

Total number of staff quarters of LIC is 4723.

The LIC has been receiving representations from Class III and Class IV employees for construction of more staff quarters. In order to mitigate their hardship the Corporation has been approving construction of staff quarters at project towns and difficult stations. The Corporation has also been encouraging its employees to construct their own houses by advancing loans at concessional rates of interest under its existing schemes. Loans have been sanctioned by the Corporation to 17,485 employees for construction of their own houses so far.

Gold Control Act

5110. SHRI NARSINH MAKWANA : Will the Minister of FINANCE be pleased to state :

(a) the extent to which the smuggling of gold has been curbed as a result of the Gold Control Act;

(b) the approximate annual expenditure incurred in enforcing the provisions of this Act and the revenue earned as a result thereof; and

(c) how far the goldsmiths in the rural areas have been affected the number of persons who have been rendered unemployed as a result of this Act ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) One of the objectives of the Gold (Control) Act, 1968 is to serve as an economic measure to supplement other preventive measures by making the circulation of smuggled gold difficult and its detection easier by extending the control over gold beyond the stage of import. Thus the Act serves as a second line of defence against smuggling of gold in the country. It helps in the anti-smuggling efforts.

(b) The average expenditure on the Gold Control Administration is Rs. 50 lakhs approximately per annum. The Gold (Control) Act, 1968 is not a revenue earning Act but is a regulatory one.

(c) The restriction on the manufacture of ornaments exceeding 14 carats in purity, introduced as one of the Gold Control measures in 1963, adversely affected the goldsmiths. In order to rehabilitate the affected

goldsmiths various measures such as sanctioning of loans to them, assisting them to switch over to other professions, extension of technical training facilities etc. were initiated at that time. Subsequently, as a measure of further relief, the restriction on the manufacture of ornaments of more than 14 carat purity was removed in 1966. A liberalised policy with regard to the issue of certificates to carry on business as goldsmiths was also adopted apart from taking steps to write off the loans that were sanctioned earlier to the affected goldsmiths.

[English]

Caution to Co-operative Banks against Launching Deposit Mobilisation

5111. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether recently the Governor of State Bank of India has cautioned the co-operative banks against launching deposit mobilisation scheme carrying an element of lottery and prizes;

(b) if so, the details of the allurements now being given by these co-operative banks and now they have come to adopt it when it is not permitted;

(c) whether positive directive/orders have been given to banks to desist from such practices; and

(d) if, so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India issued instructions in August, 1983 to Urban Co-operative Banks not to launch deposit mobilisation schemes envisaging award of prizes on the basis of lucky draws. Instances of some Urban Co-operative Banks formulating such schemes awarding fabulous prizes, like T.V. sets, refrigerators, ambassador cars, etc. had come to the notice of RBI. The concerned banks were advised to modify/terminate such schemes and to raise deposits in conformity with RBI guidelines.

Clubbing of Loans Sanctioned by Term Lending Institutions with Medium Term Loans

5112. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :