

### World Bank Suggestions on FERA Regulations

3721. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has made a suggestion to Government to remove FERA regulations governing foreign collaborations in the case of electronic sector;

(b) if so, the details of the World Bank proposal;

(c) whether Government have considered the Bank's proposal; and

(d) if so, the since when Government propose to remove FERA regulations governing foreign collaborations?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No. Sir.

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

### Review of Credit Limits by Public Sector Banks

3722. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state:

(a) the steps taken to improve the position relating to review and renewal of credit limits by public sector banks, as has been commented upon by the Reserve Bank of India in its Annual Report for 1986-87;

(b) the steps taken by banks to complete inspection and audit of branches and to bring up-to-date the reconciliation of interbranch accounts as has been remarked by the Reserve Bank of India in its Annual Report for 1986-87; and

(c) the steps that have been taken by banks to recover the increasing overdues in both priority and non-priority sectors?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI ED-

UARDO FALEIRO): (a) The public sector banks have been advised to periodically review the credit limits of their borrowal accounts and to ensure that as far as possible operations in accounts may not be continued on the basis of lapsed limits. The banks have geared up to their machinery for the implementation of instructions given by Reserve Bank of India and the progress in this regard of public sector banks is monitored by their Board of Directors.

(b) The banks have drawn up action plans to complete inspection and audit of all branches and also for the reconciliation of inter-branch accounts. The progress in this regard is also being monitored by Reserve Bank of India and the Board of Directors of respective public sector banks.

(c) The steps taken by banks for improving their recovery performance *inter-alia* includes strengthening of pre-lending appraisal and post lending supervision, adoption of schematic approach to lending and creation of separate recovery cells. The rural branches observe one day in a week as non-banking business working day so that branch managers are able to supervise credit utilisation. With a view to reducing incidence of overdues, the banks have been advised to take strict action against the official if some account becomes sticky due to the negligence, inefficiency or suspected collusions on the part of any employee.

[Translation]

### Irrigation Target of Maharashtra During the Seventh Plan

3723. SHRI VILAS MUTTEMWAR : Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 9 December, 1987 to Starred Question No. 476 regarding irrigation target for Maharashtra and state:

(a) whether Government have fixed target for irrigation in the State of Maharashtra during the Seventh Five Year Plan;

(b) if so, the extent to which target has been achieved;