

the trans-Yamuna area of Allahabad, certain hilly tracts of Mirzapur and five districts of Bundelkhand, particularly Banda. There is great shortage of water. Mr. Shripat Misra and Mr. Bir Bahadur Singh have been impressing on the NDC. It is on official record. The Minister may consult it. They have been saying that there should be a special plan for these drought-hit areas, that for this particular area there should be a sub-plan as you have solved the problems of the hills to a certain extent by having a special plan for it with 50 per cent assistance and matching grant from the State. So, would you do something quickly in response to the demand made by the two Chief Ministers in the NDC, particularly for these drought-hit areas?

SHRI SUKH RAM: Sir, there is programme for the drought-prone areas. But I am not aware about which area the Chief Minister wrote to the Planning Commission. A separate notice has to be given by the Member. Then, I can verify it from the record.

श्री जगदम्बी प्रसाद यादव : सभापति जी, उत्तर प्रदेश का दुर्भाग्य कहा जाये या सौभाग्य कहा जाय, बराबर प्रधानमंत्री वहीं से आते रहे हैं... (व्यवधान)। सौभाग्य सिर्फ उनकी कांस्टिट्यून्सों का है और दुर्भाग्य समूचे पूर्वी उत्तर प्रदेश और बिहार का है। इसके दो पक्ष हैं। बैंगलूर एरियाज के लिए रिजर्व बैंक ने सन् 1983 के प्रतिवेदन में केन्द्रीय सरकार और राज्य सरकारों, दोनों के बारे में कहा था और उसमें पांच सौ करोड़ रुपयों का उपबन्ध करने की सिफारिश की थी। सन् 1983 से आज 1987 में लगभग पांच वर्ष होने को हैं, मैं समझता हूँ कि जब तक आप उस रिपोर्ट पर विचार करेंगे तब तक यह वित्तीय वर्ष भी समाप्त हो जाएगा। तो क्या सरकार जो बैंगलूर के लिये नार्म्स बने हुए हैं और उन नार्म्स के अधीन जो आपने विवरण दिया पूर्वी उत्तर प्रदेश और बिहार का, उसमें

सुधार लाने के लिये, उसका विकास करने के लिये जिस तरह से प्रधानमंत्री की कांस्टिट्यून्सों में विचार किया जा रहा है या विकास का काम किया जा रहा है, उसी तरह की कोई योजना, कोई कार्यक्रम आप यहाँ के लिये भी करेंगे क्या?

श्री सुखराम : श्रीमन्, वैसे तो प्रधानमंत्री सारे देश के होते हैं मगर जिस भाँ प्रदेश का यह सौभाग्य है जहाँ से प्रधानमंत्री संबन्ध रखते हैं और यह दुर्भाग्य मुझे उन मेम्बर का लगता है जो इस तरह से सोचते हैं। उनको गौरव होना चाहिए कि प्रधानमंत्री उत्तर प्रदेश से संबन्ध रखते हैं।

श्री अटल बिहारी वाजपेयी : वे बिहार के हैं।

श्री सुखराम : वे सारे हिन्दुस्तान की देखभाल करते हैं ऐसा नहीं है कि वे अपने क्षेत्र का ही देखभाल कर रहे हैं। वे सारे देश और सारे उत्तर प्रदेश के बारे में सोचते हैं। जहाँ तक पूर्वी उत्तर प्रदेश का सवाल है वहाँ पर बहुत सी योजनाएँ चलाई गई हैं और वहाँ बहुत से केन्द्रों के कारखाने लगे हुए हैं। अगर आप जानना चाहते हैं तो मैं कहना चाहता हूँ कि अभी कुछ लेटर आफ इंटेंट ऐसे इश्यू हुए हैं, आज ही मेरा अन-स्टाईड ववेशन है, उसके रिप्लाय में आप देखिये कि 6-7 ऐसे कारखाने खुलने वाले हैं पूर्वी उत्तर प्रदेश में। तो मैं नहीं समझता कि कोई भेदभाव उस क्षेत्र के साथ हो रहा है। बल्कि जितना सारे देश के साथ प्रधानमंत्री जी न्याय करना चाहते हैं, सारे उत्तर प्रदेश के साथ और खासतौर पर पिछड़े हुए क्षेत्र यो. पा. के जो हैं उनके साथ न्याय किया जा रहा है।

MR. CHAIRMAN: Next Question.

