

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) No Sir. However, in a Writ Petition filed by a non-governmental organisation in the Supreme Court of India, the petitioners have sought the issuance of a writ, order or directions, directing the respondent "to formulate definite policy laying down procedure for the recovery of loans and advances together with interest accrued thereon which are presently being treated as non-performing assets of banks."

(b) Does not arise. However, Government/RBI and banks have taken a number of measures to reduce NPAs in public sector banks. These measures inter-alia include the following

- (i) At the instance of RBI/Government, banks have laid down their loan policy and loan recovery policy.
- (ii) Banks have set up Recovery Cells at their Head Offices. Branch-wise recovery targets are fixed and recovery is monitored by the Recovery Cell. Recovery performance is reviewed at different levels within the banks.
- (iii) Banks are recovering NPAs through negotiated settlements which envisage that recovery is to the maximum extent possible at the minimum expense and in a reasonable timeframe.
- (iv) 9 Debt Recovery Tribunals and 1 Debt Recovery Appellate Tribunal have been set up by the Government.
- (v) The system of banking supervision has been modified and strengthened, with banks being subjected to off-site supervision in addition to on-site inspection.
- (vi) Internal control systems within the banks have been strengthened.
- (vii) In order to contain fresh NPAs, credit appraisal skills are being upgraded on a continuing basis.

Small Saving Schemes

*259. SHRI SATNAM SINGH KAINTH :
SHRIMATI REENA CHOUDHARY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have scaled down the interest rates on all major small saving schemes including Indira Vikas Patra and Kisan Vikas Patra;

(b) if so, the details thereof and the reasons therefor;

(c) whether some State Governments have criticised that this decision was taken without consulting the State Governments;

(d) if so, the details thereof and the Government's reaction thereto;

(e) its likely impact on common man's savings and annual plan of the State Governments; and

(f) the steps taken by the Government to provide due economic security and proper return of the common man's savings?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) A statement showing the revision in the rates of interest on various small savings schemes is placed at Annex. A committee under the Chairmanship of Shri R.V. Gupta which was set up to look into the issues of small savings had recommended benchmarking the interest rates on small savings schemes to the rates prevalent in the public sector banks/all India financial institutions on similar schemes.

(c) and (d) Some of the State Governments have communicated their reaction in regard to the reduction of rates of interest on small savings schemes. Some State Governments have raised the issue of prior consultation with the States for revision of interest rates in small savings. Small savings schemes are an instrument of Government of India and hence no prior consultation is called for. The State Governments have never been consulted in the past.

(e) (i) The common man's savings in small savings instruments will draw interest at the rates benchmarked to the rates prevalent in the public sector banks/all India financial institutions.

(ii) No adverse impact on the annual plan of State Governments is expected.

(f) Small savings schemes continue to carry attractive returns, substantial tax benefits, easy liquidity terms and Government of India guarantee. A large network of post offices and branches of public sector banks all over the country including rural and far flung areas, ensure easy access for small savers in schemes on tap throughout the year.

Statement*Interest on Small Savings Schemes*

Name of the Scheme	Rate of Interest per annum	
	Prior to 1.1.99	w.e.f. 1.1.99
1. Post Office Savings Account	5.50	4.50
2. Post Office Recurring Deposit (5 years)	12.50	11.50
3. Post Office Monthly Income Scheme (6 years)	13.00	12.00
4. Post Office Time Deposit		
(a) 1 Year Deposit	10.50	9.00
(b) 2 Year Deposit	11.00	10.00
(c) 3 Year Deposit	12.00	11.00
(d) 5 Year Deposit	12.50	11.50
5. N.S.C. VIII Issue (6 years)	12.00	11.50
6. National Savings Scheme 1992 (4 Years)	11.00	11.00
7. Indira Vikas Patra	13.43	12.25
8. Kisan Vikas Patra	13.43	12.25
9. Public Provident Fund Scheme (15 years)	12.00	12.00

Anti-Dumping Duty

*260. SHRI NARESH PUGLIA :
DR. SHAKEEL AHMAD :

Will the Minister of COMMERCE be pleased to state :

(a) whether attention of the Government has been drawn to the news-item captioned "Japan may drag India to WTO over anti-dumping" appearing in 'The Statesman' dated February 13, 1999;

(b) if so, whether Japan has threatened to take India to the WTO protesting imposition of anti-dumping duties on certain items; and

(c) if so, the details of the facts of the matter reported therein and the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Yes, Sir.

(b) No, Sir. However, Japan has addressed the Government through Notes Verbale sent from Embassy of

Japan, New Delhi seeking clarifications on the preliminary findings in the Anti-Dumping investigations concerning industrial sewing machine needles and Styrene Butadiene Rubber.

(c) No provision of the Multilateral Trade Agreements has been violated regarding anti-dumping by India. Antidumping proceedings in India are in accordance with Section 9(a), (b) and (c) of the Customs Tariff Act, 1975 as amended from time to time and the Rules made thereunder, which are in accordance with the WTO Agreement on Anti-Dumping.

[Translation]

Dispute on Contract Workers of BHEL

2509. SHRI SUSHIL CHANDRA VARMA : Will the Minister of INDUSTRY be pleased to state :

(a) whether a dispute with regard to the contract workers of Bharat Heavy Electricals Limited (BHEL), Bhopal is going on since long;

(b) the present issue between workers and management; and

(c) the action taken or likely to be taken on such issue?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) The Theka Karamchari Samukta Morcha has been raising demands on various issues concerning them from time to time.

(b) and (c) Discussions take place between Morcha Leaders and the Management. The Management has resolved the relevant issues suitably and explained other issues to the Morcha Leaders.

[English]

Cultivation and Export of Cashew

2510. SHRI T. GOVINDAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government provide any assistance for the cultivation and export of cashew; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) A Centrally Sponsored Scheme on Integrated Development of Cashew with a view to enhance the production and productivity of cashew was implemented during the VIII Plan, with an outlay of Rs. 5800 lakhs. The scheme was continued during the year 1997-98 with an outlay of Rs. 16 crores and during 1998-99 with an outlay of Rs. 2000 lakhs as per the