iimilmMlMinn of utojects pending receipt of me money from public issue.

(4) Dots wrt arise.

## Bridge Unas to CeanaoJM ngjdant

- 5J». OBI Y1RHA NARAYANA-SWAMY: mB An Mfafetnr of FINANCi to pieawd to stote:
- (a) what woo fes masons advaaced by RBI for haanttg krfd\$» moos to companies egnjBst Poboc Issues;
- (b) whether ft k a bet that such beneficiary companies were misusing this facility, *mi*
- (c) *it* to, the details of ender-cerrtatfl on this issue?

THE MINISTER OF STATE W THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARAMURTHY): The Reserve Bank of India (RBI) has reported that the sanction of bridge icons by banks and financial institutions (Fb) against public issues has been banned due to absence of a risk free arrangement for such advance which are mostly in the form of unsecured credit. Further, banks and FIs were onabfc to ensure tod we of funds lent by them by way of bridge loans against pubic issues'market borrowings. Banks were also found to have not assessed properly the element of risk involved in sanction of bridges loans. There were also cases where recovery of bridge loans was not effected within the due date.

(b) and (c) RBI has reported that a sample scrutiny of bridge loans of Rs. 5 crore and above sanctioned by banks during the period 01.12.1999 to 31.03.1994 did not reveal any specific misuse of bridge toons by borrowers. But h was, inter-aha, found mat banks were no t ensuring end-use of funds lent.

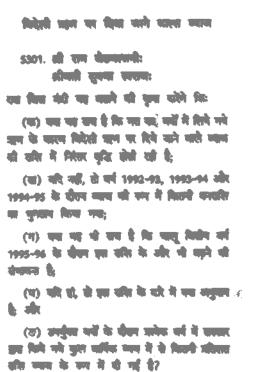
## Mammy for rorehin Banks

3300. SHRI YERRA NARAYANA-SWAMY: Win the Minister of FINANCE be pleased to state:

- (a) whether foreign banks operating in the country will be tismptert from •\_\_. enforced Bonk Ko&dsya;
  - .(b) if so, the detafa of such exemption;
- (c) wtmtbtr tore nay pacmgaal to reduce the number of lank Hobdays; and
  - (d) if so, the details thereof?

TOE MINISTER OF STATE IK THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MUrTTHY): (a) and (b) Reserve Bank of India has reported mat holidays declared under me Negotiable Instruments Ad are applicable to aB bonks operating in the rountry.

- (c) No, Sir.
- (d) Does not arise.



निय जेंगलाय में प्राप्त मंत्री (श्री क्ष्मणी-वासीयार मृति): (या) के (या) केमार अरवारी कारे में विदेशी सुनी पर दिये जाने जाने जान की स्त्रीय वर्ग 1992-93 के बैधन 3535 कार्य परंत 1994-95 के बैदन के येंगन 3749 कार्य कार्य वर्ग 1994-95 के बैदन 4125 कार्य प्रमुख्या (अवस्थित) और वर्ग 1995-96 के अरवार 4325 कार्य कार्य (अनुवास) की

(क) सरवाची काते में विदेशी ऋणों पर विने गये व्याज का पृथतान वर्ष 1992-93, 1993-94 और 1994-95 के कैपन अनरत कुल कार्यक काय का 2.9 अंक्रिया, 2.6 अधिका और 2.5 अधिका था।

## later\*\* on LNH and Advances

5302. SHRI V. GOPALSAMY: WIS the Minister of FINANCE (w phased to state:

- a) whether it is a last that Government, RBI, pubfec sector and private sector banks and ftuacfetl institutions nave raised interests on toe\*?, advances and also on deposits;
  - (b) whether Government would consider raising the interest of National Savings Scheme and Notional Saving Certificate and to other savings schemes in order to contain inflation and to encourage savings; end
    - (c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. HANDRASHEKARA MURTHY): (a) Reserve Bank of India (RBI) have raked the maximum term deposit rate from 'not exceeding 11.0% per amem' to \*not exceeding 12.0% per annum' effective from April 18, 1995. As a result of the hike in the maximum term deposit rates assay beaks rawed the interest on terms deposits of certain nmtn<del>rttin</del>. To protect the spread between the higher cost of Stands meriting from toe hike in am jjpoijt rales and earatngi oa their

prime hmauag rase by 0.5 pawuntagi point  $L^*$ . to 153% ambuwag mtuiost tax.

(b) and (e) There is no proposal at present to rake the rates of internal of National Savings Scheme. NeHenal Savings Certificate and other Smafl Savings Scheme.

## Committee en National Social Assistance Scheme and Croup He h<del>wams</del> Sebome

5303. SHRI RAMDAS AGARWAL: WiB the Minister of FINANCE be pleased to state:

- (a) wkether Government have constituted a flunmsttoo to opsisljunallsii £\* National Social Amktanii Scheme and the Group life laotuaace Scheme to cover the poor sad needy beneficiaries from households, below the poverty line, three fourths of whom an likely to be woman as reported in a news-kern published in the Hindustan Times dated 21st April, 1993;
- (b) if so, what arc the terms/composition thereof indicating components and total number of people likely to be covered and by what time fun details proposed to be worked out by the Committee; and
- (c) what k the Mkery expenditure involved during the current financial year and total provisions made in 199546 Budget indicating abocation, if any. State-wise?

THE MINISTER OF STATE W THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) to (c) Yes, Sk. A Committee has been constituted oa die 12th April, 1995 to operationahse the announcement made by the Finance Minister with regard to National Social Assistance Scheme and Group Late Insurance Scheme in rural areas. The composition of the Committee and ka terms of reference am given in statement enclosed. (See below) The Cries mitlta has been requested to submit ks report within a period of 3 Booths from the date of ks constitution. The number of people likely to be covered and likely expenditure under the scheme