

Introduction of Air Taxis

1897. SHRI N. K. SANGHI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether at present the cities a population of less than a lakh are not connected with air transport;

(b) if so, whether Government have considered the feasibility of introducing small air taxis to meet the needs of the passengers of these places; and

(c) if so, the main features of the plan drawn up in this connection?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI RAJ BAHADUR): (a) Indian Airlines operations are based on traffic demand and not population. The Corporation are operating air services to places such as Bhuj, Jorhat, Keshod, Khajuraho, Lilabari, Port Blair, Tezpur having a population of less than one lakh

(b) and (c). There is no specific scheme ready so far for providing air services between small towns. However, the possibility of air linking small towns by suitable smaller aircraft is under study.

Establishment of Tea Blending Industries in India

1898. SHRI P. GANGADEB: Will the Minister of COMMERCE be pleased to state

(a) whether the entire Indian tea that is being exported is not blended in our country;

(b) if so, the reasons therefor; and

(c) the measures adopted to ensure establishment of tea blending industries in India to boost employment potential and increase direct foreign exchange earnings?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Tea is supplied to importers abroad according to their requirements and specifications. Most of the importing countries have their own blending facilities, and teas of different origins are blended and packeted by them depending on the level of prices, tastes and preferences of local consumers. Only about 26 per cent of our tea exports are in blended form.

(c) India has adequate expertise in the field of tea blending. Government is taking steps to improve exports of processed and finished products of tea like packet tea, tea bags and instant tea with a view to augmenting the overall export earnings from tea. M/s. Tea Trading Corporation of India, a public sector corporation, has already been set up with this objective. Government has classified these items as 'non-traditional' and different types of incentives like cash compensatory support, rebate on excise duty, drawback of duties on packing materials, import replenishment, permission for import of machineries and materials etc. have been granted to the exporters of these items. These facilities will, no doubt, help encourage new firms to enter this field.

Loans to States for covering Resources required for consumption needs of poor people

1899. SHRI P. GANGADEB: Will the Minister of REVENUE AND BANKING be pleased to state:

(a) whether Union Government propose to give loans to State Governments to cover two-third of resources needed by them to meet the consumption needs of the weaker section of the society;

(b) if so, the principles governing the grant of consumption loans; and

(c) whether reserve fund would be created to be shared equally by the Centre and the States?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE):

(a) The details of the proposal to give loan to State Governments by the Central Government to cover two-thirds of the finances needed to meet the pure consumption needs of the poorer sections of the rural area, which cannot be met by the cooperatives i.e., the needs of the 'grey' areas, is at present under Government's consideration.

(b) The required information is given in the attached statement.

(c) There is a proposal to create a 'Risk Fund' covering 10 per cent of the pure consumption credit given, to

be shared equally by the Centre and the States.

Statement

According to the Expert Committee on Consumption Credit (Sivaraman Committee) the broad principles for providing pure consumption credit will be as follows:

1. The loans for pure consumption needs will be provided to the poorer sections of rural areas having nil land holdings and holders upto 0.50 acre. Consumption credit to persons with holdings above 0.50 acre and upto 5 acres will, however, be considered along with their production credit requirements.

2. The purposes for and extent upto which consumption loans to be provided are as follows:

Type of loan	Ceiling of loan fixed at
	Rs.
(a) Medical expenses relating to borrowers and members of their families	250
(b) Education expenses for school	100
(c) Marriage expenses	250
(d) Expenses on funeral ceremonies as well as birth ceremonies	75
(e) Expenses on religious ceremonies which are deeply rooted and considered inescapable by certain sections of society	75

3. The credit will be need based and will be subject to the repaying capacity of the borrower.

4. The primary agricultural credit societies organised into viable units, farmers' service societies and the large-sized multipurpose societies in tribal areas will be the main agency to handle the business of providing consumption credit. Commercial banks and Regional Rural Banks

should also provide consumption credit on the same lines as by the co-operatives.

Modification for V.H.F. Communication System developed by Air India

1900. SHRI P. GANGADEB: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Air-India has developed a modification for the V.H.F. Com-