

(a) to (c) Assurance given to the House in response to Unstarred Question No. 4624 on 5.5.1995 has been fulfilled on 1.8.1995. The information is, however, reproduced as under :

"GIC has reported that, in one such case, premium cheque could not be realised as the concerned office of the insurance company at New Delhi included the cheque in the local clearing column. The cheque which was actually drawn on a Bank at Bombay was returned by the insurance company's Bank without any memo. The insured was not, however, informed about the same by the insurance company and he was under the impression of having the policy in force. The matter came to light only when the claim was lodged by the insured. The insurance company rectified the position by collecting the premium in question in cash and the claim was settled for Rs. 20,500/-".

#### Funds Crunch in Nabard

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

- (a) whether the NABARD is facing severe funds crunch;
- (b) if so, the details thereof and the main factors responsible therefor;
- (c) the steps being taken to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY) :  
(a) and (b) National Bank for Agriculture and Rural Development (NABARD) provides refinance support to base level financial institutions for lending to rural sectors and does experience resource gap. Assistance is being extended to NABARD from the general resources of the Government by way of grant and loan to the extent of Rupees Counterpart Funds relating to external agencies. Share Capital contribution of Rs. 85 crores each during 1995-96 has been sanctioned by Government and is being sanctioned by Reserve Bank of India (RBI) taking the authorised and paid-up capital of NABARD to Rs. 500 crores. Besides, RBI is extending general lines of credit to NABARD and Govt. of India allows market borrowing by NABARD with its guarantee every year to increase its resources.

(c) NABARD has approached Government to increase its authorised capital to Rs. 2000 crores from Rs. 500 crores to augment its resources.

#### Securities Scam

849. SHRI GEORGE FERNANDES : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-item captioned "CBI alleges misuse of Rs. 44 crore E.E.P.C., HUDCO funds" appearing in the Economic Times dated March 13, 1995;

(b) if so, the facts thereof; and

(c) the total amount the Government have lost due to financial scams during the last three years?

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

(a) Yes, Sir.

(b) CBI have reported that two cases have been registered by them in the matter relating to misuse of funds invested by HUDCO with Allbank Finance Ltd., Calcutta and illegal placement of funds by EEPC with a broker. The investigation of CBI in both these cases has not been completed.

(c) As indicated in the Action Taken Report (AIR) on the recommendations of the Joint Parliamentary Committee which enquired into the irregularities in securities and banking transactions laid in the Parliament on 26.7.1994, the problem exposure of banks/Financial Institutions was assessed by the Janakiraman Committee and Inter-Disciplinary Group constituted under the Chairmanship of Custodian at Rs. 4024.45 crores and Rs. 3651.35 crores respectively. In the revised paragraphs of the ATR submitted in the Parliament on 20.12.1994, it was inter-alia indicated that the loss (excluding interest etc.) to the Indian banks/financial institutions on account of notified brokers would not exceed Rs. 320 crores.

[Translation]

#### Tourist Spots of Historical Importance in U.P.

850. SHRI LAKSHMI NARAIN MANI TRIPATHI : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether the Government have received information regarding some new historical places in Uttar Pradesh which could be developed as tourist spots;

(b) whether information has been received in regard to existence of the World's only one 6000 years old Parizat tree in Barabanki district;

(c) if so, whether any proposal has been sent by the Government of Uttar Pradesh for the development of this place as a place of tourist attraction; and

(d) if so, the reaction of the Government thereto?

THE MINISTER FOR CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) No, Sir.