

(c) the policy regarding the Industrial growth in the country likely to be adopted by the Government; and

(d) the action plan of the Government for promoting the small cottage and medium scale industries and encouraging the feelings of 'Swadeshi' and self-dependence?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b). Subsequent to the Liberalisation Policy since 1991, various measures have been taken which, inter-alia, include delicensing, automatic approval for foreign collaborations, simplification of procedures, rationalisation of import and excise duties, etc. Since August 1991 till May 1996, 25,781 Industrial Entrepreneurial Memorandum (I.E.M) in the delicensed sector envisaging investment of Rs. 5,04,782 crores have been filed and 4,679 foreign investment proposals envisaging investment of Rs. 71036.68 crores have been approved during this period.

(c) and (d). Government policy for overall development of industry, including small, medium and large scale industries is constantly reviewed to make it more dynamic with the objective of making the Indian industry self reliant and globally competitive and to increase investment, particularly in the priority/core sectors, including infrastructure.

Customer Service of SBI

427 SHRI RAMASHRAY PRASAD SINGH
SHRI RAMESHWAR PATIDAR
SHRIMATI SHEELA GAUTAM

Will the Minister of FINANCE be pleased to state

(a) whether the State Bank of India propose to establish a subsidiary company for issuing credit cards and for improvement in its customer service

(b) if so the details thereof, and

(c) the specific measures proposed to be taken by the State Bank of India to improve its customer service in small towns and rural areas?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P CHIDAMBARAM) : (a) and (b) State Bank of India has reported that the proposal to set up a subsidiary is under its consideration and details therefore will be worked out after a final decision has been taken thereon

(c) State Bank of India has reported that improvement in customer service is being brought about on an on-going basis in all branches of the SBI situated at metro urban Semi-urban and rural centres. The Bank has further stated that teams of senior officers from its Local Head Offices/Zonal

Offices Regularly visit branches to assess the extent of implementation of Bank's instructions for providing better customer service and corrective action is taken wherever necessary. In addition, Central Office Inspection Team(s) while carrying out inspection and audit of branches, also examine quality of customer service obtaining there at and suitable remedial measures are taken.

[English]

Export of Cement

428. DR. KRUPASINDHU BHQI : Will the Minister of INDUSTRY be pleased to state :

(a) whether any target has been fixed for export of cement during the Eighth Plan;

(b) if so, the details thereof alongwith the achievement made so far;

(c) whether target can be achieved with the present pace of export; and

(d) if not, the steps taken to achieve the target?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) While no specific target for export of cement during the Eighth Plan has been fixed, export of cement/clinker has been increasing during the last few years, except in 1995-96 when there was a decline mainly due to higher demand in the domestic market. The year-wise export of cement/clinker is as under

Year	Million Tonnes
1991-92	0 36
1992-93	1 18
1993-94	2 85
1994-95	3 17
1995-96	2 38

(c) and (d) Do not arise

India's Financial System

429 SHRI BANWARI LAL PUROHIT Will the Minister of FINANCE be pleased to state

(a) whether the survey conducted by the Political and Economic Risk Consultancy Limited have described India's financial system at 10th position in the world as reported in Statesman dated May 22, 1996

(b) if so, the facts and reaction of the Government thereto, and

(c) the steps taken/proposed to be taken by the Government to improve the financial system of the country?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) and (c). According to a survey conducted by the Political and Economic Risk Consultancy Limited as reported in Statesman dated May 22, 1996, India ranked 10th in financial system with the rating of 6.29 while it ranked 9th with a rating of 6.93 in physical infrastructure. According to this survey report published in Statesman, Vietnam was found to have the most deficient financial sector followed by China, India and the Philippines.

Indian Financial System is currently undergoing a process of reform as a part of the broader reform programme initiated in 1991-92. The results of the implementation of various reform measures have so far been encouraging. As at the end of March, 1995, 13 out of 27 public sector banks attained the minimum capital adequacy ratio of 8%, 11 between 4% and 8% and the remaining 3 banks less than 4%. Besides, the positive trend of reduction in the number of public sector banks reporting operating losses from 9 to 6 during 1993-94 was further confirmed in a significant turn around of the public sector banks during 1994-95 with a net profit of Rs 1116 crore as against a net loss of Rs 4349 crore in 1993-94. Alongside there has been a drop in non-performing assets of the public sector banks from about 24% of their loan portfolio in 1992-93 and 1993-94 to a little below 20% in 1994-95. Besides, the first phase of deregulation of interest rate has been successfully carried out.

Industrially Backward Areas

430 SHRI T. SUBBARAMI REDDY Will the Minister of INDUSTRY be pleased to state

(a) whether a study conducted for monitoring Indian economy have suggested that norms adopted

by the Union Government for classifying districts as industrially backward be revised;

(b) if so, the main features thereof,

(c) whether the Government have examined the said report, and

(d) if so, the details thereof and the time by which the recommendations of the said report are likely to be implemented?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No such Study has been conducted at the behest of the Ministry of Industry

(b) to (d) Do not arise

Foreign Banks

431 SHRI S. D. N. R. WADIYAR Will the Minister of FINANCE be pleased to state

(a) the details of foreign banks country-wise operating in India;

(b) the places where these banks have set up their branches, and

(c) the extent to which these banks are helping in the expansion of trade and industry in the country?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b) Details of foreign banks operating in India country-wise and places where they have set up their branches as reported by RBI are given in the attached statement

(c) The market share of foreign banks in branch network aggregate deposits and advances (excluding inter bank deposits and advances) of all scheduled commercial banks as on 31 March 1994 and 31 March 1995 were as under

(Rs. in crore)

	Branches as on		Aggregate Deposits		Bank Credit	
	31.3.94	31.3.95	As on last reporting		Fridays of	
			1993-94	1994-95	1993-94	1994-95
All Sch. Commercial Banks	61630	62100	3,15,132	3,86,859	1,64,418	2,11,560
Foreign Banks	146	151	24,886	27,641	10,964	15,471
Share of Foreign Banks (%)	0.24	0.24	7.90	7.14	6.67	7.31