

PRIVATE MOTOR FINANCING COMPANIES IN DELHI

1009. SHRI SHYAMLAL YADAV:
Will the Minister of FINANCE be
pleased to state:

(a) whether Government are aware
that private motor financing compa-
nies have been indulging in malprac-
tices;

(b) if so, the steps taken to stop
those malpractices; and

(c) the number of such companies
functioning in Delhi?

THE MINISTER OF FINANCE
(SHRI Y. B. CHAVAN): (a) Reserve
Bank has reported that complaints
received relate mostly to non-payment
of deposits or interest thereon by hire-
purchase finance companies.

(b) By virtue of the powers vested
in the Reserve Bank under Chapter
IIIB of the Reserve Bank of India
Act, 1934, certain directions have been
issued by the Reserve Bank to hire-
purchase companies in terms of which
they are required to maintain certain
minimum percentage of the deposits
in the form of liquid assets. They
have also to ensure a minimum reco-
very performance in each half year
in respect of their hire-purchase ad-
vances. These directions, *inter-alia*,
prohibit these companies from accept-
ing short-term deposits. They are
also required to disclose their financial
position in any advertisements they
may issue for soliciting deposits; with
effect from 1st April, 1973, they can
accept deposits only on application
forms containing such information.
While the directions issued by the
Reserve Bank are concerned with the
regulation of deposit acceptance acti-
vities of hire-purchase companies, the
Banking Commission has made certain
recommendations for the licensing of
hire-purchase institutions and for their
orderly growth. These recommenda-
tions are under the consideration of
the Government.

(c) This information is being col-
lected and will be laid on the Table
of the House.

HANDING OVER OF DISTRIBUTION OF PERMITS FOR QUOTA-GOODS IMPORTED FROM INDIA TO NEPAL

1010. SHRI G. R. PATIL:
SHRI M. S. ABDUL KHADER:
SHRI RAM SAHAI:

Will the Minister of COMMERCE
be pleased to state: ---

(a) whether it is a fact that the
Government of Nepal have demanded
that the entire distribution of permits
for "quota goods" imported from
India, be handed over to it;

(b) if so, the reasons assigned there-
for; and

(c) whether any modifications are
contemplated in the Trade and Transit
Treaty of 1970 with Nepal in this re-
gard?

THE DEPUTY MINISTER IN THE
MINISTRY OF COMMERCE (SHRI
A. C. GEORGE): (a) and (b) Supply
to Nepal of those Indian commodities
which are in short supply in India
itself, is regulated by a quota system.
Most of these quotas are at the dispo-
sal of His Majesty's Government of
Nepal. A small percentage of the
quotas of some items is allocated by
the Embassy of India at Kathmandu
to those people who approach the
Embassy directly.

His majesty's Government of Nepal
have requested that the supply of all
the quota commodities may be chan-
nelised through them. This, according
to His Majesty's Government of Nepal
will better suit the present develop-
mental needs of Nepal.

The matter will be discussed with
His Majesty's Government shortly.

(c) No, Sir.