

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) Andhra Bank, the Convenor bank, for Andhra Pradesh has reported that during a year 1994-95, 30, 305 beneficiaries were covered by nationalised banks with a total financial assistance of Rs. 2063 lakhs.

(b) With a view to ensuring that banks made available adequate credit to Scheduled Castes and Scheduled Tribes, the Reserve Bank of India (RBI) has issued guidelines to banks as enumerated below:-

(i) Credit planning should take into account needs of SCs/STs;

(ii) Loan applications of SCs/STs should be considered sympathetically and expeditiously;

(iii) While adopting villages for intensive lending, villages with sizeable population of SCs/STs communities may be specially chosen. Alternatively, adopting specific localities in the concerned villages which have concentration of these communities may also be considered;

(iv) Special efforts should be made to evolve suitable bankable schemes for these communities;

(v) Banks should participate in the specific programmes drawn up by the State agencies for the upliftment of SCs/STs'

(vi) Bank staff may help poor borrowers in filling up the forms and completing other formalities so that they are able to get credit facility without delay;

(vii) The bank staff may contact illiterate borrowers and explain to them the salient features of the schemes as also the advantages that will accrue;

(viii) The member of SCs/STs form part of the weaker sections under priority sector. Banks have to raise the proportions of their advances to priority sector to 40% and the advances to weaker sections should reach a level of 10% of total bank credit.

(ix) 40% of the DRI advances should be extended to SCs/STs'

(x) Under IRDP not less than 50 per cent of the families assisted should belong to SCs/STs;

(xi) Under PMRY reservation of 22.5% has been provided for SCs/STs;

(xii) Loans upto Rs. 5000/- are granted by banks to members of SCs/STs for construction of houses at a concessional rate of interest at 4% per annum under DRI

Scheme provided they satisfy the income criteria of DRI Scheme;

(xiii) Banks have been advised to take effective action to ensure monitoring of the priority sector lending not only from the quantitative aspect but also qualitative aspect including support from Government agencies for the various schemes;

(xiv) In order to ensure that loan proposals from SC/ST applicants are not rejected without valid reasons, banks have been advised that in the case of such proposals, rejections should be at a higher level than that of a branch manager;

(xv) Periodical review has to be made by the head offices of banks of the credit extended to SCs/STs on the basis of returns and other data received from the branches;

(xvi) Banks submit quarterly return on priority sector advances which also indicate separately data relating to advances granted to SC/ST Borrowers

(xvii) Banks have been advised to set up a special cell at the Head Offices for monitoring the flow of credit to SC/ST beneficiaries.

[Translation]

Revival of H.E.C.

1055. SHRI CHHEDI PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the case of Heavy Engineering Corporation Limited, Ranchi, is still pending with the BIFR for its final recommendation; and

(b) if so, the steps proposed to be taken by the Government for exporting the revival scheme of this Corporation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) and (b) . The Board for Industrial and Financial Reconstruction (BIFR) has reported that Heavy Engineering Corporation Ltd (HEC) was referred to it on 30.06.1992 and was declared sick by the BIFR on 21.10.1992 . The case was last heard on 02.02.1996 when the BIFR directed HEC and Industrial Development Bank of India (IDBI) , the Operating Agency, to prepare a rehabilitation scheme in the light of deliberations made in the hearing and submit its report to enable BIFR to consider the draft scheme for publication.