

[*Translation*]

Selling of Lottery Tickets by State Bank of Indore

6497. SHRI NARESH CHANDRA CHATURVEDI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the head office of the State Bank of Indore had issued circular in June 1985 to its branches throughout the country to sell lottery tickets;

(b) if so, the rule under which these tickets were sold and the profit earned by the bank;

(c) who had issued the circular to sell lottery tickets against the rules and the details of the action taken against the officers who issued the instructions; and

(d) whether it is also a fact that the employees had strongly protested against sale of lottery tickets ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). According to State Bank of Indore, a circular was issued from their Head Office to their 162 branches and 2 Zonal offices in May 1985 to sell lottery tickets on behalf of Indore Table Tennis Trust to help them in raising funds for construction of Table Tennis Stadium at Indore.

As per the Banking Regulation Act, a Bank can do things as are incidental or conducive to the promotion or advancement of its business. The State Bank of Indore has reported that this activity was aimed at mobilising deposits for the bank and also creating goodwill by supporting the cause of promoting sports in the area of Bank's operations. The service was rendered without charging any commission.

The Bank has reported that no representation/protest was received by it from any of its employees.

Improving Viability of Regional Rural Banks

6498. DR. SUDHIR ROY ; Will

the Minister of FINANCE be pleased to state :

(a) whether the Staff Association of the Regional Rural Banks have submitted some proposals for improving viability of the Regional Rural Banks;

(b) whether most of the proposals have been corroborated by the Agricultural Finance Corporation; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). It has been reported by National Bank for Agriculture and Rural Development (NABARD) that Association representing Regional Rural Bank Staff have submitted from time to time proposals for improving the viability of Regional Rural Banks (RRBs). These proposals include reduction in interest on borrowings by RRBs, payment of interest by Reserve Bank of India on cash reserves of RRBs; raising of refinance limits by the Nabard from 50% to 75% of outstanding advances, lending by RRBs to non-target groups, levy of 1% as service charge on advances, provision of development subsidy for 5 years, raising the interest rate by 2% on IRDP advances, lowering of interest rate on Nabard's refinance enlargement in the scope of functioning of RRBs. etc. Most of the proposals made by the Association have not been corroborated by the AFC except those relating to reduction in interest rate on borrowing by RRBs from Nabard; payment of interest on cash reserves; and permission to RRBs for undertaking other banking business.

[*English*]

Participation by India in the Meeting at Beijing Regarding MFA Talks

6499. DR. B. L. SHAILESH :
SHRI K. PRADHANI :

Will the Minister of COMMERCE be pleased to state :

(a) whether India participated in the meeting of the developing textile exporting countries held in Beijing (China) recently;