

Foreign Exchange Reserves

*194. SHRI S. R. DAMANI: Will the Minister of FINANCE AND REVENUE AND BANKING be pleased to state:

(a) the total value of foreign exchange reserves held by the Government as on 31st March, 1977;

(b) the sources of accrual under each head; and

(c) in what manner Government are considering to deal with these reserves?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) The total value of India's foreign exchange reserves on 31st March, 1977 amounted to Rs. 3,243.7 crores made up of Rs. 2,863.0 crores of foreign exchange, Rs. 187.8 crores of gold and Rs. 192.9 crores of SDRS.

(b) While fuller information has to await compilation of detailed balance of payments data, the available indications are that the accruals to foreign exchange reserves arose from favourable trade balance and substantial increase in inward remittances.

(c) The foreign exchange reserves will be used for assisting in the maintenance of price stability and for stimulating the growth process of the economy.

Merging of Nationalised Banks

*195. SHRI P. RAJAGOPAL NAIDU: Will the Minister of FINANCE AND REVENUE AND BANKING be pleased to state:

(a) whether there is any proposal under consideration of Government to merge all nationalised banks into one; and

(b) if so, the broad outlines of the proposal?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) No, Sir.

(b) Does not arise.

Reduction of Interest Rates for Savings Bank and Short Term Deposits

*196. SHRI P. THIAGARAJAN:

SHRI S. D. SOMASUNDARAM:

Will the Minister of FINANCE AND REVENUE AND BANKING be pleased to state:

(a) the rationale behind the reduction of interest rates for savings bank and short term deposits;

(b) the implications of the reduction on the savings habit of the people especially the weaker sections;

(c) whether Government have considered the implications of gravitation of savings to the deposits taken by Joint Stock Companies, private persons etc. with all the attendant risks; and

(d) the control exercised by Government over deposits taken by concerns other than nationalised banks and post office savings bank to ensure that the depositors do not come to grief?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) and

(b). Reserve Bank of India have reported that the changes in the interest rates on short-term fixed deposits of maturities of 91 days and more and upto 5 years have been made mainly to smoothen the spread between the rates of interest on short-term fixed deposits and long-term fixed deposits. The distinction between cheque operated Savings Bank Accounts and other Savings Bank Accounts and the stipulation of a lower rate of interest of 3 per cent per annum on cheque operated Savings Bank Accounts is based on

the nature of these two types of accounts, the former being functionally transactions oriented and the latter more truly partaking of savings. Small depositors, particularly in the rural and semi-urban areas and those belonging to the weaker sections of the community, whose Savings Bank Accounts are not usually transactions oriented and who do not avail of cheque facilities would continue to be entitled to interest on their savings deposits at the old rate.

Reserve Bank of India have indicated that the changes in deposit rates of banks are not expected to have any noticeable impact on the aggregate savings mobilised through diverse savings media.

(c) Government have taken into account the possibility of a diversion of the savings in the form of public deposits with non-banking companies. Such diversion, if any, is, however, unlikely to be from savings deposits which are mostly of small amounts or from fixed deposits of maturities of over 5 years for which the interest rate has been maintained at 10 per cent per annum. Besides, the higher rate of interest paid on public deposits by the non-banking companies, is partly in the nature of a compensation for the element of risk involved in such deposits compared to the bank deposits—a factor which influences the selection of savings media by the people.

(d) Although the Government and the Reserve Bank have formulated regulations which govern the quantum and the tenure of public deposits accepted by the non-banking companies and also provide for publication of certain minimum data on the financial status and working of such companies in the advertisements inviting public deposits and/or in deposits application forms, such deposits/loans are in the nature of contracts between the depositors and the concerns accepting such deposits, enforceable only in a Court of Law.

राज्य व्यापार निगम द्वारा जूतों का निर्यात

* 197. श्री शिव नारायण सरसूनिया : क्या वाणिज्य तथा नागरिक पूर्ति और सहकारिता मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या राज्य व्यापार निगम पिछले कई वर्षों से जूतों का निर्यात बहुत से देशों को कर रहा है और निर्यात आदेशों की पूर्ति किन माध्यमों से की जाती है ;

(ख) क्या निर्माताओं को निर्यातगृहों की तुलना में कम क्रयादेश दिये जाते हैं, और क्या कुछ आदेश राज्य व्यापार निगम स्वयं ही पूरा करता है ;

(ग) क्या इस नीति के अन्तर्गत निर्माताओं की तुलना में बिचौलियों को अधिक लाभ होता है ; और

(घ) क्या वास्तविक निर्माता को अधिक लाभ सुनिश्चित कराने के लिए नीति में कोई परिवर्तन करने का विचार है ?

वाणिज्य तथा नागरिक पूर्ति और सहकारिता मंत्री (श्री मोहन धारिया) :

(क) जी हां। उन एजेंसियों की सूची विवरण 'क' में दी गई है जिनसे माल प्राप्त किया जाता है।

(ख) जी नहीं। अधिकतर क्रयादेश निर्माताओं को ही मिलते हैं, निर्यात सदनों को नहीं। राज्य व्यापार निगम स्वयं कोई सप्लाई नहीं करता।

(ग) जी नहीं।

(घ) प्रश्न नहीं उठता।