

Instrumentation Ltd., Jessop & Company Ltd., Reyrolle Burn Ltd., Heavy Engineering Corporation, Mining and Allied Machinery Corporation, Weighbird India Ltd., Praga Tools Ltd.

[Translation]

#### Competitiveness Between Nationalised Banks and Foreign Banks

\*48. SHRI RAM KRIPAL YADAV Will the Minister of FINANCE be pleased to state

(a) whether the Government propose to issue directives to the nationalised banks to compete with the private and foreign banking institutions at par with their rules, regulations and term and conditions.

(b) if so, the details thereof.

(c) whether the Government have received any memorandum from the major bankers and trade unions in this regard; and

(d) if so, the details thereof and the reaction of the Government thereon?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) (a) No, Sir.

(b) Does not arise

(c) While suggestions relating to different aspects of the working of Public Sector Banks, Private Sector Banks and Foreign Banks have been received from different sources from time to time, it appears that no memorandum in this regard from Bankers and trade unions appears to have been received in the recent past

(d) Does not arise

[English]

#### Fifth Pay Commission

\*49. DR. MURLI MANOHAR JOSHI  
SHRI KODIKUNNIL SURESH

Will the Minister of FINANCE be pleased to state

(a) whether the Fifth Pay Commission has since submitted its interim report to Government.

(b) if so, details thereof and if not, the reasons therefor.

(c) the date by which the Pay Commission is likely to submit its final report; and

(d) the reason for delay in granting Interim Relief to the Union Government employees in view of the unexpected delays in the submission of the report by the Pay Commission?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). The Fifth Pay Commission suo-motu submitted its First Interim Report in October, 1994 recommending Interim Relief to the Central Government Pensioners/family pensioners @ Rs. 50 per month. In their Second Interim Report submitted in May, 1995, the Commission recommended (i) Interim Relief @ 10% of basic pay subject to minimum of Rs. 100 per month to Central Government employees, (ii) Interim Relief @ 10% of basic pension subject to minimum of Rs. 50 per month to Central Government pensioners/family pensioners, (iii) Dearness Allowance linked to the average All India Consumer Price Index 1201 66 be treated as dearness pay for the purpose of gratuity and ceiling on gratuity be enhanced from Rs. 1 lakh to Rs. 2.50 lakhs. These recommendations were accepted by the Government and necessary orders for implementation were issued on 14th July, 1995.

(c) and (d) The Commission was set up on 9th April, 1994. Based on the terms of reference, the Commission is required to submit its Report as soon as feasible. It is expected that the final Report of the Commission will be available by the end of September 1996.

#### Foreign Investment

\*50. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA Will the Minister of INDUSTRY be pleased to state

(a) whether the Government have made any Plan to bring in foreign investment to the tune of 10 million dollars every year.

(b) if so, the specific areas where the investment is likely to be encouraged; and

(c) the likely share in the field of basic infrastructure and development?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) (a) to (c) Although there is no formal plan to bring in any specified amount of foreign investment, the Government policy on foreign investment is being constantly reviewed to make it more dynamic with the objective of increasing foreign direct investment into the country, particularly, in the priority/core sectors including infrastructure.

#### Losses in DTC

\*51. SHRI VIJAY GOEL Will the Minister of SURFACE TRANSPORT be pleased to state

(a) the total losses suffered by DTC so far.

(b) whether any proposal is under consideration of the Government to improve its profitability.

(c) whether the Union Government propose to transfer DTC to the Delhi Government; and

(d) if so, the details thereof?

THE MINISTER OF SURFACE TRANSPORT (SHRI T. G. VENKATRAMAN) : (a) The total loss suffered by DTC as on 31.3.1996 is as under :

(Rs. in crores) (Provisional)

Working loss (excluding interest & depreciation)	Net Loss (including interest & depreciation)
Rs. 670.50	Rs. 2060.55

(b) and (c). Yes, Sir.

(d) A decision on the transfer and modalities thereof is yet to be taken

[Translation]

#### Investment of Multinational Companies

\*52. KUMARI UMA BHARATI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government is preparing any list of such consumer goods of less priority in which investment of multinational companies would be discouraged

(b) if so, the details thereof, and

(c) the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c) The Common Minimum Programme of the Government seeks to discourage entry of Multinationals into low priority areas through suitable fiscal and other measures. However, a list of low priority areas has not yet been decided upon.

[English]

#### Shares of Reliance-Industries

\*53. SHRI R. L. P. VERMA : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 2983 on December 15, 1995 regarding Shares of Reliance Industries and state :

(a) whether Securities and Exchange Board of India (SEBI) has since completed the inspection of Reliance Consultancy Services Ltd. (RCS) regarding issue of duplicate shares

(b) if so, the outcome thereof and the action taken thereon, and

(c) if not, the reasons for the delay?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) The Inspection reports of SEBI contain, inter alia, the following main findings :

(i) A total number of 4.89 lakh duplicate shares were issued by Reliance Consultancy Services Ltd. (RCS) during the period April 1990 to October, 1995;

(ii) Some duplicate share certificates had been issued while the original share certificates were in existence, which fact was very much in the knowledge of RCS

(iii) RCS by not transferring and delivering the shares lodged by some investors before April 1, 1994, within two months has violated provisions of section 113 of Companies Act, 1956;

(iv) RCS while acting as Registrars to the Issue and Share Transfer Agents to Reliance Industries Limited (RIL) had violated the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations

Based upon an examination of the findings in the Inspection Reports, the Registrar of Companies (ROC), Mumbai, in the Department of Company Affairs (DCA), has on 7th June, 1995/6 issued show cause notices to RIL, RCS and its other officers in default for contraventions of Sections 84 (2), 84 (3), 84 (4) and 113 of the Companies Act, 1956. After considering the replies to the show cause notices, DCA has asked ROC, Mumbai on 5th July, 1996 to take action to file prosecution in an appropriate Court against RIL, and all the officers in default including RCS for contraventions of Sections 84 (2), 84 (3), 84 (4) and 113 (1) of the Companies Act, 1956 in regard to the matter relating to issue of duplicate shares.

The Enquiry Officer, who was appointed by SEBI under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for enquiring into the alleged lapses of RCS has since completed the enquiry. Depending upon the findings of the Enquiry Officer, SEBI would take necessary action in the matter.

(c) Question does not arise

[Translation]

#### Rural Banks

\*54. SHRI VIRENDRA KUMAR SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the number of branches of rural banks are higher than the branches of other banks in the country,