Bank Deposits

*224. **SHRI DINKARRAO GOVIND-RAO PATIL:** Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that bank

deposits have become less attractive due to the higher interest being paid by the private companies and the public sector undertakings on their deposits; and

(b) if so what steps Government propose to take to make bank deposits more attractive?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) A Statement is laid on the Table of the House.

Statement

The bank deposits are one among a number of instruments of savings oriented for attracting deposits from various target groups. Each instrument carries its own interest rate, maturity, liquidity and other attendant features. The interest rates on bank deposits are prescribed taking into consideration the need to mobilise deposits, rates of other instruments of savings and other relevant considerations. The deposit growth of scheduled commercial banks during the recent period has been satisfactory despite higher interest rates being offered on deposits by private companies and public sector undertakings.

SHRI DINKARRAO GOVINDRAO PATIL: Mr. Chairman, Sir,

श्री जगदम्बी प्रसाद यादव : श्रीमन्, मेरा व्यवस्था का प्रश्न है। महोदय, प्रश्न लम्बा हो तो स्टैटमेंट ठीक है लेकिन इसमें उत्तर दो लाइन का है फिर मंत्री महोदय को जवाब देने में क्या परेशानी है जो प्रश्न का उत्तर ले-डाउन किया गया है वह दो लाइन का है, वित्त मंत्री को उसको पढ़ने में क्या दिक्कत है ?

MR. CHAIRMAN: I will tell you there are people who err on both sides. Sometimes people lay very short statements on the Table of the House and some people go on reading long statements only. Therefore, you must observe the rule....

(Interruptions)... Please hear me. I am giving this direction that small statements must be read and long statements must be placed on the Table of the House. Now go on.

SHRI DINKARRAO GOVINDRAO PATIL: Mr. Chairman, / Sir, it is seen today that even middle class and lower middle class people invest their savings in private companies and in public sector undertakings and it has been admitted, Sir, in the written reply that the deposit growth of scheduled commercial banks during the recent period has been satisfactory despite higher interest rates being offered on deposit by private companies and public sector undertakings. Sir, may I know from the Minister what is the rate of interest being paid by private companies and public sector undertakings in comparison with the banks' rates of interest?

SHRI JANARDHAN POOJARI: Sir, public limited companies and private limited companies are paying a maximum rate of interest of 14 per cent whereas in the case of banks for short term period that is for 1 to less than 2 years they are now paying 9 per cent after 1-4-1987 and for two years to three years they are paying 10 per cent rate of interest and beyond three years also they are paying 10 per cent rate of interest.

SHRI DINKARRAO GOVINDRAO PATIL: Sir, may I know from the Minister whether he has got any figures of fixed deposits in private limited companies, public limited companies and in banks, including nationalised banks as on 18-4-1987?

MR. CHAIRMAN: If you got figures you tell; otherwise you ask for noticed.

SHRI JANARDHAN POOJARI: So far as the private limited companies

are concerned, we do not have the fixed deposit figures. So far as the banking sector is concerned, we have got the latest figure also. About one lakh two thousand and odd rupees has come as deposits. There is an increase...

MR. CHAIRMAN: He does not want deposits. He wants figure on fixed deposits.

SHRI JANARDHAN POOJARI: That figure I am not having.

MR. CHAIRMAN: That is why I promoted you.

