

- (ii) After every shipment, 90% of the value of the shipment will be adjusted against the advance and balance 10% will be paid by Pepsi-Co. World Trade.
- (iii) It is planned that this advance will be utilised fully through exports upto April 30, 1992.
- (iv) The advance will be used for export of goods manufactured by Pepsi Foods Private Limited and/or procured by it from third parties.
- (v) In order for Pepsi Foods Private Limited to maintain adequate working capital, Pepsi Co. World Trademay replenish the advance from time to time.

(c) to (e) The R.B.I. is being consulted in this regard.

[Translation]

Trade with Nepal

2350. SHRI RUDRA SEN CHAUDHARY : Will the Minister of COMMERCE be pleased to state :

- (a) the steps taken by the Government to boost trade with Nepal;
- (b) whether some special facilities are being provided to the traders entrepreneurs in Indo-Nepal border areas; and
- (c) if so, the details thereof

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) In terms of the Joint Communiqué signed in June, 1990, India and Nepal restored the preferential trade arrangements between the two countries. This facilitates greater flow of bilateral trade. This has been supplemented by efforts such as exchange of official and trade delegations.

(b) No, Sir.

(c) Does not arise.

[English] 56

Tea Industry in Tripura

2351. SHRIMATI BIBHU KUMARI DEVI : Will the Minister of COMMERCE be pleased to state :

- (a) whether there is rich potential for tea industry in Tripura;
- (b) whether the Government have formulated any scheme for proper and adequate exploitation of the tea potential in the region;
- (c) if so, the details thereof; and
- (d) the steps contemplated by the Government to ensure a viable and growing tea industry in the area and to run it on proper commercial lines?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (d) For development of tea plantation and tea factories, Tea Board provides financial assistance under its continuing schemes such as Tea Plantation Finance Scheme, Tea Machinery and Irrigation Equipment Hire Purchase Scheme, Replantation Subsidy Scheme, Rejuvenation Subsidy Scheme, etc. These are also available for the development of tea estates in Tripura. Besides, the industry is free to invest its own surpluses and to borrow loans from banks.

56 *Industry*
Interest on lending by Bank of India to Small Scale Units

2352. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

- (a) whether the Bank of India in northern zone is charging twenty five percent interest on the lending to small scale units; and
- (b) if so, the justification thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) The Bank of India has reported that as per the present lending policy of the Bank all advance accounts with limits

over Rs. 2 lakhs, including SSI units, are being charged interest @ 25% p.a. in working capital accounts and 24% p.a. in Bills purchased/discounted accounts except in the following cases :

- (i) Advances accounts having credit rating 'AAA';
- (ii) Export Finance;
- (iii) Term Loans; and
- (iv) Sick units under nursing programme.

As regards advances below Rs. 2 lakhs, interest rates range between 10% to 18.5% p.a. based on the size of the loan.

(b) The Reserve Bank of India has prescribed a minimum interest rate of 18.5% p.a. in respect of short term loans over Rs. 2 lakhs, and banks are allowed to charge a higher rate of interest over and above such a floor rate as a matter of policy.

57
Export of Basmati Rice to Gulf Countries

2353. SHRI GOVINDRAO NIKAM : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to export Basmati rice to Gulf countries;

(b) if so, the names of countries to which it is proposed to be exported;

(c) the amount of foreign exchange expected to be earned as a result thereof; and

(d) the steps the Government propose to take to increase the production of basmati rice ?

THE DEPUTY MINISTER OF THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHED): (a) to (c) : The export of basmati rice is freely allowed subject only to a Minimum Export Price (MEP) and pre-shipment inspection.

Basmati rice is exported to Gulf countries in substantial quantities Saudi Arabia, UAE, and Bahrain are major markets. Export target

fixed for Gulf market for 1991-92 is over Rs. 300 crores.

(d) For increasing production of Basmati rice, 20 major Basmati rice producing districts have been identified in Haryana (2), Punjab (7), and Uttar Pradesh (11) and a production programme is being implemented in these states under the ongoing Centrally Sponsored Scheme on Integrated Programme in rice development (being implemented in 239 selected districts in major rice producing states). For propagating the adoption of improved Basmati rice production technology assistance is being provided to the farmers of the identified districts for use of inputs like seeds, micronutrients, pesticides, farm implements, plant protection equipment, etc. Besides, field demonstrations in Basmati rice production are being organised and training programmes for the farmers and farm labourers are conducted.

The seed of Basmati rice is being provided to the farmers of 20 selected districts on subsidy of Rs. 200/- per quintal. Assistance through this scheme is being provided mainly to the small & Marginal farmers. However, other category of farmers also get assistance to some extent under this programme.

58 Inland Waterways
Navigability of Hooghly River

2354. SHRI SATYAGOPAL MISRA : Will the Minister of SURFACE TRANSPORT be pleased to state :

(a) the steps taken by the Government to improve navigability of the Hooghly river for the benefit of the Calcutta and Haldia Ports; and

(b) the results achieved so far ?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER) : (a) A comprehensive scheme for the improvement of draught in the Hooghly Estuary was sanctioned in August, 1982 at an estimated cost of Rs. 42 crores. Under this scheme the works being undertaken are river training works, procurement