

Bank of India has reported that it has not commented adversely on the accounting system of 'Maharashtra Savings' a proprietary concern having its Head Office at Bombay and administrative office at New Delhi.

(b) and (c). In accordance with the provisions of Chapter III-C of the Reserve Bank of India Act, 1934, unincorporated bodies are prohibited from accepting deposits in excess of certain specified numbers. In terms of the provisions of this Act, it is for the State Government concerned to create the necessary machinery to enforce the provisions of the Act. Reserve Bank of India has already addressed all the State Governments to create the necessary machinery.

On receipt of certain complaints alleging non-payment of deposits by 'Maharashtra Savings', Reserve Bank of India has forwarded the same to the Government of Maharashtra for taking appropriate action. In the meanwhile, 'Maharashtra Savings' has filed a writ petition in the High Court of Delhi challenging the constitutional validity of Chapter III-C of the Reserve Bank of India Act, 1934.

[English]

Dr. S.R. Sen Committee Report

3816. SHRI C. P. THAKUR : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a Committee headed by Dr. S. R. Sen, Chairman, International Food Research Institute, Washington was appointed by the Reserve Bank of India ;

(b) if so, whether the Committee has submitted its report ;

(c) if so, recommendations of the Committee ; and

(d) the steps Government have taken to implement the recommendations of the Committee, particularly in regard to raising of food production in Eastern Region ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of

India jointly with the National Bank for Agriculture and Rural Development has set up a committee in November 1983 under the Chairmanship of Dr. S. R. Sen to look into the problems of Agricultural Development in the Eastern Region.

(b) to (d). Reserve Bank of India has reported that the Committee in its report has pointed out that accelerated agricultural development in the Eastern Region in India requires massive provisions of tube wells and pump sets, improvement in drainage and water management techniques, improved credit structure, research and extension, power, better arrangements for storage and marketing and setting up of rural industries etc. The Reserve Bank has forwarded the report of the committee to the Chief Secretaries of the concerned State Governments for their comments. RBI has reported that the comments are still awaited by them.

Fraud Detected at Podalakurn in Nellore District Branch of State Bank of India

3817. SHRI V. SOBHANADREESWARA RAO :
SHRI MANIK REDDY :
SHRI M. RAGHUMA REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the press reports appearing in 'The Times of India' of 3 November, 1985 where in it stated that fraud involving Rs.95.83 lakhs has been detected at the State Bank of India Branch at Podalakuru in Nellore District of Andhra Pradesh ;

(b) whether any enquiry has been conducted into the matter ;

(c) if so, the findings of the enquiry ; and

(d) the action taken by Government against those held responsible ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir,