

- (b) if so the details thereof;
- (c) whether Government has taken any step to bring down the total volume of external debt;
- (d) if so, the details thereof;
- (e) whether the nation faces any danger of falling into debt trap due to the increased external debt; and
- (f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):
 (a) and (b) India's external debt stock stood at US \$ 305.9 billion at end-March 2011, increasing by US \$ 44.9 billion (17.2 per cent) over the level of US\$ 261.0 billion at end-March 2010.

(c) to (f) The prudent external debt management policy followed by the Government of India emphasizes monitoring of long and short term debt, raising sovereign loans on concessional terms with long maturities, regulating external commercial borrowings through end-use and all-in-cost restrictions and rationalizing interest rates on Non-Resident Indian (NRI) Deposits. As a result, external debt to GDP ratio has declined from 38.7 per cent in 1991-92 to 21.1 per cent in 2001-02 and further to 17.3 per cent in 2010-11.

Charges on cash deposits by banks

2997. DR. JANARDHAN WAGHMARE: Will the Minister of FINANCE be pleased to state:

- (a) whether some of the banks at some locations have stopped charging some amounts on each cash deposits from the account holders but the Punjab National Bank (PNB), Pipli, the State Bank of Patiala SBoP, Khizrabad and the Oriental Bank of Commerce (OBC), Yamuna Nagar in Haryana are still charging on such cash deposits;
- (b) whether such charges by licensing banks amounts to devaluation of Indian currency issued by the RBI;
- (c) whether licensing conditions allow such charges; and
- (d) if not, whether the matter would be inquired into by the vigilance team of Government and if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) to (d) The Reserve Bank of India (RBI) advised the banks that while fixing charges, they should ensure that the charges are reasonable and not out of line with the average cost for providing these services. In order to ensure transparency, banks have been advised to display and update on their websites, the details of various services charges in a prescribed format. In the context of granting greater functional autonomy to banks, operational freedom has been given to banks on all matters pertaining to banking transactions. With effect from September, 1999, banks have been given the freedom to fix charges for various types of services rendered by them. Acceptances of large cash deposits from customers forms part of the services provided by banks and banks collect cash handling charges, generally, above a threshold limit, as per the guidelines prescribed by their Boards.

The service charges levied vary from bank to bank. Punjab National Bank (PNB), has reported that cash handling charges at base branch for savings bank accounts upto Rs.1 lac per day is free and other than savings accounts they do not charge upto Rs. 50,000/- per day. In case, cash deposit amount is beyond Rs. 1 lac in savings accounts and Rs. 50,000/- in other accounts they charge @ Rs.1/- per Rs. 1000/- or part thereof. Further, at non base branch for Savings/Current/Cash Credit (CC)/Overdraft (OD) Customers, Rs.2/- per Rs.1000/- or part thereof with a minimum of Rs. 25/- per transaction is charged. However, there are no charges for depositing cash in Kisan Credit Card, Recurring Deposit, Term Loan, NPA accounts, etc. Oriental Bank of Commerce (OBC) has reported that bank does not charge for cash deposits in Savings Bank accounts. In Current Accounts cash deposits up to Rs. 1.00 lac per day is free of charge for customers. State Bank of Patiala has reported that they do not charge in case of personal segment of customers and Current cash credit customers upto one bundle of 1000 pieces. In case of more one bundle of 1000 pieces they charge Rs. 100/ per bundle with a maximum of Rs. 10000/-.

World Bank assistance for urban infrastructure

2998. SHRI MOINUL HASSAN: Will the Minister of FINANCE be pleased to state: