

like to know how much black-money is under circulation. Perhaps, the Government may not be aware of this. Can the Government tell the House about the accumulation of black-money and the preventive measures taken to avoid such unpleasant action of raiding and harassment? Sometimes after conducting the raids they do not get anything. What are the preventive measures that the Government is taking to see that the black money does not get accumulated with anybody?

**SHRI JANARDHANA POOJARY :** It is true that no official estimation of the black money in circulation has been done and it cannot be done also. It is not at all possible. The fact that there is unaccounted black money in the country cannot be disputed at all. If somebody tries to estimate the extent of black money, or even if I try to do it, I will be considered as a fool. I can only perhaps say what black money was found in the possession of a particular gentleman.

As the hon. Member made a point, we have to take all the steps and we are taking steps to curb the black money and mop it up.....(*Interruptions*). The hon. Members are also aware of the fact that the Government has been taking steps to mop up the black money.

**MR. SPEAKER :** These raids are also one of such steps.

**SHRI PIYUS TIRAKY :** We do not know how much black money is there.

**MR. SPEAKER :** It is a vague question.

**SHRI DINESH GOSWAMI :** A number of Committees went into this question and they gave some estimate of the amount of black money. The Minister can give that to us.

**SHRI JANARDHANA POOJARY :** Some organization have made an estimate of black money and we have stated that also before the Parliament, but we do not agree with that.

**SHRI C. MADHAV REDDI :** In respect of certain categories such as the businessmen and industrialists, apart from the prosecutions and notwithstanding the result of the prosecution, may I know whether the Government are taking steps to see that they are blacklisted for purposes of obtaining bank credit and other facilities from the financial institutions?

**SHRI JANARDHANA POOJARY :** We have identified such companies who are in arrears of income tax, customs and excise duties to the extent of Rs. five crores and we are not considering them for modernization, expansion as also giving licences for further expansion in the form of more companies. We consider this as a disqualification and we are not giving any preferential treatment to such people.

**SHRI ANIL BASU :** How many raids have been conducted in the premises of income tax, customs and other revenue officials and how much black money has been unearthed during such raids and what punishment has been given to them.

**MR. SPEAKER :** It has already been answered.

**SHRI JANARDHANA POOJARY :** We have conducted some raids and taken the required action. Some of these people have been sent home also and on seeing threat of being taken action against them, some of them have left the organisation also. The figure relating to the actual amount seized is not available. I will, however, furnish it to the hon. Member.

#### Opening of Regional Rural Banks in Tamil Nadu

\*471. **SHRI-N. DENNIS :** Will the Minister of FINANCE be pleased to state :

(a) whether there is a proposal under consideration of Government to open Regional Rural Banks in Tamil Nadu ;

(b) if so, the places where such banks would be opened ; and

(c) whether special consideration would be shown to industrially backward areas in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) to (c) A statement is given below.

#### Statement

The Steering Committee of National Bank for Agriculture and Rural Development (NABARD) had recommended to the Government in March '86 for setting up two new Regional Rural Banks (RRBs) in Tamil Nadu. Out of these one RRB covering South Arcot district has already been set up in June 1986 with the requisite equity participation from the State Government. The State Government did not favour setting up another RRB, which was proposed to cover district Salem, and was of the view that, the cooperative institutions are functioning effectively and catering to the credit needs of the rural population in that district. At present there is no other proposal, duly recommended by the Steering Committee of Nabard, under the consideration of the Government for opening a new RRB in Tamil Nadu.

Since the main objective of Regional Rural Banks is to finance weaker sections of the society, the gap in the availability of credit to target group is the primary consideration for opening a new Regional Rural Bank.

**SHRI N. DENNIS:** There is a lot of regional disparity in the matter of setting up of Regional Rural Banks and the north-eastern region and the southern region are almost left out. As per the 1985 figures, the total number of RRBs in the country was 183 and out of that 38, 32 and 22 such banks were in UP, Bihar and Madhya Pradesh respectively. Where as Tamil Nadu is given only one RRB and one more is being set up now. May I know from the hon. Minister whether more and more RRBs could be set up in the North Eastern Region and in the Southern Region to cover up the deficiency in the coming years ?

