

the Minister of FINANCE be pleased to state:

(a) whether loan repayments by India are on the increase;

(b) if so, the amount of domestic and foreign loan repayments as at present, separately;

(c) whether Government have prepared any programme to put a stop on raising loans; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b) The trend of repayment of internal market loans and external loans on Government account from 1986-87 onwards is given in the table below. The repayment of external loans includes increases due to variation in the exchange rates.

(Rs. crores)

	1986-87	1987-88	1988-89 RE	1989-90 BE
Repayment of				
— Internal market loans	1038	823	475	639
— External loans	895	1146	1515	1787

(c) and (d). It is always Government endeavour to maximise revenue receipts and curtail inessential items of expenditure so that dependence on loans is kept to the minimum. Government has at the same time to ensure that the process of development is not hampered.

[English]

Credit Deposit Ratio of Scheduled Commercial Banks

619. SHRI PRAKASH CHANDRA: Will the Minister of FINANCE be pleased to state:

(a) whether the credit-deposit ratio of all scheduled commercial banks has risen at very low rate in the recent past;

(b) if so, the details thereof;

(c) the reasons therefor; and

(d) the steps being taken by Government to increase the credit deposit ratio of banks?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (c). The credit: deposit ratio of all scheduled commercial banks increased from 57.5 percent as on the last Friday of December, 1988 to 60.1 percent as on the last Friday of March, 1989. Fluctuations in Credit: Deposit ratio has to be viewed with reference to overall policy measures. Increase in statutory reserve requirements affects the growth of credit: deposit ratio of banks. However, with the expanding deposit base, total credit of the banks increases even if the Credit: Deposit Ratio falls.