

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI ARANGIL SHREEDHARAN): (a) and (b) The setting up of certain joint venture projects for manufacture of DAP/phosphoric acid in USA and Jordan are presently at discussion stage in MMTC from technical and operational angles. No specific proposals have emerged.

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**Check on Deficit Financing**

2715. SHRI G. S. BASAVARAJ: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry had taken a number of measures to check the deficit financing;

(b) if so, the details thereof; and

(c) to what extent it has been checked so far?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) Yes, Sir. Government has initiated steps to maximise revenue receipts and contain expenditure growth. All Ministries/Departments have been requested to make sustained efforts for reducing the burden of administrative expenditure and exercise careful scrutiny of all ongoing programmes and schemes. They have been advised not to make any fresh demands for additional funds, however, important or urgent the requirement may be unless they are in a position to identify matching savings in their other ongoing programmes. Orders have been issued imposing a cut in expenditure on foreign travel and petrol and diesel consumption.

(c) The impact of these measures will be known over a period of time.

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**Payment of Commission by Banks**

2716. SHRI SANAT KUMAR MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether nationalised banks are paying commissions to large depositors including chiefs of public sector undertakings;

(b) if so, the details thereof?

(c) the names of banks that have been indulging in this practice; and

(d) the action taken/proposed to be taken by Government in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (d) Reserve Bank of India (RBI) has reported that they have not received any specific complaints indicating names of Banks/Undertakings regarding payment of commissions by Nationalised Banks to large depositors including public sector undertakings. Reserve Bank of India has issued a series of instructions prohibiting banks from paying brokerage in any form for acquiring or mobilising deposits to any individual, firm, company, association, institutions or any other person. The Chairmen of Banks have been asked to take effective steps to ensure that any practice of giving inducement in any form are not resorted to in their banks. They have also been asked to bring to the attention of RBI cases coming to their notice where deposits have been acquired by banks by resorting to unfair practices or in contravention of the Reserve Bank of India's instructions.

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**Under-Invoicing of Import**

2717. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether in a bid to discourage under-invoicing of imports and plug revenue leakages, India has pressed for a significant change in the import valuation code of the General Agreement on Trade and Tariffs (GATT);

(b) whether the GATT code has created problems of underinvoicing for India; if so, the reasons therefor; and

(c) the stage at which the matter stands at present?