**SHRI JANARDHANA POOJARY :** Sir, we have received some requests from the Tamil Nadu Government and our Steering Committee also recommended setting up of some RRBs there. The proposals sent by the State Government are under consideration. So far as the North Eastern Region is concerned, if the requests are forthcoming from the State Governments of North Eastern Region, I will definitely ask the Steering Committee of NABARD to consider those proposals. No indiscrimination will be shown with regard to North Eastern and Southern Region.

**SHRI N. DENNIS :** It is seen that the RRBs are facing the problems of viability, overdues, personnel, disparity, etc. May I know whether any review is made in this regard ? What are the steps taken by the Government to get over these difficulties ? I would also like to know whether any Committee is appointed to examine these difficulties as has been reported and the gist of the guidelines or recommendations made by the Committee. Also, will the Government expand the operation of these banks throughout the country in the coming years ?

**SHRI JANARDHANA POOJARY :** The performance of the RRBs is reviewed. Out of 188 RRBs, about 139 are making losses. Here I want to bring to the notice of the hon. members that these banks have a low power structure and they are serving the poorer sections in the rural areas, especially those income does not exceed Rs. 6500 per annum. The loans given by the RRBs are refinanced by NABARD and here also efforts are being made to improve their efficiency. Some of the RRBs are making profits. We are reviewing the performance and wherever required remedial measures are also being taken.

**SHRI P. R. KUMARAMANGALAM :** Mr. Speaker Sir, I would like to ask the Minister whether the Tamil Nadu Government has recommended the setting up of a RRB in Salem. If so, is this under consideration, because after all Salem is a rural area which desperately requires a RRB ? What is the reaction of the Union Government ?

**SHRI JANARDHANA POOJARY :**  
Sir, if I remember correctly, when we thought of setting up a RRB in Salem, the State Government has stated that there is a strong cooperative structure in that district and hence no RRB is required. If the hon. member feels that there is a necessity and if the Tamil Nadu Government also thinks that there is a necessity, we will definitely consider setting up of a RRB in Salem.

**PROF. P. J. KURIEN :** Sir, the hon. Minister has said that there are a number of RRBs in various States. But as has been pointed out there are States, say like Kerala, without even a single RRB. These banks are meant to provide loans for the weaker sections of the society. So, I would like to know whether the Minister has got any perspective plan to establish RRBs in States which are at present not covered and if so, within what time, you will cover all these areas and how many such branches will be opened.

**SHRI JANARDHANA POOJARY :**  
Sir, as per the branch licensing policy for the years 1980 to 1985, we have to find out first the deficit areas.

So far as Kerala is concerned, we have been receiving the proposals of the State Government and we are examining it and if the deficit areas require sufficient number of RRBs, we will definitely consider setting up of RRBs.

**MR. SPEAKER :** Smt. Kalpanaji.

**SHRIMATI T. KALPANA DEVI :**  
Mr. Speaker, Sir, I congratulate and thank the hon. Minister of Finance for taking this stand.

*(Interruptions)*

**AN HON. MEMBER :** Let him reply.

**MR. SPEAKER :** Kalpanaji, this is too short.

*(Interruptions)*

**AN HON. MEMBER :** He has not answered it.

**SHRIMATI T. KALPANA DEVI :**  
I thank the hon. Minister for taking action much before answering my question.

**MR. SPEAKER :** All right.

*(Translation)*

**SHRI KALI PRASAD PANDEY :**  
Mr. Speaker, Sir, in his reply, the hon. Minister has.....

**MR. SPEAKER :** Kali Prasadji, you have not yet put your question and since the hon. Member, in whose name this question has been listed has not asked this question, the reply will not come.

*(English)*

**PROF. MADHU DANDAVATE :** If the first person surrenders, the second person can offer himself.

*(Translation)*

**SHRI C. JANGA REDDY :** Although the hon. Member has not asked the supplementary, yet he has thanked for the answer.

*(English)*

**Closure of Small Scale Units due to Levy on PVC Compounds**

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\*472. **DR. T. KALPANA DEVI :**  
**SHRI KALI PRASAD PANDEY**

Will the Minister of FINANCE be pleased to state :

(a) whether the small scale unit dependent on PVC compounds are lying closed because of 30 per cent duty on PVC compounds ;

(b) if so, the number of the companies closed ; and

(c) the number of employees affected by the closure of these units ?