श्री सत्यपाल मलिक : श्रीमन्, एशिया में चीन के बाद हिन्दुस्तान के ग्रामीण इलाकों के लोग खास तौर पर किसान और जो ईमानदार नौकरी पेशा लोग हैं उन लोगों ने चीन के बाद नंबर दो पर बचत की है और वह धन देश के काम आता है। मैं मंत्री महोदय से यह कहना चाहता हूँ कि गांव का आदमी जब काम के लिए डिस्ट्रिक्ट मैजिस्ट्रेट या तहसीलदार के पास जाता है तो उसको जबरन कहा जाता है कि आप इतना रुपया बचत में दीजिए तो आपका काम होगा और इस लिए पर बहुत कम रेट आफ इंटरस्ट मिलता है। उससे ऊपर के कस्बाई और शहरी लोग जो हैं वे अपनी बचत का बेहतर इस्तेमाल कर के ज्यादा रुपया जैनेस्ट कर रहे हैं। मैं मंत्री महोदय से यह जानना चाहता हूँ कि जो नया इंटरस्ट रेट पब्लिक सैक्टर अंडरटेकिंग या प्राइवेट लोग दे रहे हैं उसके मुकाबले में जो ग्रामीण इलाकों की बचत होती है उसके इंटरस्ट रेट में आप कोई रिवीजन करेंगे और यह भी बताएं कि इस वक्त इन दोनों के रेट आफ इंटरस्ट में कितना फर्क है ?

MR. CHAIRMAN: He means you have taken a decision with regard to the rate of interest. Is there any idea of revising it because of the circumstances which he mentioned?

SHRI JANARDHAN POOJARI: There is no such proposal.

MR. CHAIRMAN: Shri Kulkarni.

SHRI A. G. KULKARNI: No question.

SHRI K. MOHANAN: In Kerala, I think in other parts of the country also, a number of private banking companies are working. They are usually known as blade companies. I do not know why they have been given this name. Maybe they are carving the flesh of the people. That is why it is being called blade. They are offering 24 to 40 per cent rate of interest and one fine morning these so-called companies disappear. I would like to know whether the Government have any proposal on their side to control these companies with a law. I do agree with you that laws are there, but so many loopholes are also there in the existing laws. I would like to know whether there is any proposal on the part of the Government to introduce any new legislation to control these bogus companies in this regard.

SHRI JANARDHAN POOJARI: So far as blade companies, as stated by the hon. Member, are concerned, I may state that they are also controlled by the Reserve Bank Act. And the Reserve Bank of India has taken action for violation of the rules or provisions of the Act. These companies have gone to the Supreme Court challenging Chapter III of the Reserve Bank of India Act. So, it is sub judice.

SHRI GHULAM RASOOL MATTO: It is to be understood that the banks have the manoeuvrability about the funds that they get from the public. They can deposit in short term, they can deposit in call money, they can deposit in merchant banking, but because of the resource constraints that we have for our plan, we have asked the tele-communications or the Railways to issue bonds.

Will the hon. Minister under the circumstances assure that the rate of interest of these public bonds will be more attractive compared to the banks in order to ensure that the money comes from resources of our Plans?

SHRI JANARDHAN POOJARI: Which is more attractive?

MR. CHAIRMAN: More attractive means he wants more rate of interest.

SHRI JANARDHAN POOJARI: So far as the banks are concerned, we have to provide for SLP provision, CRR — the Cash Reserve Ratio provision and also for incremental deposits. These amounts are used for developmental activities. Not only that we have to make provision for social needs. We have to give loans even to the weaker sections at concessional rates of interest. So, we are not in a position to increase the rate of interest of the deposits.

ठाकुर जगतपाल सिंह : मैं मंत्री महोदय से यह जानना चाहता हूँ कि बैंकों में डिपोजिट्स पर जो एक परसेंट रेट आफ इंटरेस्ट कम किया गया है उससे क्या ख़या प्राइवेट सेक्टर की तरफ नहीं डाइवर्ट हो रहा है क्योंकि वे इंटरेस्ट ज्यादा दे रहे हैं ?

