

to the Scheduled Banks in the years 1950 and 1951;

(b) what is the amount that has been paid back to the Reserve Bank in these two years; and

(c) what are the main purposes for which the credit was given for working capital, for productive investment or for other necessities?

The Minister of State for Finance (Shri Tyagi): (a) and (b). The total advances granted by the Reserve Bank of India to scheduled banks amounted to Rs. 13.72 crores in 1950 out of which Rs. 12.98 crores was repaid during the year and to Rs. 76.57 crores in 1951 out of which Rs. 56.67 crores was repaid during the year.

(c) The credit was given mainly to enable the banks to meet their temporary requirements of cash resources arising out of factors such as increased demand for money due to stringent conditions in the money market, withdrawal of deposits, etc. The question of such advances being made for "working capital" or for "productive investment" does not arise.

Shri Barman: May I know if the recent increment in the rate of interest has in any way affected productive investment in the country?

Shri Tyagi: It will be difficult for me to give a definite reply offhand to this wide question.

Dr. Deshmukh: Could the hon. Minister state the amount of advances made during the year 1952, up to the end of June?

Shri Tyagi: I would like to have notice of that question.

Shri A. C. Guba: Arising out of the answer to part (c) of the question may I know how many banks have been helped in this way and what is the number State-wise?

Shri Tyagi: I am sorry I have not got statistics about the number of banks.

श्री आर० एन० सिंह : क्या मैं जान सकता हूँ कि इंडिया के सिंडिकेट बैंक में इमददी बैंक रामपुर भी है या नहीं ।

Mr. Speaker: Order, order.

Dr. P. S. Deshmukh: Has the Government followed a credit policy of contracting the debt during 1952 as

compared with 1951—has it been their policy to give less advances in 1952 as compared with 1951?

Shri Tyagi: No, Sir. It was not basically the policy of the Reserve Bank to give or not to give advances. It was more based on the demand that came from the scheduled banks.

Shri A. C. Guba: May I know what amount the Reserve Bank has advanced to scheduled banks for agricultural purposes?

Shri Tyagi: It is difficult to give separate figures. I have got the total figures. The breakup can be supplied if the hon. Member is anxious to have it. I would like to have notice.

Shri Barman: May I know whether it is the policy of the Reserve Bank at the time of granting these credit facilities to the scheduled banks to consider what kind of investments the scheduled banks are financing for which they want the credit facilities—do they consider it as a matter of policy or not?

Shri Tyagi: In 1950 a smaller amount of advances was given to the scheduled banks. They demanded smaller amounts. That was partly due to easy conditions in the market and not on account of the Reserve Bank refusing to give the advances.

Shri T. S. A. Chettiar: Is it one of the conditions of the advance that it should not be invested in long-term investments?

Shri Tyagi: In fact the Reserve Bank cannot give any long-term loans, and therefore the result is that the scheduled banks cannot also invest large amounts on a long-term basis.

HOOKAH TOBACCO

*2169. **Shri Barman:** Will the Minister of Finance be pleased to state:

(a) what are the prices ruling this year of Hookah tobacco and what is the excise duty payable on such tobacco; and

(b) is it a fact that the price of tobacco has gone down abnormally?

The Minister of State for Finance (Shri Tyagi): (a) A statement showing the wholesale prices of established qualities of Hookah tobacco, ruling in the principal markets, during the period January to July 1952, is laid on the Table of the House. [See Appendix X, annexure No. 35.]

The rate of excise duty on Hookah tobacco is six annas per lb.

(b) The fall in prices between January 1952 and July 1952 ranges from 8 to 26 per cent, approximately in six of the pricipal varieties, and in one variety, namely, Deshi (Morhan) Tobacco, the fall is about 42 per cent.

Shri Barman: May I know from the hon. Minister why the statement does not include the relative price of tobacco grown in West Bengal and no indices are given for such?

Shri Tyagi: The West Bengal tobacco probably is not classified under the heading 'Hookah tobacco' and if my hon. friend has knowledge of some being grown in West Bengal, then that variety must be very small in quantity.

Shri K. K. Basu: Why not verify that?

Mr. Speaker: Order, order.

Shri Barman: In view of the fact that even this year the price of tobacco in some cases, as the hon. Minister has stated, has fallen upto 42 per cent. do Government consider the desirability of inquiring whether this fall in prices will affect in any way the growing of tobacco in the coming season?

Shri Tyagi: So far our report is that the cultivation of tobacco even this year has not decreased, but this larger fall of prices—42 per cent.—is affecting only one variety of Hookah tobacco and not the others. The others have not fallen to that extent.

Shri Barman: As regards the Hookah Tobacco will the hon. Minister consider if it is desirable to enquire whether this fall in price will affect this variety of tobacco in the coming year? If so, will he consider the reduction of duty as regards Hookah Tobacco?

Shri Tyagi: Out of the total duty collected to the extent of Rs. 25.59 crores on all varieties Hookah tobacco yielded only Rs. 4.43 crores and all these varieties which are used in hookah tobacco have not fallen so badly in prices as only one variety, out of the many.

Shri M. Islamuddin: May I know whether Hookah Tobacco is exported outside the country? If so what is the quantity and value of the tobacco exported last year?

Shri Tyagi: I have no information ready at hand and I cannot also say whether Hookah tobacco is exported. I will find out for the benefit of the hon. Member.

Shri S. C. Samanta: May I know whether there is any representation of the Hookah Tobacco smokers in the Indian Central Tobacco Committee?

Shri Tyagi: Mostly smokers do not represent to us. It is only those persons who deal in tobacco that represent to us.

Dr. P. S. Deshmukh: May I know if the hon. Minister knows whether the continued high duty on cigarette tobacco has afforded any encouragement to Hookah smoking and has it gone up?

Mr. Speaker: These are suggestions for action. I shall go to the next question.

AID UNDER COLOMBO PLAN

*2170. **Sardar Hukam Singh:** Will the Minister of Finance be pleased to state:

(a) how many motor vehicles are to be received under the Colombo Plan and when;

(b) how does Government propose to dispose of these vehicles; and

(c) whether these vehicles are to be imported complete with tyres and body etc.?

The Minister of State for Finance (Shri Tyagi): (a) 1285 vehicles are to be received by the end of 1952.

(b) These vehicles would be sold to the Bombay Road Transport Corporation who will use them for the public transport of goods in the State of Bombay.

(c) These details are still being worked out in Canada with an officer of the Bombay State Transport Corporation.

Sardar Hukam Singh: Are there any special reasons why the whole consignment is proposed to be given to the Bombay Transport Company?

Shri Tyagi: Yes. The difficulty was that out of 15 million Canadian dollars that were available to us this year, we could utilise only 10 million Canadian dollars on account of wheat and the rest was to be utilised within this financial year; otherwise the amount would lapse. The other commodity available in Canada just now to consume this balance of credit available to us are these vehicles. The Planning Commission according to the programme in the Five Year Plan, suggested that this Bombay Road Transport Corporation should be encouraged. Therefore, we thought it best to utilise