

Differences between Steel Plant at Visakhapatnam and Paradip

*606. SHRI KUSUMA KRISHNA MURTHY: Will the Minister of STEEL AND MINES be pleased to state in what way the integrated port-based steel plant envisaged at Paradip basically differs from the port-based steel plant at Visakhapatnam?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) As a part of the overall development programme for the augmentation of steel-making capacity in the country, Government have been considering the possibilities of setting up a new port-based steel plant with a capacity of 3.0 million tonnes per annum. Paradip is being considered as one of the possible sites. Offers of technical and financial assistance for this purpose have been received from certain parties in West Germany, U.K., etc. These proposals including the question of final location of the plant as well as other terms and conditions are presently in various stages of detailed technical and financial evaluation and will have to be negotiated further with the parties concerned before a final decision can be taken. It will therefore, be premature at this stage to attempt any comparison between the steel plant to be set up at Visakhapatnam and the proposed new steel plant.

Aid from West Germany

*607. SHRI MANPHOOL SINGH CHAUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that West Germany had agreed to provide financial aid to India for our economic development during the current financial year;

(b) if so, the details thereof; and

(c) the specific areas where the proposed aid will be utilised?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) to (c). The West German Government has agreed to provide financial assistance to India for our development during the current year. The details of the aid are as shown below:—

	(DM Million)
(1) Commodity assistance	40
(2) Project oriented commodity assistance	20
(3) Capital goods	44
(4) Loans to financial institution	40
(5) Loan to Agricultural Refinance & Development Corporation	38
(6) Project Aid	178
Total:	360

The aid will be utilised in the sectors of power, mining, rural water supply, agricultural development and for import of spare parts, components, raw materials and other commodities and capital goods.

Dead Accounts in Nationalised Banks

*608. SHRI B. V. DESAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the number of dead accounts in the nationalised banks are on increase every year;

(b) if so, what are the total dead accounts at present in all the nationalised banks;

(c) what is the total amount involved in such dead accounts;

(d) what steps are being taken to find out the real owners of these accounts;

(e) whether this amount is not utilised by the banks; and

(f) what are the main causes of increase in the number of dead accounts and what steps are being taken to discourage this trend?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): Based on the information available with the Reserve Bank of India, the position is as follows:—

(a) to (c). Yes, Sir. The number of inoperative Deposit Accounts in India in Public Sector Banks (including the recently nationalised six banks), which have not been operated upon for ten years or more and the amount of deposits in them as at the end of December, 1976, 1977 and 1978 is furnished below:—

As on	No. of Accts. (in lacs)	Amount (Rs. in crores)
31-12-1976	10.87	11.81
31-12-1977	11.96	13.21
31-12-1978	13.64	14.63

(e) These amounts form part of deposits with banks and are utilised by the banks in the same manner as other deposits.

(d) and (f). No precise reasons are available for the increase in the number of inoperative accounts. However, some of the possible reasons may be as follows:

(i) Certain accounts are opened with the sole object of encashing crossed, instruments and thereafter are left inoperative;

(ii) Sometimes bank officials persuade the customers to keep their accounts open with some minimum balance;

(iii) Indifference on the part of account-holder, who does not want to operate the account; and

(iv) Death of account-holders who had not given any information about their accounts to their relatives and friends.

Banks do take initiative in contacting the account-holders or their nearest kin about such accounts. However, as far as the accounts in categories (i) to (iii) above are concerned, the onus for keeping the accounts operative or to claim the balance therein really rests with the account-holders themselves. As regards the amounts lying to the credit of deceased account-holders, necessary instructions have been issued to all public sector banks on the recommendations

of the Working Group on Customer Service to settle the claims on the basis of due local inquiry and adequate indemnity without insisting on legal representation etc. It is also proposed to amend the Banking Regulation Act to provide for nomination facilities to account-holders, which will result in expeditious payment of such balances to the nominees.

Reduction in Price of Cotton Cloth

*609. (SHRI CHITTA MAHATA): Will the Minister of COMMERCE be pleased to state what steps have so far been taken to reduce the price of cotton cloth during the last five months.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI): There has been a marginal increase in the prices of cotton cloth during the last five months. The wholesale price index of cotton cloth has risen by four points during this period as compared to a rise by about twenty points in all manufactures. Among other factors, the rise has been due to increase of input costs and inadequacy of power supply. Controlled cloth schemes supplemented by the Janata sarees and dhoties scheme under the Handlooms together with the Cheap Cloth Scheme (under which 1000 million metres have been planned to be marketed at retail prices below Rs. 6.36 per metre) have been some steps to mitigate the impact of the price rise on the poorer sections of the population. In addition, National Cooperative Consumers Fe-