

of the House.

SHRI VISHWANATH PRATAP SINGH : I can do so; but because he has asked I am giving.

PROF MADHU DANDAVATE : The hon. Minister, while replying to a supplementary from the hon. Member from Trivandrum has already stated that certain companies are having losses and some companies are having profits. From the figures which he has given it is very clear that these companies outside India are having overall profit. I would like to know whether these companies which the Birla have formed, in different parts outside India have been actually investing in various schemes and in various companies in India. In doing so what are the concessions that have accrued to them? Can he give us the details?

SHRI VISHWANATH PRATAP SINGH : This is regarding joint ventures abroad. I think it is not covered by this question.

MR. DEPUTY-SPEAKER : It is about joint ventures. If you give him a specific question, he can answer it.

SHRI VISHWANATH PRATAP SINGH : I can furnish information about repatriation if the hon. Member is interested.

PROF. MADHU DANDAVATE : Do that. If they from companies, what advantage are they getting by putting the money back into some of their companies here?

PROF. N. G. RANGA : They are already making profits. That is good enough.

SHRI VISWANATH PARATAP SINGH : The Birla Group has 16 overseas companies. Against an investment of Rs. 11 crores the repatriation is Rs. 10 crores and additional export generated is estimated to be Rs. 28.8 crores.

SHRI AMAL DATTA : The hon.

Minister has given a figure of the total book value of the assets as Rs. 240 crores. As everybody knows, all these assets are generally accumulated over a period of 10, 15 or 20 years, and it is merely of historical interest as to how much money they have invested originally. Will the hon. Minister be pleased to say what is the correct market value of the assets of these companies, controlled by the Birla group abroad today? And secondly, what kind of a check is made by the Government of India to see that as a multi-national in the country concerned, the Birla group does not indulge in the kind of behaviour, which we see the multi-nationals indulge in India, namely exploiting the local population through higher prices by exploiting monopoly position?

SHRI VISHWANATH PRATAP SINGH : The assets, as have been defined in Section 20 (a) (1) of the MRTP Act are equal to gross fixed assets minus depreciation, plus investment plus current assets minus advance income-tax actually paid. This is the lawful definition and we go by this. We do not go in for exploring market value assets. We have got this law. As for the internal prices, I do not think that is covered, by this.

Attracting of more deposits by Companies in Non-Banking Sector

*489 **SHRI K. PRADHANI :** Will the Minister of FINANCE be pleased to state :

(a) whether a recent study by the Reserve Bank of India has revealed that companies in the non-banking sector have been able to attract more deposits at a faster rate than the scheduled commercial banks recording a seven-fold increase during the decade 1972 to 1982 while the banking sector could register only five-fold increase in this period;

(b) if so, the reasons for the non-banking companies overtaking banks in the matter of deposit growth; and

(c) its overall impact on the national economy and how far it has strengthened the base of the non-banking companies in holding public deposits and utilising them in furtherance of their own interest ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c) A statement is laid on the Table of the House.

Statement

(a) and (b) As per the survey of Reserve Bank of India, the aggregate deposits of all scheduled commercial banks increased from Rs. 8598 0 crores at the end of March, 1973 to Rs. 43820.0 crores as at the end of March, 1982. During the same period the aggregate deposits of non banking companies rose from Rs. 747.2 crores to Rs. 5491.8 crores. Viewed in absolute terms the growth in deposits of scheduled commercial banks is far more than the growth in aggregate deposits of companies. The ratio of deposits of banking sector to non banking corporate sector is about 8:1. There is, therefore, no reason to conclude that the non banking companies have overtaken banks in the matter of deposit growth. Moreover, the aggregate deposits of companies comprise of 'deposits' and 'exempted deposits'. The 'exempted deposits' include borrowings from banks and financial institutions, money received from Central Government, State Governments, inter-company borrowing, security deposits, advance received against orders etc. If exempted deposits are ignored the rate of growth of deposits of scheduled commercial banks is more than that of non-banking companies.

(c) It is not possible to precisely assess the over all impact of acceptance of deposits by non banking companies on the national economy. However, there is no evidence to show that there has been any large scale diversion of funds from the banking sector to non banking corporate sector deposits. In determining the credit requirements of corporate

sector from commercial banks, the resources mobilised by them from outside the banking sector are duly taken into consideration in fixing their credit limits; in other words to the extent the non-banking companies raise deposits from public, their entitlement to, as well as, dependence on bank credit it correspondingly reduced.