MR. CHAIRMAN: Is the money being diverted to private sector because they are giving a larger interest?

SHRI JANARDHAN POOJARI: No, Sir. When the requirements of each and every sector are taken into consideration, the genuine needs of that sector are met by the banking sector.

ठाकुर जगतपाल सिंह : मेरा ख़वेशन यह है कि सरकार ने . . .

MR. CHAIRMAN: I know, I have put your question to him. Private people give a higher rate of interest on fixed deposits; does that not divert the money from the banks to the private people? That is your question.

SHRI JANARDHAN POOJARI: No, Sir. On the contrary, it is not affected at all.

SHRIMATI RENUKA CHOWDHURY: Have they conducted any survey? Have they got any evidence to substantiate this statement?

SHRI GURUDAS DAS GUPTA: The Minister is making an absolutely false statement.

MR. CHAIRMAN: The Minister has given his view. You have your view....

SHRIMATI RENUKA CHOWDHURY: But have they conducted any survey? Have they got any evidence to substantiate their statement?

MR. CHAIRMAN: I will give a chance to Renuka Chowdhury. Don't interrupt. Now Mr. Salve.

SHRI N. K. P. SALVE: The incidence of borrowing is one of the main factors for inflation, much more so in developing countries, none the less in developing countries the demand and supply is increasing and, therefore, the rate of interest is heavy. My question to him is this. He has narrated certain reasons like statutory liquidity ratio, social obligations and other things as a result of which the rates of interest are high. He has referred to social obligations. I would like to ask him to what extent the banks are burdened on account of unproductive expenditure and the mandays lost and to what extent...

MR. CHAIRMAN: Question not relevant. Now Mr. Renuka Chowdhury.

SHRIMATI RENUKA CHOWDHURY: Sir, you called me 'Mr.'!

MR. CHAIRMAN: Oh! From the masculinity of your voice I thought it was Mr.

SHRI A. G. KULKARNI: Sir, you have bowled out Mr. Salve so immediately. He was batting and you have bowled him out.

MR. CHAIRMAN: Sometime they go out for a duck.

SHRIMATI RENUKA CHOWDHURY: I was seeking a clarification from the Minister when he was saying that investment in the private industry do not affect investments in the banking industry, if he can substantiate his statement, because he has very categorically said 'No', whereas I can substantiate saying 'Yes' by producing a list of people who are investing in the private sector because of the larger interest that they are getting there than in the banks where the deposits are being disbursed in loan melas which are non-recoverable. And also there is great insecurity in banking today.

SHRI JANARDHAN POOJARI: There has been an increase of deposits in the year 1986-87 compared to the year 1985-86. The increase is to the extent of Rs. 16,723 crores as on 27-3-1987 compared to Rs. 13,160 crores as on 27-3-1986. The increase in 1986-87 is 19.6 per cent as compared to 18.2 per cent in the year 1985-86. That is why I have said the deposits in banks have not been affected.

Response to voluntary disclosure scheme under the FERA

*225. SHRI BHAGATRAM
MANHAR: †
SHRI BIR BHADRA
PRATAP SINGH:

Will the PRIME MINISTER be pleased to state:

(a) what was the response of the NRIs and others to the voluntary Disclosure Scheme under the FERA announced by the Government last year;

(b) whether it is a fact that the response to the scheme was not encouraging;

(c) if so, what steps Government propose to take in this regard; and

(d) what was the total amount of money declared under the above scheme as on 31st March, 1987?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHM DUTT): (a) to (d) The Reserve Bank of India has received 475 declarations involving about Rs. 67 crores.

SHRI BHAGATRAM MANHAR: Sir, will the Government consider reviewing the Voluntary Disclosure Scheme under the FERA and making it more comprehensive and, if not, what are the reasons therefore?

SHRI BRAHM DUTT: Sir, first of all, we are evaluating the results of the previous scheme and, after that, this question can arise.

†The question was actually asked on the floor of the House by Shri Bhagatram Manhar.