

(e) the reasons why no depositing insurance has been applied to these Non-Banking Financial Companies while this is being enforced on Banking Companies ?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : (a) Certain complaints have been received in this regard.

(b) Reasons for the non-repayment of deposits are being ascertained and will be laid on the Table of the House in due course.

(c) The complaints are being investigated by the Police.

(d) Disputes arising out of the non-repayment of deposits by non-banking companies are of a civil nature and the remedy will normally lie in having recourse to civil proceedings. However, complaints received by the police are also investigated to determine if any action is possible under the criminal law.

The Reserve Bank has issued certain directions to non-banking companies to put a curb on the acceptance of disproportionate deposits in the context of their capital structure. The non-banking companies (other than hire purchase and hosing finance companies) are prohibited from accepting short term deposits and their is also a ceiling on total deposits upto 25% of their paid-up capital and free reserves. In the case of hire-purchase and housing finance companies, they are expected to maintain liquidity to the extent of 10% of their outstanding deposits and also to ensure that 25% of their outstanding debts on hire-purchase contracts are recovered in each half year. It is expected that these measures will prove beneficial in the long run.

(e) The scheme of insurance of deposits of banking companies is intended to ensure that public deposits in all forms are attracted to the banking system to the maximum extent possible so that they are available for the purpose of lending to all productive sectors of the economy. On the other hand, in the case of non-banking companies, it is intended to restrict

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and regulate the acceptance of deposits, in the manner explained in (d) above and, therefore, the question of providing any insurance cover for the deposits with the non-banking companies would not seem to be either relevant or appropriate.

SHOPS ON CHITRA GUPTA ROAD, NEW DELHI

5412-H. SHRI KUCHELAR : Will the Minister of WORKS, HOUSING AND SUPPLY be pleased to state :

(a) whether Government propose to open shops on the main Chitra Gupta Road, New Delhi to rehabilitate hawkers and other refugee businessmen;

(b) whether it is a fact that shops are being constructed adjoining or even covering the walls of the residential houses of Government employees on Chitra Gupta Square, Chitra Gupta Place and Chitra Gupta Road;

(c) whether any representations have been received by the Lt. Governor and the Chief Executive Councillor in regard to the non-desirability of constructing such shops in a heavily concentrated residential localities and also the traffic hazards involved on the Chitra Gupta Road with a heavy traffic on it; and

(d) if so, the action taken on the representation with a view to stop the construction of such shops in that area ?

THE DEPUTY MINISTER IN THE MINISTRY OF WORKS, HOUSING AND SUPPLY (SHRI IQBAL SINGH) : (a) to (d). The information is being collected and will be laid on the Table of the House.

FOREIGN CAPITAL INVESTED IN PLANTATION INDUSTRIES

5412-I. SHRI SHIVA CHANDRA JHA : Will the Minister of FINANCE be pleased to state :

(a) the total foreign capital invested by foreign companies in the plantation industries and the names of those foreign companies which have invested this capital;