

### Border Trade with Bangladesh

7389. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether a Central team visited Tripura recently to probe the possibility of border trade with Bangladesh;

(b) if so, the details thereof;

(c) whether the Government of Tripura was informed in the matter; and

(d) if so, the details and if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) No, Sir.

(b) to (d). Do not arise.

### Primary Dealership in Government Securities

7390. SHRI R. SURENDER REDDY : Will the Minister of FINANCE be pleased to state :

(a) the details of the guidelines laid down by the Reserve Bank of India for awarding dealership in the Government securities;

(b) whether in pursuance of those guidelines the RBI has invited applications from financial institutions and banks in regard thereto;

(c) if so, the details thereof indicating the particulars of the commercial banks who have applied for the dealership;

(d) whether any specific criteria has been laid down with regard to the award of dealership to the banks and setting up subsidiaries by them for the purpose;

(e) if so, the details thereof; and

(f) the time by which the dealership are likely to be awarded to the applicants?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a), (d) and (e). The main objectives of the Primary Dealers System (PDS) in Government Securities are to:

(i) strengthen the infrastructure in order to encourage voluntary holding of Government securities amongst a wide investor base;

(ii) to develop underwriting and market making capabilities for issue of Government securities outside the Reserve Bank of India so that the latter could gradually shed these functions; and

(iii) to make the Primary Dealers System an effective conduit for conducting open market operations.

Subsidiaries of banks or financial institutions and companies predominantly doing business in Government Securities market and having net owned funds of minimum of Rs. 50 crore are eligible to apply for Primary Dealership.

(b) and (c). In terms of the guidelines, commercial banks and financial institutions are not eligible to apply for Primary Dealership.

(f) On the basis of the scrutiny of applications received and, on being satisfied, the Reserve Bank of India will accord approval in principle. It is expected that the exercise will be completed within a specified time frame.

### Assistance to Tamil Nadu

7391. SHRI P. KUMARASAMY : Will the Minister of FINANCE be pleased to state :

(a) the amount of financial assistance sanctioned and released to the Government of Tamil Nadu during 1994-95;

(b) whether the State Government had sought additional financial assistance during the year;

(c) if so, the details thereof;

(d) whether the request of the State Government was acceded to; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) The financial assistance sanctioned/allocated and released by this Ministry to the Government of Tamil Nadu under various heads during 1994-95 are as under:

(Rs. in crores)

Items	Sanctioned/allocated	Released
1. Normal Central assistance (Gross)	654.14	644.97
2. Assistance for Externally Aided Projects.	764.87	671.69
3. Share in Central taxes including grant in lieu of Railway passenger fare tax.	1745.74 (RE)	1745.74
4. Small savings loans	375.00	569.91
5. Revenue Deficit Grant	12.26	12.26
6. Centre's contribution to CRF	14.625	14.62
7. Special Central assistance for Hill Area/Western Ghat Development Programme	25.01	25.01
8. Central assistance for Centrally Sponsored Scheme (Transferred)	9.83	

(b) No, Sir. This Ministry has not received any request from the Government of Tamil Nadu for additional financial assistance for the year 1994-95.

(c) to (e). Do not arise.