

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) :
 (a) to (c). The meeting of Experts of the Group of 77, which met at Baghdad from 1-4 March 1982 pursuant to the resolution of the High Level Conference of the Group of 77 held in Caracas in May 1981, endorsed the proposal of the Government of Iraq to set up a World Fund for the transfer of real additional resources to developing countries as a means of promoting a just and equitable new international economic order. The objective of the fund is to alleviate the financial burden of developing countries as a result of adjustments in oil prices and inflation exported to them from industrialised countries through grants of loans and commercial loan. The resources of the proposed Fund are expected to derive mainly from contributions from industrialised countries, centrally planned economy states, oil exporting countries and will be equal to the total additional financial burden on developing countries resulting from increases in the prices of exports to developing countries. The Experts have recommended that allocation of Fund's resources to the beneficiaries should be determined on the basis of average per capita income, financial burden resulting from inflation and adjustment in oil prices, and balance of payments deficits resulting from the above factors. The specific criteria for eligibility to concessional assistance from the Fund is yet to be determined. The actual benefit that India may derive will be determined on the basis of the situation prevailing at the time the Fund is set up.

Transfer of Borrowal Accounts

6565. **PROF. MADHU DANDA-VATE :** Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has recently issued to all com-

mercial banks instructions regarding transfer of borrowal accounts;

(b) if so, what are the details of the instructions which are intended to avoid unhealthy competition as between commercial banks and cooperative banks, as well as between the cooperative banks themselves;

(c) whether these instructions have been implemented; and

(d) if so, the results thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):
 (a) and (b). Yes, Sir. The Reserve Bank of India have issued certain instructions in January, 1982 in regard to transfer of borrowal accounts as between commercial banks and cooperative banks on one hand and between cooperative banks themselves on the other. The salient features of the instructions are as follows :—

- (i) Proposals for transfer of borrowal accounts should be considered by a High Powered Internal Committee within the banks;
- (ii) While considering such proposals, the bank should examine whether the customer is transferring the account to avoid any financial discipline laid down by the Reserve Bank of India or by the financing bank, ensuring at the same time that the bank does not stand in the way of customer in selecting the bank of his choice in case he feels that his existing bank would not meet his genuine needs;
- (iii) The transfer of such borrowal accounts should be done in consultation with the existing bank, if necessary by having a discussion at a fairly high level;

- (iv) If there is a difference of opinion between the two banks which cannot be resolved in a period of one month, the matter should be referred to the RBI for decision;
- (v) In order to avoid an unhealthy interest rate war, reduction in the interest rates should be precluded for two years from the date of transfer unless justified in pursuance of a change in the credit policy of the Reserve Bank of India ;
- (vi) Where the customer is already having credit limits with one bank, another bank should not grant additional credit facilities without prior consent of the existing bank ;
- (vii) Where the existing bank, because of the pressure on its resources is not in a position to meet the genuine additional requirements of its customers and approaches another bank for participation in the additional credit facilities the latter should not use this opportunity for seeking a complete take over of the customer's account and should confine its commitment only to the extent indicated by the existing banker.

The above instructions are applicable to the accounts enjoying credit limit of Rs. 50 lakhs, and above, in so far as commercial banks and State/Central Cooperative Banks are concerned, and Rs. 15 lakhs and above in the case of urban cooperative banks.

(c) and (d). The instructions are within notice of all concerned. No complaints have been received so far by the Reserve Bank of these not having been followed by the Co-operative Banks.

Cases of Foreign Exchange Leakage

6566. SHRI K. MALLANNA : Will the Minister of FINANCE be pleased to state :

(a) whether some cases of leakage of foreign exchange have come to the notice of Government during the last two years ;

(b) if so, whether any study has been made on the problem of leakage of foreign exchange ; and

(c) if so, the details in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA) :

(a) Yes, Sir.

(b) and (c). The concerned departments of the Government remain vigilant and take appropriate action under the law whenever any such case of leakage of foreign exchange comes to their notice. The problem is also kept under constant watch by the Government for taking appropriate legislative / administrative measures as and when considered necessary.

बिहार के पटना जिले में कृषि बैंकों तथा राष्ट्रीयकृत बैंकों की शाखायें

6567. श्री रामावतार शास्त्री : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने बिहार के पटना जिले में कृषि बैंकों तथा राष्ट्रीयकृत बैंकों की शाखायें खोली हैं ;

(ख) यदि हां, तो उनका ब्यौरा क्या है;