

(b) if so, the details of such banks alongwith the proposal for reorganisation;

(c) the accumulated loss of these banks during the last three years;

(d) whether the Government have enquired into the affairs of these banks to find out the reasons for their deteriorated financial position; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) No, Sir.

(b) to (e) Do not arise.

Restructuring of NABARD

3311. SHRI DINSHA PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are contemplating restructuring of National Bank for Agricultural and Rural Development (NABARD);

(b) if so, the details thereof; and

(c) the action proposed by the Government to accelerate private investment in NABARD?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) In view of the need to strengthen National Bank for Agriculture and Rural Development (NABARD) for improving, inter-alia, increased ground level flow of agricultural credit, it has been considered necessary to enhance the share capital of NABARD from Rs. 500 crores to Rs. 2,000 crores over a period of five years. For meeting necessary statutory requirements in this regard, it would be necessary to amend to NABARD Act, 1981 for enhancing its authorised share capital to Rs. 2,000 crores. Further, the role of NABARD as a principal agency in the field of rural credit needs to be strengthened. For this purpose, NABARD has decided to set up a Board of Financial Supervision for rural financial institutions. With growing liberalisation of the financial markets, it is necessary to equip NABARD to play its role as a catalyst for rural lending and leader of rural credit institutions. For this purpose, it is proposed to amend the NABARD Act to remove restrictions on NABARD's capability to raise resources through the market, develop new instruments of lending and to enable it to invest its surpluses in such instruments as may be approved by Government.

P.M.R.Y.

3312. SHRI PARASRAM BHARDWAJ:
SHRI MANIKRAO HODLYA GAVIT:
SHRI ANAND RATNA MAURYA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether there is any proposal for providing

more opportunities of jobs for educated youth under the Prime Minister's Rozgar Yojna during the Ninth Five Year Plan; and

(b) if so, the details thereof alongwith the role of banks as well as the State implementing agencies in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir. A proposal has been made for providing more self employment/job opportunities under PMRY during the IX Five Year Plan. Once the IX Plan is finalised, the proposal shall be firmed up.

Corporate Sectors Borrowings

3313. SHRI MADHAVRAO SCINDHIA: Will the Minister of FINANCE be pleased to state:

(a) whether the corporate sector borrowings from banks have been declining; and

(b) if so, the details thereof and how far it is attributable to decline in industrial growth rate?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) Reserve Bank of India (RBI) have reported that the net non-food credit of all scheduled commercial banks showed a subdued growth of Rs. 14,395 crore (5.9%) during the current financial year (upto January 31, 1997) as compared with an increase of Rs. 31,615 crore (15.9%) in the corresponding period of the previous year. The growth in net non-food bank credit during the current financial year has, however, to be viewed in the context of very large increase in net bank credit in the two preceding years. The outstanding non-food credit of all scheduled commercial banks increased by 59.1 per cent (Rs. 90,713 crore) to Rs. 244,224 crore between March 18, 1994 and March 29, 1996.

In viewing the growth of bank credit, the growth in total flow of funds to the commercial sector from banks and non-banks also needs to be considered. The total flow of funds to commercial sector both from banks and non-banks sources amounted to Rs. 67,956 crore upto January 31, 1997 as compared with Rs. 73,929 crore in the corresponding period of 1995-96.

[Translation]

Supply of Coal to Damodar Valley Corporation

3314. SHRI RAVINDRA KUMAR PANDEY: Will the Minister of COAL be pleased to state:

(a) whether the Damodar Valley Corporation have demanded the Coal India Limited for supply of 5 metric tonnes of coal for setting up of power plant having 1000 megawatt capacity in Maithan Right Bank;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY COAL (SHRIMATI KANTI SINGH): (a) and (b) Yes, Sir. Damodar Valley Corporation have requested Coal India Limited for supply of required quantity of coal for their proposed Maithan Right Bank Thermal Power Project, having capacity of 1000 MW (4 x 250 MW).

(c) The proposal of Damodar Valley Corporation in this regard has been received in the Ministry of Coal in February, 1997 which after due examination will be submitted to the Standing Linkage Committee (Long-term) for appropriate decision.

[English]

CBI cases Against Bank Officials

3315. SHRIMATI MEIRA KUMAR: Will the Minister of FINANCE be pleased to state:

(a) how many cases for investigation by CBI against senior officers of the nationalised banks were referred to the RBI for advice during the period from January, 1991 to January, 1997;

(b) the number of cases which RBI opined in favour of investigation; and

(c) the number of cases in which CBI was permitted to investigate such cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The information is being collected and will be laid on the Table of the House.

LIC Office at Siliguri

3316. SHRI MEHBOOB ZAHEDI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to open LIC's Divisional Office at Siliguri, Haldia, Maldah, Agartala;

(b) if so, by when; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) No, Sir.

(c) The Life Insurance Corporation (LIC) has informed that since its branch offices are complete activity centres and are functioning satisfactorily at all the places mentioned it has no proposal to open Divisional Offices at Siliguri, Haldia, Maldah and Agartala.

NABARD Loan to Kerala

3317. SHRI S. AJAY KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the 'NABARD' has stopped Agriculture loan to Kerala co-operative Banks; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) National Bank for Agriculture and Rural Development (NABARD) has entered into a Memorandum of Understanding (MoU) with the State Government/State Co-operative Bank for revamping the co-operative credit structure on sound lines. The MoU, inter-alia, contains a covenant whereby the Chief Executive Officers of Co-operative institutions could be appointed/replaced only in consultation with NABARD. This has consequently been incorporated as one of the terms and conditions governing sanction/release of refinance by NABARD and it has been stipulated that non-compliance with this requirement will lead to stoppage of refinance.

In so far as Kerala is concerned, the State Government has passed orders for replacing the Chief Executives of both Kerala State Co-operative Bank and Kerala State Co-operative Agricultural and Rural Development Bank without prior consultation with NABARD. NABARD has, therefore, suspended the release of refinance to both the institutions, under all lines of credit, in terms of the relevant covenant governing sanction/release of refinance facility.

Lead Bank Scheme in Assam

3318. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned 'Non-functioning of LBS a common phenomenon in Assam' appearing in Assam Tribune dated December 3, 1996;

(b) if so, the fact and the details of the issued raised therein; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The information is being collected and will be laid on the Table of the House to the extent available.

Loan by NABARD

3319. SHRI T. GOPAL KRISHNA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are monitoring utilisation of the loan given by NABARD loans for the purpose it was meant;

(b) if so, the details thereof;

(c) whether any request has been received from Government of Andhra Pradesh for fresh loans; and

(d) if so, the decision taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) and (b) National Bank for Agriculture and Rural Development (NABARD) extends refinance assistance to commercial