

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): As a part of the 20-Point Economic Programme, the Central Government have approved one intensive development project and one export production project for being set up in Kerala. The intensive development project will cover 10,000 handlooms and the handloom production project will cover 1000 handlooms. The outlays on the intensive development project and one export production project excluding institutional finance will be Rs 1.85 crores and Rs 40 lakhs respectively. The basic objectives of these projects are modernisation of handlooms, training to weavers, providing processing facilities, provision of a raw material bank, arrangements for marketing the finished products and improving the productivity and wage levels of the handloom weaver.

Payment of exorbitant prices on Handloom Fabrics

1804 SHRI VAYALAR RAVI Will the Minister of COMMERCE be pleased to state

(a) whether the Handicrafts and Handlooms Export Corporation is paying exorbitant prices to its local suppliers of handloom fabrics resulting in heavy losses to the Corporation;

(b) whether Government are aware of the alleged malpractices in selecting the local suppliers, and

(c) if so, the action taken in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) and (b), No, Sir

(c) Does not arise

Visit of Delegations from European Confederation of Tanners and Footwear to India

1805, SHRI VAYALAR RAVI: Will the Minister of COMMERCE be pleased to state:

(a) whether two delegations representing European Confederation of Tanners and European Footwear Confederation sponsored by EEC had visited India; and

(b) if so, how far it has helped to increase the export of leather goods to EEC?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) and (b) Yes, Sir. The visit of EEC delegation was essentially one of fact-finding nature and as a result of which necessary climate has been created for increasing the exports of leather goods to EEC.

Earning of foreign exchange from Australia's Trade agreement with India

1806 SHRI ARJUN SETHI: Will the Minister of COMMERCE be pleased to state the foreign exchange earned by India through Australia's Trade Agreement with India during the last year?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): India has entered into a trade agreement with Australia on the 2nd August, 1976 only. The question of quantifying the foreign exchange earned on account of the trade agreement, during the last year, therefore does not arise.

Restriction on sanction of loans on differential rate of interest

1807 PROF NARAIN CHAND PARASHAR: Will the Minister of REVENUE AND BANKING be pleased to state:

(a) whether there is any restriction on the sanction of loans on differential rate of interest in such districts as do not have small Farmers Development Agencies and Marginal Farmers Agricultural Labour schemes; and

(b) whether this restriction is proposed to be removed and the facility of loan on this low rate of interest allowed to the people?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE):
 (a) and (b). Besides, SFDA/MFAL districts Differential Rate of Interest Scheme is in operation in 230 districts and 7 union territories in the country declared backward by the Planning Commission.

The benefits of the Scheme are also available to Orphanages, Women's homes, and Institutions for the physically handicapped irrespective of the area of their operation.

Licences given by Reserve Bank for opening new Branches by Nationalised banks

1808. **PROF. NARAIN CHAND PARASHAR:** Will the Minister of REVENUE AND BANKING be pleased to state:

(a) the names of the places in India where licences were given by the Reserve Bank of India for opening new branches by the nationalised banks but the branches have not been opened for over one year, two years and three years;

(b) the reasons for this slow action on the part of the nationalised banks; and

(c) the steps being taken to ensure that all the branches for which the licences are given by the Reserve Bank

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of India are opened by the concerned bank within a year from the date of sanction?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE):
 (a) Information to the extent available is being compiled and will be laid on the Table of the House.

(b) Inability to secure suitable premises and lack of development of *infra structural* facilities are reported to contribute to delays in opening of branches by the banks.

(c) The Reserve Bank of India have reported that licences have a validity period of one year. Whenever the banks indicate their inability to open branches at specified centres further extensions upto a period of 6 months at a time are being allowed to them. In order to ensure that there are no undue delays in the implementation of the branch expansion programme, the Reserve Bank of India have recently decided that not more than two extensions would be allowed on merits. In the case of licences at present pending with banks and where two or more extensions have already been allowed, one more final extension of six months will be allowed.

Flights for Kulu

1809. **PROF. NARAIN CHAND PARASHAR:** Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) the duration in the year for which the air flights are in operation for Kulu; and

(b) whether the period is proposed to be increased in view of the fact that this is the only aerodrome in Himachal Pradesh?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI RAJ BAHADUR): (a) Indian Airlines operate