

isterial discussions. Former Commerce Minister visited Kuwait to get first hand knowledge of the war damage in Kuwait and for talks with the concerned Kuwait authorities. This was followed up by trade delegations from different sectors to explore the possibilities of securing contracts and sub-contracts for participation in the re-construction by Indian companies. Our Embassy in Kuwait resumed functioning from 28th March, 1991. It is progressively being strengthened to properly look after our interest in Kuwait, especially concerning the labour and commercial matters. Government have recently decided to remove "Immigration Clearance Required" condition from a number of categories of employment in Kuwait and elsewhere in the Gulf Region. The number of Indian labourers returned to Kuwait since March, 1991 is estimated to be around 50,000.

[*Translation*]

Recovery of Bank Loans Question

2538. SHRI RAM SARAN YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether there has been a decline in the recovery of bank loans given to agricultural sector during the last one year;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps taken or proposed to be taken by the Government to improve the process of recovery?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b). The recovery to Demand of Direct Agricultural advances of all Public Sector Banks declined from 57.3% as on June 1989 to 46.8% as on June 1990. One of the main reasons for the above decline can be attributed to the vitiation of

recovery climate on account of unjustified expectations of waiver of all kinds of agricultural loans. Following are the other reasons for poor recovery of Agricultural advances;

1. Misutilisation and Diversion of income generated out of investment.

2. Unsatisfactory marketing arrangements resulting in borrowers getting lower than expected prices for their produce.

3. A substantial section of borrowers wilfully defaulting.

4. Natural calamities such as drought and floods etc.

5. Defective planning while sanctioning loan proposals particularly in terms of assumptions made in respect of yields, input costs and output prices.

6. Lack of suitable adequate staff for effective supervision and recovery of Agricultural loans at block level.

(c) Various steps have been taken by Reserve Bank of India (RBI) to improve recovery of Direct Agricultural Advances. Some of the important steps are as follows:

1. Banks have been impressed upon to institute a viable recovery system with a view to help recycling the scarce resources of the banks to the needy and productive sectors of the economy on the one hand, and to improve the profitability and viability of the lending banks, on the other.

2. The Chief Executives of the banks have been advised to pay their personal attention to the monitoring of large advances.

3. Introduction of a comprehensive and uniform grading system to indicate the health of individual advances for the purpose of their effective monitoring and follow up.
4. To keep a watch on the recovery of top sticky accounts.
5. Taking corrective action where advances are found to have become sticky.

[English]

Special 301 Provisions of US Act

2539. SHRI R. SURENDER REDDY:
SHRI ASHOK ANANDRAO
DESHMUKH:

Will the Minister of COMMERCE be pleased to state:

(a) whether the United States Government has agreed to lift India out of Special 301 provisions of the US Omnibus Trade & Competitiveness Act, 1988; and

(b) if so, its impact on the trade relationship between the two countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) No, Sir. However, the United States Trade Representatives announced on 26.11.91 the decision to extend the deadline of investigations against India under Special 301 provisions by 3 months upto 26 February, 1992.

(b) Does not arise.

[Translation]

Recovery of Income Tax

2540. SHRI RAJENDRA AGNIHOTRI:
Will the Minister of FINANCE be pleased to state:

(a) the amount of income tax recovered during the current year upto October 31, 1991?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): The amount of income-tax (including corporation tax) collected during the current financial year, upto October 31, 1991, was Rs. 4011.01 crores.

[English]

Performance of Modernised Sick Textile Mills

2541. SHRI INDRAJIT GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether the sick textile mills modernised during the last two years have not shown any sign of improved performance; and

(b) the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) No, Sir.

(b) Does not arise in view of (a) above.

Development of Coastal Shipping

2542. SHRI SUDHIR SAWANT: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether the National Shipping Board has submitted any proposal to the Government for development of coastal shipping;

(b) if so, the reaction of the Government thereto;

(c) whether there is any proposal to set up a separate Directorate for development of coastal shipping;