

(a) whether the Reserve Bank of India has decided in principle that banks may introduce inter-bank participation on risk sharing and without risk sharing basis with a view to provide an equilibrating mechanism to even out short term surpluses and deficits and also to extend liquidity in the money market; and

(b) if so, the details regarding facilities and the extent to which improvement in the liquidity of banks and flow of credit to the various sectors of the economy is likely to be affected?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Yes, Sir. Inter-Bank participations (IBPS) has been introduced with a view to providing an additional instrument for evening out short term liquidity within the Banking System. Accordingly, two types of IBPS — one on risk sharing basis and the other without risk sharing were introduced from December 31, 1988. The IBPS with risk sharing, intended to provide some flexibility in the credit portfolio of banks and to smoothen the working of consortium arrangements, can be issued for 91-180 days in respect of advances classified under Health Code No. 1 Status. The aggregate amount of IBPS under any account should not exceed 40 percent of the outstandings in the account at the time of issue. The rate of interest on such IBPS is to be determined between concerned banks subject to a minimum of 14 percent per annum.

The IBPS without risk sharing, intended to help even out short-term liquidity within the Banking System, have a tenure upto 90 days. The interest rate is to be determined by the two concerned banks subject to a ceiling of 12.5 percent per annum.

Misuse of OGL and Advance Licencing Facility

2162. DR. DATTA SAMANT: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware of misuse of Open General Licence (OGL) system and Advance Licencing facilities;

(b) if so, in what way such facilities are being misused; and

(c) the number of such cases detected in 1988-89?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(b) and (c). CCI&E, New Delhi has detected 18 cases involving misuse of Advance licensing facility and 8 cases of misuse of OGL facility during 1988-89. Similarly, Regional Offices of CCI&E have also detected such abuses. Information in this regard is being collected and will be laid on the Table of the House

[*Translation*]

Railway Projects In U.P.

2163. SHRI HARISH RAWAT: Will the Minister of RAILWAYS be pleased to state:

(a) the project-wise amount proposed to be incurred during the year 1989-90 on the construction of various rail lines falling in Uttar Pradesh; and

(b) the percentage of amount likely to be incurred on construction works of Railways falling in Uttar Pradesh to the total amount to be incurred by the Railways on various works during 1989-90?

THE MINISTER OF STATE OF THE MADHAVRAO SCINDIA): (a) and (b). A
 MINISTER OF RAILWAYS (SHRI Statement is given below.

STATEMENT

Railway Projects in U.P.

(a) and (b).

<i>Name of the Project</i>	<i>Amount proposed to be incurred in 1989-90 (Rs. in Crores)</i>	<i>%age of the total amount be incurred by the railways</i>
1	2	3
<i>New Lines</i>		
1. Rampur-New Haldwani	5.00	
2. Mathura-Alwar (30 km in U.P.)	1.75 (Pro-rata allotment for U.P.)	
3. Guna-Etawah (28 km in U.P.)	1.61 (Pro-rata allotment for U.P.)	
Total =	8.36	3.34
<i>Gauge Conversions</i>		
1. Chhapra-Aunrihar (153 km in U.P.)	1.35 (Pro-rata allotment in U.P.)	
2. Varanasi-Bhatni	23.00	
3. Kashipur-Lalkua	1.00	
Total =	25.35	30.18
<i>Doublings</i>		
1. Rampur-Bareilly	1.60	
2. Balawali Bridge	2.80	
3. Moradabad-Rampur	7.00	
4. Lucknow-Kanpur	8.09	
5. Jaitwar-Manikpur (34 km in U.P.)	3.98 (Pro-rata allotment in U.P.)	
Total =	23.47	7.74