

Title: Need to initiate appropriate measures to implement the Avari Committee Report and increase the quantum of loan facilities to Kerala.

SHRIS. AJAYA KUMAR (OTTAPALAM): Sir, the commercial banks in Kerala are continuing their non-cooperation in the development projects of the State. The credit-deposit ratio in Kerala is lowest in the South India. In 1996-98, the total deposits in commercial banks in Kerala went up from Rs.20,110 crore to Rs.28,000 crore, nevertheless, the credit-deposit ratio decreased from 45.7 per cent to 43 per cent. This was lower than the average national credit ratio of 53 per cent. The total ignorant attitude of the commercial banks has affected the people's campaign. These banks deliberately evade this drastic economic change of the States.

The Avari Committee, in its report submitted to the Reserve Bank of India in 1994, had recommended that the credit-deposit ratio in Kerala should reach 52.8 per cent during 1996-98. These banks collect large scale deposits and divert this to other out of State projects.

I am expressing my strong criticism on this policy because the control of all banks is in the hands of the Central Government.

Therefore, I request the Government to initiate appropriate measures to implement the Avari Committee Report and increase the quantum of the loan facilities to Kerala.