SHRI K. PRADHANI : Mr. Deputy-Speaker, it is mentioned in the answer, "...in other words to the extent the non-banking companies raise deposits from the public"—I am reading the last sentence—"their entitlement to, as well as, dependence on bank credit is correspondingly reduced."

I welcome this idea, and further, I would like to know from the hon. Minister as to what extent the Government allow these non-banking companies to raise deposits from the public.

SHRI JANARDHANA POOJARI : So far as the investment of companies are concerned, 40 per cent of net own fund i.e. 15 per cent from the share-holders, etc. and 25 per cent of other deposits, is the ceiling that has been imposed. So far as the loan companies and residuary financial companies are concerned, the same restriction is placed

SHRI K. PRADHANI : Is it a fact that in the year 1983 the total disbursement by all the financial institutions which basically support industrial activity, was at the level of Rs. 3000 crores against the lease assessed during the year amounting to Rs. 50 crores ? Is it in order and as per the present policy of the Government ?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : It is nothing to do with the investment from the financial institutions or the banks. The question relates to the ratio of deposits between the non-banking companies and banking companies.

SHRI K. RAMAMURTHY : Is it a fact that raising of deposits by the non-banking companies is instrumental for generating black money? Investment by the depositors in non-banking companies are also voluminous. But this fact is not known to the concerned departments i.e. Income Tax Department and Revenue Intelligence. Has the Minister received any such complaint that the black money is deposited in non-banking companies; if so, what steps the Minister has taken in this regard?

Will the Finance Minister think of putting certain restrictions over the deposits of non-banking companies? And if their deposits go beyond a certain limit, will it be made obligatory on the part of the non-banking companies to reveal the details of deposits to the concerned departments?

SHRI PRANAB MUKHERJEE : So far as limit on the deposit is concerned, my colleague has already replied about the limit applicable to various types of non-banking companies. About the question whether a part of the black money could be utilised or not, when the specific complaints are received, definitely we take note of it. For the information of the hon. Member, the provision which I have introduced in the current Finance Bill is that every deposits above Rs. 10,000/- will have to be made through an account payee cheque. That will take care of the suspicion which the hon. Member is having in his mind.

बिहार के वैशाली जिले में महुआ
और जंदाहा में बैंकों की
शाखाएं खोलना

*491. श्री राम विलास पासवान : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या बिहार के वैशाली जिले में महुआ और जंदाहा में भारतीय स्टेट बैंक की कोई शाखा नहीं है ;

(ख) क्या यह सच है कि महुआ और जंदाहा प्रखंड मुख्यालय है ; और

(ग) क्या सरकार का विचार जनहित में उक्त दोनों स्थानों पर बैंकों की शाखाएं खोलने का है और यदि हां, तो कब तक और यदि नहीं, तो उसके क्या कारण हैं ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A statement is laid on the Table of the House.

Statement

Reserve Bank of India has reported that Mahua and Jandaha in Vaishali District, Bihar are block headquarters and that while the State Bank of India has no branch at either of these block headquarters, banking facilities are available at these centres. While Mahua is served by a branch of Central Bank of India, Jandaha has a branch of Vaishali Kshetriya Gramin Bank. At present there is no licence pending with any bank for opening a branch at either Mahua or Jandaha.

श्री राम विलास पासवान : उपाध्यक्ष महोदय, मैंने जो प्रश्न पूछे हैं उसका संबंध मेरी कांस्टीट्यूंसी से है और इस प्रश्न के माध्यम से मैं यह भी जानना चाहता था कि सरकार की नीति रूरल एरियाज और शहरी एरियाज के लिए क्या है। सरकार हमेशा कहती रहती है कि हम रूरल एरियाज को प्रोत्साहन देंगे लेकिन इस जवाब से यह साबित नहीं होता है। यह दोनों प्रखण्ड महुआ और जंदाहा जोकि ब्लॉक के मुख्यालय हैं, वहां पर सरकार को तम्बाकू पर एक्साइज ड्यूटी के द्वारा एक करोड़ रुपए प्राप्त होते हैं लेकिन वहां पर स्टेट बैंक की एक भी शाखा नहीं है। इसी से मालूम हो जाता है कि आप देहाती क्षेत्र को कितनी