

[Translation]

**Credit Deposit Ratio in Bihar**

4826. SHRIMATI MADHUREE SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether credit-deposit ratio of banks in Bihar is only thirty five percent whereas the All India ratio thereof is sixty five per cent and in Andhra Pradesh, Karnataka, Tamil Nadu and certain other States, this ratio is even more than ninety per cent;

(b) whether the Reserve Bank of India propose to issue instructions to the banks to ensure that credit-deposit ratio in Bihar does not remain below all India level; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Credit: deposit ratio of all Scheduled Commercial Banks as at the end of September 1987 in the State of Bihar was 37.4 per cent, which was below the all-India level of 61.4 per cent. Credit: deposit ratio in the States of Tamil Nadu, Andhra Pradesh and Karnataka as at the end of September 1987 was 94.9% 78.7% and 92% respectively.

(b) and (c). Credit: deposit ratio of a particular area depends upon the level of economic activity and demand for credit which in turn is influenced by several factors such as the state of infrastructural facilities, existing local entrepreneurs in various fields like transport, marketing etc. A reasonable loan recovery expectations and co-operation from local Government machinery also contributes towards better deployment of credit. Reserve Bank of India has already assigned a target of 60% credit, deposit ratio for the rural and semi-urban branches of

public sector banks.

[English]

**Remittances by Indian Working Abroad**

4827. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the rupee value of the remittances by Indian nationals working abroad, year-wise during the last 3 years.

(b) the percentage that such remittances form of the total inward remittances for purpose of balance of account each year;

(c) whether it is a fact that some Indian nationals working abroad have been borrowing abroad at lower rates and depositing them in the Non-resident Indian accounts in India at higher rates; and

(d) if so, the steps taken by Government to stop this malpractice?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The rupee value of remittances from Indians working abroad, which is covered under private transfer receipts in Balance of Payments statistics, was Rs. 2648 crores in 1983-84, Rs. 2982 crores in 1984-85 and Rs. 2715 crores in 1985-86, the latest year for which data are available.

(b) The percentage of receipt of such remittances to total current account receipt as published by the RBI worked out to 15.5 in 1983-84, 14.7 in 1984-85 and 13.9 in 1985-86.

(c) and (d) There have been, at times, cases of attractive differentials between FCNR rates and corresponding rates

abroad. But RBI keeps this in view and revises the FCNR rates from time to time.

### Capacity Utilisation of Jute Industry

4828. SHRI SYED SHAHABUDDIN: Will the Minister of TEXTILES be pleased to state:

(a) the installed capacity of the jute industry as on 1st January, 1987 and 1st January, 1988;

(b) the average daily capacity utilisation during 1987.;

(c) the number of mills closed on 1st January 1988 with the total capacity and labour strength involved;

(d) the number of mills which were working partially as on 1st January, 1988 with their unutilised capacity and labour strength; and

(e) the steps taken or being taken to revive the jute industry?

THE MINISTER OF TEXTILES (SHRI RAMNIWAS MIRDHA): (a) Installed capacity of jute industry is as given below:

As on 1-1-1987	16.0 lakh metric tonnes per annum.
As on 1-1-1988	16.40 lakh metric tonnes per annum.

(b) The average daily capacity utilisation of jute industry during 1987 was about 78%.

(c) As on 1-1-1988, 19 jute mills, including 5 National Jute Manufactures Corporation units having annual capacity of about 4,91,900 M.T. and employing about 82,880 workers, were closed.

(d) As per the information available one of the two jute mill units of M/s. Fort Closter Industries was under lock out on 1-1-1988. This unit has installed capacity of 22,900 M.T. per annum and 3500 labour force.

(e) A Statement is given below:

### STATEMENT

Some of the important measures taken for revival of the jute industry are:

- (i) Setting up of Jute Modernisation Fund of Rs.150 crores with effect from 1st November, 1986 for modernisation of jute mills.
- (ii) Setting up of a Special Development Fund of Rs. 100 crores for restructuring/re-opening/rehabilitation of jute industry as well as for development of jute agriculture.
- (iii) Enactment of a legislation i.e. Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987 for mandatory usage of jute packaging material for certain sectors of the economy;
- (iv) Waiver of Customs Duty on import of certain specified items of jute machinery and accessories with a view to encouraging modernisation programme of jute mills.
- (v) Providing cash compensatory support for export of jute goods;
- (vi) Purchase of jute goods for Government sector directly from jute mills at cost plus basis.
- (vii) A buffer stock scheme of raw jute is in operation for bringing stability in raw jute prices.