; and

(d) if not, what are the reasons therefor?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH): (a) As per the pricing formula approved by the Government, STC is allowed service charges at 1 per cent of CTF cost. Service charges include profits and overheads.