

NRI Deposits in Banks

9092. SHRI MOHANBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) The total amount of money deposited by non-resident Indians in the branches of nationalised banks/non-nationalised banks in the country during the years 1986, 1987 and 1988;

(b) the rate of interest for foreign currency non-resident accounts;

(c) how this amount is being utilised; and

(d) whether the deposits have shown any decline; if so, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The total outstanding amounts in the Non-Resident External and Foreign Currency Non-Resident Accounts maintained by Non-Resident Indians in Banks in India during the last three years were as follows:-

<i>As at the end of</i>	<i>Rupees in Crores</i>
December 1985	5027.88
December 1986	7470.62
December 1987	9401.66
February 1988 (Provisional)	9909.68

(b) The rate of interest for Foreign Currency Non-Resident (FCNR) Accounts are as follows:-

<i>Maturity Period</i>	<i>Per cent for annum</i>
1	2
(a) Six months and above but less	7.5

1	2
than one year	
(b) 1 Year and above but less than 2 years	8.5
(c) 2 years and above but less than 3 years	9.25
(d) 3 years only.	9.5

(c) Bank utilise these amounts in their normal banking business.

(d) No, Sir.

Non-Utilisation of World Bank Loan by States.

9093. SHRI H.B. PATIL: Will the Minister of FINANCE be pleased to state;

(a) whether some State Governments have failed to utilise the World Bank assistance for the Bank aided projects in the States;

(b) if so, the names of such states, alongwith the extent of assistance utilised by them as against the stipulated World Bank assistance till March, 1988 and the reasons for poor utilisation of the World Bank assistance; and

(c) what will be its likely effect on the prospects of securing further assistance for the projects in the States?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). During the year 1987-88, about \$ 480 million was disbursed by the World Bank for projects under implementation in the State sector.

World Bank Group assisted projects are implemented over periods normally extended between five to seven years. The assistance committed by the World Bank is utilised over the entire span of the project. Drawal of funds is in accordance with specific project disbursement schedules, and balance amounts therefore remain at the end of each year, upto the terminal date of disbursement. It is expected that World bank Group assistance committed for projects for implementation in the State sector will be fully utilised over the respective project periods.

Review of Renewal of Credit Limit by State bank of Indore

9094. SHRI MANAVENDRA SINGH: 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 State bank of Indore as has been commented upon the Reserve bank of India in its annual report for 1986-87;

(b) the steps taken by the bank to complete inspection and audit of branches and to bring up-to-date the reconciliation of inter-branch accounts as has been earmarked by the Reserve Bank of India in its above report; and

(c) the steps that have been taken by the bank 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 EDUARDO FALEIRO): (a) to (c). the Reserve Bank of India has reported that State Bank of Indore has introduced a mechanism to ensure that the credit limits are renewed/reviewed, timely at the appro-

priate level. the State Bank of Indore has reported that it completed audit of all the branches during 1987. A separate cell for inter-branch reconciliation has been created and the bank is making positive improvement in this regard.

The bank has also geared up the recovery machinery by advising the controlling officers to make field visits and also to organise camps for the recovery of the agricultural loans at the time of harvesting. They have also been advising to keep a close liaison with Government officials for the recovery of advances given under Government sponsored schemes.

Corruption cases reported to CBI by State Bank of Indore

9095. SHRI MANVENDRA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the cases reported to the CBI by the State Bank of Indore, about corruption in financial dealings have increased during in 1983 to 1987;

(b) if so, the number of such cases sent for prosecution in 1987;

(c) whether the cases against some officers of Delhi Branch of State of Indore involved in letters of credit have also been forwarded to CBI; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) State Bank of Indore has intimated that it has reported the following number of cases of corruption to the C.B.I. during the years 1983 to 1987 for investigation: