

[7 December, 2004]

RAJYA SABHA

(b) the names of companies whose investigation reports have been received so far?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) During the period from 1st April, 2002 to 31st March, 2004, investigations were taken up of 18 companies under section 235/237 of the Companies Act, 1956.

(b) Investigation reports have been received in the following cases:—

- (i) M/s Flex Industries Ltd.
- (ii) M/s Flex Engineering Ltd.
- (iii) M/s FCL Technologies and Products Ltd.
- (iv) M/s Flex Securities Ltd.
- (v) M/s Flex International Ltd.
- (vi) M/s Apoorva Entrusion Pvt. Ltd.
- (vii) M/s Flex Foods Ltd.
- (viii) M/s Xerox Modicorp Ltd.
- (ix) M/s Deawoo Motors India Ltd.
- (x) M/s Vatsa Corporation Ltd
- (xi) M/s Indorock Granites (India) Ltd.
- (xii) M/s Hani Modi Exports Pvt. Ltd.
- (xiii) M/s Richiemen Silk Mills Ltd.

Liberalisation of credit norm by NABARD

459. SHRTEKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that the National Bank for Agriculture and Rural Development (NABARD) has liberalized the scheme for setting up Agri Clinics and Agri Business Centres (ACABC); and

(b) if so, in what manner this would help in accelerating the process of technology transfer to the agricultural sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir, the scheme for setting-up of Agri Clinics and Agri Business Centres (ACABC) has been liberalized and several new initiatives have been taken to increase the credit flow for the activity. Margin Money/collateral requirement has been waived by Reserve Bank of India (RBI) for loans upto Rs. 5 lakhs. RBI has also indicated that

Banks have been given freedom to decide about waiving of security for higher amount of loan based on their commercial judgement. In case of shortfall in margin money/down payment by the borrower in respect of loans above Rs. 5 lakhs can be supported out of soft loan assistance for margin money of NABARD subject to a maximum of 50% of margin prescribed by Banks. Such loans to Banks from NABARD would be without interest but the Banks may levy service charges upto 2%. Rate of interest on refinance has been lowered to 5.50% irrespective of the size of the loan.

(b) The scheme of ACABC is aimed at supplementing the efforts of Governmental agencies in the area of agricultural extension. These centres will provide package of soil and input testing facilities and other consultancy services and will strengthen transfer of technology. Their activities cover soil and water quality testing laboratories, pest surveillance, diagnostic and control devices, repair and custom hiring of agricultural implements and machinery including micro irrigation system, agri service centre, seed processing units, plant tissue culture labs etc. These activities will go a long way in accelerating the process of technology transfer to the agricultural sector.

In-House IMTs for better Accountability

460. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Insurance Regulatory Development Authority (IRDA) has directed all the insurance companies to constitute their in-house Investment Management Teams (IMTs) by 31st December, 2004 to ensure tighter control over the ways the insurers managed their policy holders;

(b) if so, the complete details of the regulatory works to be done by the proposed IMTs;

(c) by when the full time actuarial professionals are proposed to be appointed to replace proposed IMTs in all the insurance companies; and

(d) the details of the other measures, if any, likely to be introduced to ensure better accountability in insurance companies in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Insurance Regulatory & Development Authority (IRDA) under the power vested in it under section