

classes, areas of operation as well as other restrictions and therefore they have suggested that we should provide them broader capital base, we should provide them less interest rate and we should be able to provide them better facility for investment. We will take those constructive suggestions into account and avoid the doubts which the hon. Members is having.

**SHRI BAL GOPAL MISHRA:** I would like to know whether the Government are aware of the fact that Bolangir Anchalik Gramya Bank of Orissa, one of the old Regional Rural Banks of the country has sustained a loss of Rs. 3.75 crores during last year. What action Government propose to take to prevent these losses?

**PROF. MADHU DANAVATE:** We were aware of the fact and we are taking due steps in order to see that the crisis is removed.

**SHRI H.K.L. BHAGAT:** Sir, the hon. Minister has stated in his Budget speech that the wilful defaulters who despite their capacity to repay the loans will be excluded from debt relief and loans of only such defaulters who are unable to repay would be written off. In this regard, I would like to know from the hon. Minister who will decide as to whether a particular individual has capacity to pay or not. Will it not breed corruption? What arrangements have been made to check corruption in it? What are the criteria to decide as to which loans are to be written off or which not?

[*English*]

**PROF. MADHU DANAVATE:** Sir, I have already replied this question. I will again reply. We will not leave it to the tender mercy of the bank officers to decide who are the wilful defaulters. That will give scope for the corruption and therefore the basis for accepting a norm is one who has the capacity to pay and has not been paying and that should be considered by the banks to decide about the wilful defaulters, and the basis of the accepted definition of wilful defaulters which you were accepting all these years will not be followed. (*Interruptions*).

## WRITTEN ANSWERS TO QUESTIONS

### Proposal of Indian Overseas Bank for Assistance to House Builders

\*351. **SHRI M.V. CHANDRASHEKARA MURTHY:** Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has rejected the proposal of the Indian Overseas Bank to float a subsidiary company in association with the General Insurance Corporation for increasing the assistance to house builders/owners; and

(b) if so, the facts and details thereof?

**THE MINISTER OF FINANCE (PROF. MADHU DANAVATE):** (a) to (b). A proposal was received by the Government of India and Reserve Bank of India from Indian Overseas Bank to set up a housing finance subsidiary which envisaged a participation of the Bank with the General Insurance Corporation. The matter is under consideration.

[*Translation*]

### Production and Export of Tea

\*352. **SHRI RAMLAL RAHI:** Will the Minister of COMMERCE be pleased to state:

(a) whether there has been a decline in the export of tea;

(b) if so, the extent of fall in the exports during the last three years, year-wise and the reasons therefor;

(c) the projections in regard to exports of tea by India by the end of this century;

(d) whether tea production has also gone down; and