

- (c) whether Government has chalked out any policy to utilize this money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) As per the information furnished by Insurance Regulatory and Development Authority (IRDA) and Reserve Bank of India (RBI), the amount of unclaimed amount for insurance industry and Fixed deposits by all Scheduled Commercial Banks are as below:

- (i) Unclaimed amount in Insurance sector Rs. 3,037.46 crore (as on 31.03.2012)

- (ii) Unclaimed funds in Fixed Deposit Rs. 425.89 crore (as on 31.12.2011)  
The Ministry of Labour and Employment has informed that there is no unclaimed fund lying with Employee, Provident Fund Organization. However, there are certain accounts which are classified as Inoperative Accounts and all such accounts have a definite claimant. For the year 2011-12 an amount of Rs. 22,636.57 crore (provisional) is lying in Inoperative Accounts.

- (c) No, Sir. However, (i) In respect of unclaimed amount in insurance industry, IRDA has advised the insurers that unclaimed sum would not be appropriated/written back.

- (ii) In respect of unclaimed funds in Fixed Deposits, the Government has introduced the Banking Laws (Amendment) Bill, 2011 wherein provision has been made for the establishment of a "Depositor Education and Awareness Fund" to take over inoperative deposit accounts which have not been claimed or operated for a period of 10 years or more.

- (iii) The Ministry of Labour and Employment has further informed that the amount lying in the Inoperative Account under Employees' Provident Fund Organization cannot be utilized except for the settlement of the members' account.

#### **Free electronic fund transfer in banks**

†226. SHRI RASHEED MASOOD: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government proposes to make the electronic fund transfer free in banks;

- (b) if so the time by which;

- (c) whether it is fact that Oriental Bank Of Commerce has removed all kinds of charges on the transfer of the amount upto rupees one lakh;

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† Original notice of the question was received in Hindi.

- (d) if so, the time by which other banks would implement this policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) Government has been motivating the banks to promote payments through electronic mode so as to increase systemic efficiency and reduce costs by realizing the potential of technology and rationalization of charges-structure of various products of the payment systems in India. One such measure to promote use of electronic payments is by reducing / eliminating charges for National Electronic Fund Transfer (NEFT) transactions. Keeping this larger objective in view, the Government advised all the Public Sector Banks (PSBs) to take appropriate effective measures for promotion of transactions through electronic mode, and also for elimination of charges for NEFT transactions upto Rs. 1 lac. All PSBs including the Oriental Bank of Commerce, have eliminated charges on NEFT transactions upto Rs. 1 lac.

#### **Falling value of the rupee**

227. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of FINANCE be pleased to state:

(a) whether the consistently falling value of the rupee against the dollar has resulted in foreign exchange reserves of the nation slipping at alarming levels.

(b) if so, the details thereof; and

(c) the remedial measures that Government has taken or proposes to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) The country's foreign exchange reserves have declined to US\$ 2888.8 billion at end July 2012 from US\$ 292.8 billion at end January 2012.

The change in foreign currency assets occurs mainly on account of buying and selling of foreign exchange by the Reserve Bank of India (RBI) in the foreign exchange market in India. Besides, income arising out of the deployment of foreign exchange reserves, external aid receipt of the Central Government, movements of the US dollar against other currencies in which foreign currency assets is held also impact the level of reserves. The decline in foreign exchange reserves between January-July 2012 was mainly due to sale of foreign currency assets by the RBI. The foreign exchange reserves of US\$ 2888.8 at end July, 2012, however, are at adequate level in terms of import coverage.