

	Loan Slabs (Rs.)	Rate of Interest (%) Normal loans (inclusive of interest tax)
1. To individual (direct)	Upto Rs. 25,000/-	12.00
	Above Rs. 25,000/- & Upto Rs. 2,00,000/-	16.00
	Above Rs. 2,00,000/-	17.00
2. To individuals through Corpo- rate Bodies/ Institutions.	Upto and including Rs. 2,00,000/-	16.00
	Above Rs. 2,00,00/-	17.00

(c) and (d) Yes, Sir. Refinance rates and the rates of interest chargeable from ultimate beneficiaries for cases covered by NHB refinance as prescribed by National Housing Bank (NHB) at present i.e. effective from January 1 1996 are as under :-

Amount of Loan	Rates of Interest (%) per annum	
	On Refinance by NHB (%)	Lending Rate (%) by HFCs to ultimate beneficiaries (exclusive) of interest tax)
Upto Rs.25,000/-	10.00	12.00 (Maximum)
Above Rs.25,000/- & Upto Rs.1,00,000/-	13.75	15.00 (Maximum)
Above Rs.1,00,000/- and upto Rs.5,00,000/-	14.50	De-regulated

(e) No, Sir, Further the relative attractions of interest rates by HFCs compared to other interest rates is being maintained because of the refinancing mechanism of NHB.

(f) Does not arise.

#### Debt Liability

\*79. SHRI SHRAVAN KUMAR PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether country's debt liability has increased tremendously during the recent months;

(b) if so, the details of debt liability in respect of different types of loans and credits incurred by the country during September to December, 1995 and January, 1996; and

(c) what are the main factors responsible for this increase ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) After reaching a peak of USD 99.0 billion as on 31.3.95, the external debt has declined to USD 93.8 billion on 30.9.95.

(b) Provisional estimates of India's external debt are

available only upto end-September, 1995, breakup of which is indicated below :-

	(US Dollar Million)
1. Multilateral	28267
(i) Government	25686
(ii) Non-Government	2581
2. Bilateral	19112
(i) Government	15666
(ii) Non-Government	3446
3. IMF	3377
4. Export Credit	5902
5. Commercial Borrowing	12329
6. NRI and FC (B&O) deposits	12012
7. Rupee debt	8355
Total Long-term debt	89353
Short-term debt	4490
Grand Total	93843

(c) Recent changes in external debt denominated in US Dollars is mainly due to variation in US Dollar exchange rates vis-a-vis other major currencies.

#### Rupee Rouble Agreement

\*80. SHRI JAGAT VIR SINGH DRONA : Will the Minister of FINANCE be pleased to state :

(a) whether according to a pact between Russia and India in January, 1993 regarding Rupee-Rouble agreement, the Government have to bear a loss of crores of rupees;

(b) If so, the factors responsible for such losses;

(c) whether there was any Plan in the above mentioned agreement which was not found/noticed at the time of agreement; and

(d) if so, the steps being taken to avoid any further loss due to such agreements ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

#### Bank Deposits

441. SHRI PRAKESH V. PATIL : Will the Minister of FINANCE be pleased to state :

(a) the deposit growth estimated for the Banking Sector during 1995-96;

(b) whether the above target is likely to fall short of the estimate;

(c) if so, the details thereof alongwith the reasons therefor;

(d) the banks deposits recorded up to September 30, 1995;

(e) whether despite the hike in interest rates, the deposits have not been picked up in the second half of the year and if so, the reasons therefor; and

(f) the details of the projects likely to be delayed due to shortage of funds as a results thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) to (f) Reserve Bank of India (RBI) have reported that at the time of announcing the monetary policy for the first half of 1995-96; the working Estimates for the increase in the aggregate deposits of scheduled commercial banks was put at Rs.65,000/- crore. Between March, 17, 1995 and September 29, 1995 (first half of 1995-96) aggregate deposits increased by Rs.28,009/- crore. Aggregate deposits of scheduled commercial banks during the second half of 1995-96 so far, from September 29, 1995 to February 2, 1996 increased by Rs.15,851/- crore (3.9 per cent) as compared with Rs.10,019/- crore (2.8 per cent) in the comparable period of 1994-95. The extent of shortfall if any, in relation to the working Estimate of deposit growth would depend on whether the recent momentum in deposit growth slows down.

The increase in non-food credit between March 17, 1995 and February 2, 1996 has been Rs.40,726/- crore (21.5 per cent) as against increase in the corresponding period of the previous year of Rs.30,012/- crore (19.6 per cent). This is in continuation of a large credit expansion in 1994-95. It is not possible to identify the impact of inadequate deposits on the availability of funds for projects and consequent pace of implementation of individual projects.

#### Indian International leather Fair

442. SHRI MANIKRAO HODLYA GAVIT : Will the Minister of COMMERCE be pleased to state :

(a) whether the eleventh Indian International Leather Fair organised by the India Trade Promotion Organisation held from January 31 to February 4, 1996 in Madras proved to be a notable business success; and

(b) if so, the details of the achievements made and total business transacted in the said fair ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) 475 companies including 190 overseas companies from 29 countries participated in the fair. 50,000 business visitors including overseas business parties and trade delegations visited the fair.

The participants of international trade fairs, normally do not reveal the information on the business transacted by them. However on the basis of the information made available by 45% of the participants of the recently

concluded India International Leather fair in Madras, the business transacted by them on the spot was Rs.125 crores. Further, trade enquiries worth Rs.220 crores were reported to have been received.

#### Fraudulent Claims in MXW India Assurance Co. LTd.

443. DR. RAMESH CHAND TOMAR :  
SHRI HARCHAND SINGH :

Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred question No. 6345 on May 19, 1995 and state :

(a) the number of letters received by the New India Assurance Company Ltd. and the G.I.C. from Members of Parliament during 1994-95 and in the current year till date regarding Payment of fraudulent claims and claims paid to persons having no insurance policy in force on the date of loss accident;

(b) the number of letters to which a final reply has not yet been sent; and

(c) the action taken or proposed to be taken against the persons found responsible for various irregularities ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) to (c) The New India Assurance Company Limited (NIA) have reported that only one such letter has been received by them for which a final reply has already been sent. As regards the case referred to in this letter, the company have reported that the matter was examined both from audit and vigilance angles which revealed that the payment of claim made to the insured could not be faulted and the finalisation of claim was bonafide. Therefore, no action has been taken against any employee in the matter.

#### Trade Barriers on India's Trade

444. DR. LAXMINARAYAN PANDEY :  
MAJ. GEN. (RETD. BHUWAN CHANDRA  
KHANDURI) :

Will the Minister of COMMERCE be pleased to state:

(a) whether Indian exports have been subjected to trade barriers and discrimination by India's trading partners in major thrust markets on grounds of religious sentiments, health, environment and child labour;

(b) if so, the details thereof;

(c) whether the Government have collected such tariff and non-tariff trade barriers in any document;

(d) if so, the details thereof; and

(e) the details of repercussion of these barriers on India's trade specially in the context of CATT treaty ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) to (d) An exercise was conducted by the Government recently for