

centres would not be a viable proposition. RBI has reported that as at the end of December, 1986 there were 69 bank offices in Almora District and 33 bank offices in Pithoragarh District. The average population per bank office (APPBO) was 11,000 in Almora District and 14,500 in Pithoragarh District. The APPBO in these districts compare favourably with All India average population of 15,000 in respect of rural and semi-urban areas.

In respect of deficit blocks in these two Districts on the basis of population criteria, additional centres if identified by the Group and approved by the State Government would be eligible for consideration by RBI under the Policy norm.

**Opening of a State Bank of India
Branch in Chillyanaula, Almora**

8490. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal to open a branch of State Bank of India in Chillyanaula, Almora District Uttar Pradesh during the year 1987-88;

(b) if so, the time by which it is likely to be opened; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The information is being collected and will be laid on the Table of the House to the extent possible.

[English]

**Tax on Gifts to Mentally
Retarded Persons**

8491. SHRI V.S. KRISHNA IYER: Will the Minister of FINANCE be pleased to state:

(a) whether gift tax is being levied on gifts made in favour of mentally retarded persons;

(b) if so, whether Government propose to exempt such gifts from the levy of gift tax; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Yes, Sir.

(b) No, Sir.

(c) Gifts of value upto Rs. 20,000 are exempt from gift-tax. In view of this, the Government does not consider it necessary to grant any further specific exemption in respect of gifts to mentally retarded persons.

[Translation]

**Supply of Inferior quality of Pump
sets to farmers in Bihar**

8492. SHRI KUNWAR RAM: Will the Minister of FINANCE be pleased to state:

(a) whether the quality of pumping sets supplied to farmers by the nationalised banks in Bihar is very poor; and

(b) if so, the action taken against the officers found responsible for supplying inferior quality pump sets to farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). The National Bank for Agriculture and Rural Development (NABARD) has reported that it had earlier conducted a sample study regarding the quality of pump sets financed by banks. The sample study included an in-depth enquiry in a few selected geographical areas of the country including the State of Bihar. According to the study, the banks were not generally forcing the borrowers to buy any particular brand of pump set and the choice of make of pump set was left to the borrower/s and that most of the pump sets financed by banks bear ISI quality mark. The cases of sub-standard pump sets financed were found to be negligible.

NABARD has further reported that its refinance facilities are available only in respect of finances given for ISI mark or