

hon. Minister in regard to the rules in connection with the purchases made by the Jawaharlal University. The rule is that in case the price of an article is Rs. 50,000, then the rate contract of the DGS and D should be ascertained. Has there been any bungling in this purchase by not considering the rate contract of the DGS and D?

SHRIMATI KRISHNA SAHI : The Jawaharlal Nehru University and the Delhi Universities have stated that the purchases were made after observation of all the rules. A criminal case has been filed by a team of computer scientists against incorrect reporting in one newspaper which was similar to the question raised by the hon. Member. This matter is sub-judice.

[*English*]

MR. SPEAKER : Question Hour is over now.

WRITTEN ANSWERS TO QUESTIONS

[*English*]

Reschedulement of Loans by Nationalised Banks to Sick Units

*203. **SHRI NATAVARSINH SOLANKI :** Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to extend the facility of reschedulement of loans by the nationalised banks to the sick units;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The overall credit policy, including that for sick units is regulated by the Reserve Bank of India. In the case of viable sick units, rehabilitation packages are worked out by banks on the merits of each case in the light of the parameters laid down by Reserve Bank of India. These packages can include reschedulement of loans also.

Performance of Banks

*204. **PROF. RAMKRISHNA MORE :** Will the Minister of FINANCE be pleased to state :

(a) the annual percentage of growth rate in the banking industry in the rural and urban areas in the country with number of new bank branches opened during 1985 and 1986 in these areas;

(b) the average percentage of increase in the bank deposits and credits particularly in the rural areas during 1985 and 1986;

(c) whether Government have made any review to know the areas where the banking service is lacking; and

(d) if so, the details thereof stating the measures contemplated to bring about alround improvement in the performance of banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The deposits of all scheduled commercial banks increased by 18.5 per cent in 1985 and by 18.9 per cent during 1986. The outstanding advances of these banks registered an increase of 12.6 per cent in 1985 and of 12.3 per cent during 1986. The growth rate of deposits and advances of rural branches in 1985 was 22.4 per cent and 20.4 per cent respectively. The Reserve Bank of India has reported that data relating to growth rate of deposits and advances of rural branches for the year 1986 is not yet available.

The total number of new bank branches opened by all scheduled commercial banks during 1985 and 1986 was 4321 and 318 respectively, which included 3674 rural branches in 1985 and 225 in 1986.

The Reserve Bank of India has completed the identification of development blocks, deficit as per the population norms contained in current branch licensing policy. With a view to cover spatial gaps in areas where banking service is not available, the policy envisages identification of new centres in a manner so as to provide a bank office within a distance of 10 kms. from every village. The banks have been further