

loans from the International Capital Markets is considered. In such cases, it has to be ensured that the party raises loans on reasonable terms and conditions. Commercial borrowings from abroad are permitted only from financial institutions and Banks of some standing. Government of India do not favour raising of loans through intermediaries. Foreign Exchange loans are normally not permitted to finance Rupee Expenditure in India. Exceptions can, however, be made in respect of predominantly export-oriented industries. Government of India have recently made exception in the case of foreign exchange loans for purposes of setting up hotels which involve rupee expenditure also.

Fall in Bank deposits

1355. SHRI P. K. KODIYAN: Will the Minister of FINANCE be pleased to state:

(a) whether there has been fall in the total bank deposits in the first five months of the current year compared to the same period in last year;

(b) if so, what are the reasons therefor; and

(c) what steps have been taken to arrest the decline in bank deposits?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b) . Provisional data show that the deposits of all Scheduled Commercial Banks increased by Rs. 850 crores (1.9 per cent) during the first five months of 1982 as compared to an increase of Rs. 2493 crores (6.8 per cent) during the corresponding period of 1981.

The rate of growth in bank deposits is influenced by a combination of factors and short-term variations in the rate of growth of deposits can occur from time to time. It is too early to assess whether the deceleration in deposit growth in the last few months will persist, and if so what are the reasons thereof.

(c) With effect from 1-3-1982, the Reserve Bank of India have raised interest on short and medium term deposits. Government have also raised the ceiling of

income tax exempt income from specified financial assets, including bank deposits, from the earlier level of Rs. 3000 to Rs. 400 per annum. Further additional income upto Rs. 2000 by way of interest from bank deposits of more than one year's maturity has also been exempted from income tax. Banks have also been asked to devote greater attention to mobilising savings of the people through formulation of innovative schemes suited to the requirements of different categories of savers. These measures are expected to assist banks in mobilising deposits.

Setting up electronic complex in salt lake area of Calcutta

1356. SHRI SATYASADHAN CHAKRABORTY:

SHRI SUDHIR GIRI:

Will the Minister of DEFENCE be pleased to state:

(a) whether the Prime Minister received any letter from the Chief Minister of West Bengal in August 1981 regarding setting up of electronic complex in the Salt Lake area of Calcutta;

(b) if so, what are the points raised by the CM; and

(c) the latest thinking of Government on the issues raised by the CM in his said letter?

THE DEPUTY MINISTER IN THE MINISTRY OF DEFENCE (SHRI K.P. SINGH DEO): (a) The Chief Minister of West Bengal has written to the Prime Minister on the subject in June and August 1980 and in June 1981:

(b) The Chief Minister had mentioned the lack of any major central public sector electronic unit in the State and had indicated the State Government's offer of suitable site and requisite infrastructure for such a unit.

(c) Similar claims have been put forward by a large number of State Governments and the matter is under consideration.