

Charges for Issuing Cheque Books

*135. SHRI VAMANRAO MAHADIK: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) have issued guidelines to banks for charging Re.1 per leaf for cheque books issued to their clients;

(b) if so, the reasons therefor; and

(c) the action Government propose to take in the matter in view of the hardship to clients?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c). The public sector banks have revised their service charges with effect from 1.7.1990. Under the revised charges, in four metropolitan cities, namely, New Delhi, Bombay, Madras and Calcutta, a charge of Re. 1/- per leaf is levied at the time of issuance of cheque books. This charge however, is not levied on Savings Bank Accounts of individuals.

2. The banks have increased their service charges on account of increase in the cost of their operations. While all efforts have been made to keep charges at a reasonable level, there is no alternative to making adjustments in such charges when the cost of services increases.

[Translation]

**Loans Advanced Under
Self-Employment Scheme**

*136. SHRI RAJVEER SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in a number of cases the loans advanced under the self-employment scheme during the last two years have not been utilised for the purpose

for which the loan was given;

(b) if so, the number of such cases; and

(c) the effective steps taken by the Government in regard thereto?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c). The commercial banks provide loans to identified beneficiaries under various self-employment schemes like Self Employment for Educated Unemployed Youth (SEEUY), Self Employment Programmes for Urban Poor (SEPUP) and Scheme for Urban Micro Enterprises (SUME). The data reporting system in these schemes does not generate the information regarding the number of cases where loans get misutilised. By and large the loans advanced under these schemes are utilised by the beneficiaries for the given purpose. However, some cases of misutilisation of loans do come to the notice of the Banks from time to time and appropriate action is taken by the banks to deal with such cases.

[English]

Trade with Iraq

*137. SHRI M.V. CHANDRASEKHARA MURTHY:
SHRI V. SREENIVASA PRASAD:

Will the Minister of COMMERCE be pleased to state:

(a) whether India's trade with Iraq has been disrupted due to the Gulf crisis;

(b) if so, the details of the major projects and companies affected due to the Gulf crisis; and

(b) the steps Government propose to