

Statement*Statement showing Name and Location of Stock Exchanges*

Sl. No.	Name	Location
1.	The stock Exchange	Bombay, Maharashtra
2.	The Stock Exchange	Ahmedabad, Gujarat
3.	The Calcutta Stock Exchange Association Limited	Calcutta, West Bengal
4.	Madras Stock Exchange Ltd.	Madras, Tamil Nadu
5.	The Delhi Stock Exchange Association Ltd.	New Delhi
6.	The Hyderabad Stock Exchange Limited.	Hyderabad, Andhra Pradesh
7.	Madhya Pradesh Stock Exchange Limited	Indore, Madhya Pradesh
8.	Bangalore Stock Exchange Ltd.	Bangalore, Karnataka
9.	Cochin Stock Exchange Ltd.	Cochin, Kerala
10.	The Uttar Pradesh Stock Exchange Association Ltd.	Kanpur, Utter Pradesh
11.	Pune Stock Exchange Ltd.	Pune, Maharashtra
12.	The Ludhiana Stock Exchange Association Limited	Ludhiana, Punjab
13.	The Gauhati Stock Exchange Limited	Gauhati, Assam
14.	Kanara Stock Exchange Ltd.	Mangalore, Karnataka
15.	Magadh Stock Exchange Association	Patna, Bihar.

Opening of Bank Branches

8096. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government would ensure that there is no over-lapping in the areas covering the villages around bank branches in the case of regional rural banks and the nationalised banks especially when (i) there are no branches of the lead banks of a district at each of the Block Headquarters for coordination (ii) there are more than one branches of the commercial banks at the Block Headquarters and few such branches in the interior of the Blocks; and

(b) if so, the clear guidelines issued by the Government to Reserve Bank of India and the National Bank for Agriculture and Rural Development to these banks in this regard and also for coordination with the cooperative banks belonging to the Various States ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India (RBI) has issued detailed guidelines dated 14.3.1988 to commercial banks, including the Regional Rural Banks (RRBs), for implementing the 'Service Area Approach' under which each

rural and semi-urban branch of commercial banks and RRBs will be allotted 15 to 25 villages as its service area. The allottee branch will have the responsibility for meeting the credit requirements for productive purpose, of all the villages in its service area.

RRBs, under the charter given to them, finance only the target group which includes the small and marginal farmers, agricultural labourers, rural artisans, small entrepreneurs, etc. In terms of the guidelines dated 14.3.1988 issued by RBI, in the service area of a branch of an RRB, the branch of its sponsor bank or if it is too far away, the nearest designated branch of any other commercial bank, will finance the non-target group beneficiaries. In view of the restricted clientele of the RRBs, there is no proposal to ensure that there would be no overlapping between the service areas of the branches of RRBs and commercial banks. These guidelines of RBI also envisage the setting up of a suitable forum for coordination among the banks and the block officials and the involvement of the District Central Cooperative Bank in such a forum.

Losses Suffered by Regional Rural Banks

8097. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that 40 out of the 190 regional rural banks are in the red;

(b) if so, the names of the regional rural banks which are in the red at the end of the financial year 1987-88;

(c) the steps taken by Government, the Reserve Bank of India and the National Bank for Agricultural and Rural Development to improve the conditions in such banks and also to bring down the credit deposit ratio from 200-300 per cent to 100 per cent by the end of 1990; and

(d) whether in view of the high Credit Deposit ratio, the 3000 branches of these 40 regional rural banks would be able to cater to the needs of 15-25 villages around each of them as stipulated in the Union Budget for 1988-89 ?

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

(b) The names of 148 Regional Rural Banks out of 194 such banks which had incurred loss during the accounting year ending December, 1986, according to the latest available information, is given in the statement below.

(c) and (d). Pursuant to the recommendations made by the Working Group on RRBs, a number of steps have been taken for improving the performance of regional rural banks and reducing their losses. These are (i) release of additional share capital to RRBs with satisfactory track record; (ii) enlarging the scope of their lending by allowing them to lend to public bodies/village Panchayats etc. (iii) lowering of interest rate on refinance provided by the sponsoring banks and (iv) investment of their SLR funds directly in Government Securities of better yield. The Government has also asked the sponsoring banks to play a more active role in fund management, staff training and internal audit of RRBs.

NABARD has reported that it has not imposed any upper ceiling on C.D. Ratio for RRBs and a flexible view is being taken so as to ensure that any limits on CD ratio do not stand in the way of flow of funds to the weaker sections. Since the present C.D. Ratio is 101% and the NABARD does not insist on bringing it down to 100% there is no question of C.D Ratio coming in the way of fulfilling the needs of adopted villages as stipulated in the Union Budget for 1988-89.

Statement

(Amount in lakhs of Rs.)

Sl. No.	Name of the RRBs.	Loss
1	2	3
1.	Haryana Kshetriya Gramin Bank	25.34
2.	Hissar-Sirsa Kshetriya Gramin Bank	2.95