

and back, bears the cost of clearing and handling and pays for the insurance. All the expenses in regard to decoration and display are also incurred by the Trade Fair Authority of India.

### **Credit Deposit ratio in West Bengal**

5336. SHRI SATYASADHAN CHAKRABORTY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that credit-deposit ratio in West Bengal is the lowest;

(b) if so, the reasons thereof;

(c) is there any proposal to step up the ratio in West Bengal;

(d) if so, when and the details thereof; and

(e) was any progress made in this sphere?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (e). No, Sir. As at the end of June, 1981, the C:D ratio (as per sanction) of all scheduled commercial banks in West Bengal stood at 56.4 per cent as compared to overall average of 66.6 per cent for the banking system as a whole. In terms of C:D ratio, West Bengal ranked 14th among all the States and Union Territories. C:D ratio is an index of merely the relationship between deposits mobilised in any State and the credit sanctioned by bank branches located therein. It does not reflect adequacy or otherwise of the level of credit deployment, demand for which is determined by the level of development, particularly in the organised sectors of trade and industry, which in turn is influenced by several factors such as availability of infrastructural facilities, proximity to markets, availability of raw materials, general industrial climate etc. However, banks have been advised to strive for increasing credit deployment in relatively lesser developed areas by devoting special attention

and effort to meet the credit needs of small borrowers in the priority sectors. For West Bengal, a Standing Group has been set up with Reserve Bank of India as the convenor and representatives of State Govt. and major banks in the State as members, to continually review banking developments in the State, particularly with reference to the problems encountered in the smooth flow of credit to Priority Sectors and ensure action to remove constraints.

### **Increase in flow of deposits in public Companies**

5337. SHRI A. T. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the flow of deposits in Public companies has materially increased over the period of the past one year, if so, the magnitude thereof; and

(b) whether the target of the Sixth Plan for raising capital for private sector, through various incentives for private investment, is being achieved and if so, the details thereof?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) Yes Sir. As revealed by the surveys of deposits conducted by the Reserve Bank of India the aggregate deposits with non-banking companies increased substantially from Rs. 3453.6 crores as on 31-3-1981.

(b) During the year 1981-82—349 companies raised Rs. 453 crores from the primary market as against Rs. 113 crores raised by 192 companies during the previous year. During the half-year ended 30th June 1982 the Controller of Capital Issues approved issue of share capital and debentures amounting to Rs. 362 crores as against Rs. 526 crores during the whole year ended 31-12-1981. Keeping in view these trends there is a reasonable possibility that the target of the Sixth Plan for raising the capital for private sector may be achieved.