

**Question**

expenditure and on the other hand they say that we should go on employing people even when there is no work. .... (Inter-  
options)

**SHRI MANMOHAN SINGH :** I would like to say that the additions to the Government's work force increase must be related to the functional requirements of government. We are not going to increase the work force in Government if it is not warranted by the functional necessity of the Government.

And the second thing that I do want to say is that all emphasis in the future must be on not the creation of jobs which are in the nature of digging the holes and filling them up but productive jobs. Therefore, whether in Government or outside government, the emphasis has to be on the creation of productive jobs.

**WRITTEN ANSWERS TO QUESTIONS**  
(English)

**EXPORT OF GRANITE**

\*266. **DR. V. RAJESHWARAN :** Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal to declare granite stones as a major mineral;

(b) the value of raw granite exported during the last three years, year-wise;

(c) whether the Government propose to adopt a uniform policy to streamline the export of granite; and

(d) if so, the details thereof ?

**THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM):** (a) Department of Mines is considering such a proposal.

(b) The value of raw granite blocks exported during the last three years was as under :—

(Value in Rs. Crores)

1988-89	1989-90	1990-91
103.30	106.00	172.00

103.30      106.00      172.00

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(c) and (d) A uniform policy, particularly in regard to terms and conditions for the grant and renewal of leases is expected to be of help in the export of granites.

**NRI DEPOSITS**

\*271. **PROF. K. V. THOMAS :** Will the Minister of FINANCE be pleased to state :

(a) the amount of deposits by the Non-resident Indians in the Indian Banks as on July 1, 1991; and

(b) the incentives being given or proposed to be given by the Government to increase the NRI deposits ?

**THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR):** (a) The amount of deposits by Non-Resident Indians (NRIs) in Indian Banks under FCNR/NRE Accounts as on 30-6-91 was Rs. 19,614 crores.

(b) To increase the NRI deposits the Government have proposed many incentives as part of Budget proposals for 1991-92 including review of policies and procedures bearing on Non-resident Indians investment and further relaxations to be made in order to remove all procedural difficulties and impediments to the setting up of industrial and other ventures by NRIs. Government also propose to set up an office of Chief Commissioner for Non-Resident Indians for facilitating interaction with Central Government and to serve as a focal point for NRIs.

Two new schemes have been announced in the Finance Minister's Budget Speech for 1991-92, for which legislation would shortly be introduced.

These are :

(i) Upto 30th November 1991, remittances in foreign exchange can be made to any person in India without disclosing the source and if it is gifted, it will be free from gift tax. Such remittances would also not be sub-

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ject to scrutiny under Exchange Control and Income Tax Act.

1990-91 showing an increase of 22.61 per cent.

- (ii) The State Bank of India is to issue India Development Bonds in US Dollars which could be purchased by NRIs and overseas corporate bodies (OCBs). The Bonds will have a maturity period of five years and can be gifted to residents. These Bonds are exempt from Wealth Tax and Income Tax till maturity, payable in Rupees in India—both principal and interest; if gifted to a resident. However, for the NRIs the face value of the Bond alongwith interest is repatriable, with exchange rate—protection, on maturity.

In June, 1991, the RBI have also announced a Foreign Currency (Ordinary—Non-repatriable) Deposit Scheme, 91, which carries an interest rate of 1% above the FCNR US Dollar Deposit Scheme for three years, which is currently 9% per annum.

#### NON-DEVELOPMENT EXPENDITURE OF STATE GOVERNMENTS

\*272. SHRI ANBARASU ERA : Will the Minister of FINANCE be pleased to state :

(a) whether the non-development expenditure of State Governments has increased considerably during the last year;

(b) if so, the extent of such increase; and

(c) the steps proposed to be taken by the Union Government in the matter?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE : (a) Yes, Sir.

(b) The non-developmental expenditure of all States increased from Rs. 19,806.1 crores (Revised Estimate) in 1989-90 to Rs. 24,285.3 crores Budget Estimate) in

(c) In order to contain increase in non-developmental expenditure of the States the Planning Commission has been emphasising during the course of the discussions with the State Governments the need for reducing the growth of non-developmental expenditure and for taking suitable economy measures. However, it is for the State Governments to contain their increase in non-developmental expenditure by taking various economy measures. The steps reported to have been taken by some of the State Governments for reducing their growth in non-developmental expenditure include restriction on purchase of vehicles, control on consumption of petrol and electricity, ban on creation of new posts, restriction of expenditure on telephones, etc.

[Translation]

#### PERFORMANCE OF REGIONAL RURAL BANKS

\*274. SHRI TEJ NARAYAN SINGH  
SHRI VISHVANATH SHASTRI

Will the Minister of FINANCE be pleased to state :

(a) the performance of Regional Rural Banks in the fields of advancing of loans, opening of branches and providing employment to local people during the last three years; State-wise; and

(b) the criteria adopted for the constitution of the Board of Directors in these banks. State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) The total amount outstanding, loans issued, number of branches in existence and the staff employed by Regional Rural Banks (RRBs) during the last three years, State-wise, as reported by National Bank for Agriculture and Rural Development is given in the enclosed statement. The figures indicate that RRBs have helped the rural population in inculcating banking habits and also assisted them with loans to pursue their productive activities. Besides providing direct