

**Removal of ban Imposed on Creation
of New Posts**

4469 PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether any demand has been received from the people/Government of any State for the removal of the ban imposed by his Ministry on the creation of new posts or filling up the existing vacancies;

(b) if so, the action taken by Government in this regard and the likely date by which the ban would be removed;

(c) whether Government have taken into account the impact of the ban and the normal functioning of the various projects resulting in deterioration in their functioning on account of an increased work load and shortage of staff; and

(d) if so, Government's response thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :(a) to (d). As a part of anti-inflationary measures, Ministries/Departments of the Government of India were advised in January, 1984 not to create new posts or fill up existing vacancies. Instructions issued in this regard were valid up to 31st March 1985. Having regard, however, to the continued need for utmost economy in Government expenditure, it has been decided that the above instructions should stand extended until further orders. No State Government as such has represented for lifting of the ban which in any case does not apply to State Government public services. Proposal for creation of posts/filling up of vacancies are considered on merits and relaxations are given in most exceptional circumstances.

**Enhancement in Interest Rate of Unit
Trust of India**

4470. SHRI VIRDHI CHANDER JAIN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Unit

Trust of India under its monthly interest payment scheme for retired persons, war widows etc. pay 12 per cent interest;

(b) whether Government have authorised private limited companies to pay interest upto 15 percent; and

(c) if so, the reasons for this anomaly and whether Government propose to enhance the interest rate for the Unit Trust of India under its monthly interest scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. Under the monthly income unit scheme of the Unit Trust of India (UTI), which is meant for the people above the age of 55 years, widows, physically and mentally handicapped persons and certain eligible institutions, the Trust pays 12 per cent dividend per annum payable on monthly basis.

(b) Yes, Sir. In terms of the provisions of Rule 3(1) (c) of the Companies (Acceptance of Deposit) Rules, 1975, framed under Section 58A, of the Companies Act, 1956, the non-banking non-financial companies can invite and/or accept/renew deposits at a rate of interest not exceeding 15% per annum.

(c) The units issued by the UTI as an investment institution are not comparable to deposits with companies engaged in manufacturing and other activities. While units carry dividend based on return on further investments by the UTI, interest has to be paid on deposits irrespective of the profitability of the companies. Besides, certain tax concessions are available in the case of dividend on units.

**Regional Offices Started by State
Bank of India**

4471. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) the State-wise number of Regional Offices started by the State Bank of India as per policy to recognise the State Bank administration in the States;