

components or increase in the duty on finished goods imported from abroad. There are now a number of raw materials which are liable to an import duty of 55 per cent *ad valorem*, which is much less than the duty applicable to the majority of the final electronics equipments. The rate of import duty on a number of capital goods used in the electronics industry has also been reduced to 35 per cent. *ad valorem* (basic + auxiliary) as against the rate of duty of 50 per cent *ad valorem* (basic + auxiliary) applicable to machinery in general. These duty concessions are available to all units of the industry, whether they are in the public sector or the private sector.

The above measures are expected to afford substantial assistance in the growth of the electronics industry.

#### Association of M.P.s with Functioning of Nationalised Banks

\*498. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether Members of Parliament especially those belonging to Lok Sabha are associated in any way with the functioning of the nationalised banks, including the opening of their branches;

(b) if so, the pattern of their association including their participation, if any, in the State/District Consultative Committees set up by the State Governments in this regard; and

(c) if there is no association of the Members of Parliament in this important field, the reasons therefor and the likely date by which it is proposed to ensure association of Members of Parliament in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). A statement is attached.

#### Statement

The Hon'ble Members of Parliament are associated with the functioning of the

public sector banks in various ways. The policy objectives set before these banks emerge as a result of the discussions and deliberations of the Hon'ble Members in the Houses of Parliament as also their suggestions and recommendations in specific committees, such as the Informal Consultative Committees of Members of Parliament for Ministry of Finance, the Estimates Committee and the Committee on the Welfare of Scheduled Castes and Scheduled Tribes. The implementation of the policy guidelines is also reviewed by the Hon'ble Members in these forums.

At the State level Coordination Committees comprising the representatives of the banks as also the Government Departments at a fairly senior level, have been constituted by the State Governments to facilitate coordination between the banks and the State agencies. Government of India have advised the State Governments to associate the Members of Legislatures and the Hon'ble Members of Parliament with the deliberations of their committees.

The District Level Consultative Committee is primarily a functional body for sorting out ground-level problems of inter-institutional coordination. The committee, presided over by the District Collector, comprises Lead District Officer of the Reserve Bank, representatives of banks operating in the district and district level officers concerned with development programmes. However, State Governments have also been advised to invite to the meetings of the committee non-official experts of industry or occupations which can be identified in a district as central to its economy and requiring special attention from credit institutions.

The Hon'ble Members of Parliament also make suggestions for opening of branches at different places. These suggestions are examined carefully and, subject to feasibility and viability, opening of branches is permitted by the Reserve Bank of India. In terms of their branch licensing policy, however, the centres for location of branches are finalised by the Reserve Bank in consultation with the State Governments and the banks.