

(d) the action taken or proposed to be taken by the Government in this regard?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b). An article entitled "Bogus Parts Detecting the Hidden Threat" has been published in the flight safety digest (special double issue) January/February 1994. It has referred to an accident to an aircraft of a Norwegian ship building company; Norwegian safety investigators have traced the inflight breakup & crash to sub standard parts.

In the article, it is mentioned that even the Federal Aviation Administration's (FAA) fleet of 62 aircraft has an unapproved parts problem. The audit found that 39 percent of the \$ 32 millions worth of aircraft parts stocked at an FAA facility in Okalhama were not approved parts.

(c) No case of usage of counterfeit plane spares has been found by Director General of Civil Aviation (DGCA) in the recent past.

(d) Does not arise.

Reserve Bank of India Circular

5532. SHRI SOBHANADREESWARA RAO VADDE: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India issued a circular on June 13, 1988 addressed to Urban Cooperative Banks advising them that the deposits of funds by the Urban Co-operative Banks with Corporation/Companies would be tantamount to granting un-secured advance and would also attract the provisions of the directive;

(b) if so, the provisions of the Reserve Bank of India directive on interest rates and maximum limit of advances;

(c) whether the directives of the circular have been made applicable recently to deposits made in Shrinidhi Deposit Scheme of Sardar Sarovar Nigam Limited; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) to (d). Reserve Bank of India (RBI) has reported that their circular dated June 13, 1988 applies to all types of deposits kept with any institution/company/Corporation which was not in the co-operative fold. The funds generated in the co-operative sector should be deployed in the co-operative sector only and mainly for the benefit of the members as per the guidelines issued by Reserve Bank of India from time to time. The instructions aim at calling upon urban co-operative banks to use their resources for the purposes for which they are established i.e. by financing needy persons in the respective areas of operation and thus generate and develop the economy thereat. These are in the overall interest of Urban Co-operatives banking system and the Co-operative movement. In the context of this, the urban co-operative banks are not to divert their resources as deposit with any institutions/Corporations etc. Including Sardar Sarovar Narmada Nigam Limited.

The relevant information regarding rate of interest applicable on deposits as well as on advances in June, 1988 and as at present is given in the attached *Statement I and II*.

STATEMENT-I*Interest Rates on Deposits*

	In June, 1988	As on 16.12.93
I. Current Accounts Deposits		
Current Account deposits and deposits upto 14 days and deposits subject to withdrawal or repayment by or notice for a period of 14 days or less.	Not exceeding 0.5% p.a.	Not exceeding 0.5% p.a.
II. Savings Deposits		
	5.0% p.a.	5.0% p.a.
III Term Deposits		
(a) 15 days to 45 days	3.0%	Nil
(b) 46 days to 90 days	4.0% p.a.	From 46 days to three years and above not exceeding 10% p.a.
(c) 91 days and above but less than one year	8.0% p.a.	
(d) One year and above but less than 2 years	9.0% p.a.	
(e) Two years and above	10.0% p.a.	

STATEMENT-II

1. The interest rates for the major categories was as under in June, 1988

	Rate of interest % p.a.
I. Small Scale Industries	
1. Composite loans upto Rs. 25,000/-	Not exceeding 11.00
(a) Backward areas	11.00
(b) Other areas	12.00 (fixed)
2. Short-term advances	
(a) Limits upto and inclusive of Rs. 2.00 lakhs	Not exceeding 14.00
(b) Limits over Rs. 2.00 lakhs and upto Rs. 25.00 lakhs	Not exceeding 15.50
(c) Limits over Rs. 25.00 lakhs	16.50 (Fixed)

II. Other Categories

1. Retail Trade advances

- | | |
|--|---------------------|
| (a) Limits upto and inclusive of Rs. 5,000/- | Not exceeding 14.00 |
| (b) Limits over Rs 5,000/- and upto Rs. 25,000/- | Not exceeding 15.00 |
| (c) Limits above Rs. 25,000/- | Not exceeding 16.50 |

2. Educational advances

- | | |
|--|-------------------------|
| (a) Indigent students for purpose of higher education in India | Not less than Bank rate |
| (b) Other educational advances | 14.00 – 15.50 |
| (c) All other advances | Not exceeding 16.50 |

III. Term Loans

1. Small Scale Industries units as in the then new definition of SSI

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|--------------------------|---------------------|
| (a) Backward areas | Not exceeding 13.50 |
| (b) Other areas | 13.50 (Fixed) |
| (c) All other term loans | Not exceeding 15.00 |

2. As at present

(Percent per annum)

Size of Credit Limit	Existing rate	New rate (effective March, 1 1994)	
Over Rs. 25,000/- and upto Rs. 2 lakh	15.0	Term loans of three years and above	All other advances
		14.0	15.0
Over Rs. 2 lakh	15.0	14.0	15.0
	(minimum)	(minimum)	(minimum)

Promotion of Adventure Tourism in Orissa

assistance for promotion of adventure tourism in the state;

5533. SHRI K. PRADHANI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(b) if so, the details thereof; and

(c) the action taken to expedite the clearance thereof?

(a) whether the Union Government have received any proposal from the Government of Orissa seeking financial

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM