

(d) and (e). The enforcement agencies are vigilant against the activities of smugglers and tax evaders, systematic survey operations and search and seizure operations are undertaken when/where Necessary. Close coordination is being maintained among all the agencies concerned.

Streamlining of the Banking System

723. SHRI RAJENDRA AGNIHOTRI:
Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to restructure the banking system;

(b) if so, the details thereof;

(c) whether the Government have received recommendations from an expert panel/committee in this regard;

(d) if so, the details thereof and the action taken thereon;

(e) whether the Government also propose to simplify the procedure of providing loan to poor and rural people by the banks and insurance companies. and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTRY OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d). A High Level Committee was constituted under the Chairmanship of Shri M. Narasimham to examine all aspects relating to structure, organisation, functions and procedures of the financial system. The Committee submitted its report on 20th November, 1991. On the structure of the banking system the Committee inter-alia recommended that the banking system should evolve towards a broad pattern consisting of:

(a) 3 or 4 large banks (including the State Bank of India) which could become international in character;

(b) 8 to 10 national banks with a network of branches throughout the country engaged in 'universal' banking;

(c) Local banks whose operations would be generally confined to a specific region; and

(d) Rural banks (including RRBs) whose operations would be confined to the rural areas and whose business would be predominately financing of agriculture and allied activities.

The Committee was also of the view that the move towards this revised system should be market driven and based on profitability considerations and brought about through a process of mergers and acquisitions.

(e) and (f). The procedure for grant of advance has been simplified and liberalised from time to time. Liberalised margin and security norms have been laid down under the priority sector advances which cover the weaker sections. Under the prescribed procedure banks should not ask for collateral security/third party guarantee for loans upto Rs. 25, 000/- and pledge/hypothecation/mortgage of assets should be created out of loan standardised applications have been prescribed in regional/local languages; all loan applications upto a credit limit of Rs. 25, 000/- have to be disposed of within a fortnight; and all Branch Managers and to be bested with discretionary powers to sanction proposal relating to the weaker sections without reference to higher authority.

No loans are given by the Life Insurance Corporation of India and General Insurance Corporation of India direct to poor and rural people and the question of simplification in this regard does not arise.

[English]

Export and Import of Rice

(e) the steps taken by the Government to make available remunerative prices to the rice growers?

724. SHRI AJAY
MUKHOPADYAY:
SHRI AMAL DATTA:
DR. P.R. GANGWAR:
SHRI JEEWAN SHARMA:

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) Does not arise.

Will the Minister of COMMERCE be pleased to state:

(c) and (d). Government itself does not propose to export rice. As for imports, the policy is to take recourse to such action only when the domestic supply or price situation so warrants.

(a) whether the Basmati or superior quality of rice is being exported at present;

(b) if not, the reasons therefor when large surplus of various varieties of rice are available for exports and also not supplying the superior quality of rice through the public distribution system in the country;

(c) whether the Government propose to export superior quality of rice like Basmati rice and import cheaper variety of rice for internal consumption during the current year;

(d) if so, the details thereof and the reasons therefor; and

(e) One of the main objectives of the Government's price policy for agricultural produce is aimed at ensuring remunerative price to the growers for their produce with a view to encourage higher investment and production. The minimum support prices fixed by the Government not only cover the cost of production but also a reasonable margin of profit as an incentive to the farmers to invest and improve production and productivity. The procurement/minimum support prices of paddy announced by the Govt. during the last three years are as under:

Minimum support prices of paddy

(Rs. per quintal)

Year	Common	Fine	Superfine
1990-91	205	215	225
1991-92	230	240	250
1992	270	280	290