

(a) the reasons why the General Insurance Company has opposed the introduction of new insurance brokers in placing their business ;

(b) whether it is a fact that the three established brokers viz. Sedwicks, Wills and Bowrings have been sharing the total Indian business between themselves for over thirty years ; and

(c) whether it is a fact that due to this the premium being paid by the G.I.C. on the re-insurance in the London market, was as high as 300 percent of what actually they should be paying ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARI) : (a) and (b) The GIC and its subsidiaries are placing their reinsurances abroad through several other brokers in addition to the three brokers mentioned in the question. They are also not opposed to the introduction of new insurance brokers for their reinsurance placements.

(c) No, Sir.

Selling Price of Important Raw Material Imported by STC

2282. SHRI P.M. SAYEED :
SHRI B.V.DESAI : Will the Minister of COMMERCE be pleased to state:

(a) whether State Trading Corporation has decided to effect imports on F.O.B. basis to save the foreign exchange and reduce the freight cost element in determining selling prices of important raw materials required by industrial users ;

(b) if so, whether by this decision, the corporation will be in a position to offer imported items to industry on a highly competitive basis ; and

(c) to what extent the decision has saved the foreign exchange so far ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR) : (a) STC is

importing goods on FOB basis to the extent possible using Indian vessels and thereby saving foreign exchange. However, the use of Indian Vessels does not guarantee reduction in Freight cost as freight rates for Indian and foreign vessels are more or less same.

(b) STC imports goods at competitive prices by arranging bulk imports at right times. The benefits of competitive imports, as well as lower freight, if any, are passed on to the industry.

(c) with increasing emphasis on buying on FOB basis using Indian vessels, a substantial amount of foreign exchange is saved. However, it is not possible to quantify the saving in foreign Exchange.

Reservation for SC/ST in Allowance carrying Posts

2283. SHRI BHEEKHABHAI : Will the Minister of FINANCE be pleased to state :

(a) whether it is fact that Reserve Bank of India is providing reservation for SC/STs in the matter of allowance carrying posts such as Teller, Grade-I, etc ;

(b) whether it is also a fact that Banking Division had sent the RBI's Reservation Policy to State Bank of Bikaner & Jaipur as a model of guidelines with the enclosure of their Letter dated 31 December, 1977 ;

(c) whether State Bank of Patiala one of the subsidiary of State Bank of India, has also extended reservation for SC/ST in the allowance carrying posts in the Award Cadre vide their circular No Per/30 of 1983; dated the 25th February 1983 ;

(d) if so, whether State Bank of Bikaner & Jaipur is providing such reservation for SC/ST in allowance carrying posts in the Award Cadre; and

(e) if not, the reason therefor indicating Government guidelines in this regards ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARI) : (a) to (e) The Information is being collected and to the extent

available will be laid on the Table of the House.

Loans Sanctioned by Nationalised Banks to Poorer Sections of Society without Demanding any Security

2284. SHRI RATAN SINH RAJDA :
SHRI DIGAMBAR SINGH :
SHRI NARAYAN CHOUBEY :
SHRI JAIPAL SINGH KASH-
YAP : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have instructed the managements of nationalised banks to liberally sanction loans to the poorer sections of society, without demanding any security;

(b) whether it is a fact that mass loan distribution functions were held at various places if so, how many such functions were held so far, who distributed the loans and what amount is distributed involving how many people; and

(c) whether it is also a fact that bank employees are protesting against the pressure upon them to rush through loans; and

(d) if so, the reasons thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of India have recently drawn the attention of the banks to their instructions about small loans of Rs. 5000 each to small borrowers for purchase of moveable assets for productive purposes for which additional security other than the hypothecation of the asset created out of the loan is not required.

(b) Banks have been organising campaigns in different parts of the country to accelerate the tempo of credit deployment to the smaller borrowers in the priority sectors, particularly to weaker sections and also holding credit disbursement functions at various places. These functions are organised locally and there is no system of collecting information in their regard on a countrywide basis.

(c) and (d) Banks are not asked to grant loans without proper evaluation of the applications. However, they are expected to attain a reasonable standard of efficiency in the disposal of applications commensurate with the overall task of assisting the weaker sections entrusted to them. By and large, the bank staff are working for meeting the popular expectations. According to press reports, some representatives of officers' association have expressed some reservation about accelerated lending activities of banks, ostensibly on the ground that accelerated loaning would jeopardise recovery for which like any other operation of bank branches bank officers are responsible.

Setting up of a Cashew Board

2285. SHRI G. Y. KRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal under the consideration of Government for setting up a Cashew Board in view of the problems experienced by growers as well as its market facilities;

(b) if so, the details regarding the plan and programme of Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR) : (1) No, Sir.

(b) Does not arise.

Donations made to PM's Rural Development Fund

2286 DR. VASANT KUMAR PANDIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Finance Bill 1983 has established the "Prime Minister's Rural Development Fund" by making fundamental amendments to Sections 35CC and 35CCA of Income-tax Act;

(b) the total amount of donations made to Prime Minister's Rural Development Fund