

Assistance by SIDBI

3529. SHRI PREM CHAND RAM: Will the Minister of FINANCE be pleased to state:

(a) whether the Small Industries Development Bank of India (SIDBI) are given any relaxation in the conditions of providing assistance to units in the tiny and SSI sector under its refinance schemes through State Financial Corporations/State Industrial Development Corporations and banks; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b). Small Industries Development Bank of India (SIDBI) has reported that it provides financial assistance at concessional terms to the units in tiny and SSI Sector under its refinance scheme through State Financial Corporation/State Industrial Development Corporation and banks. The incentives offered to this sector *inter-alia* include:

- i) Concessional interest rate on term loans and working capital assistance upto Rs.2 lakhs.
- ii) Relaxing the minimum debt equity ratio for assistance to tiny and SSI sector from 2:1 to 3:1 for loans upto Rs.10 lakhs.
- iii) SIDBI does not insist on any promoters' contribution in respect of its Composite Loan Scheme for assistance to SC/ST and physically handicapped entrepreneurs upto Rs.50,000. Besides, a lower

rate of promoters' contribution of 10% is specified in the case of units assisted under such schemes as National Equity Fund Scheme (NEF) and Mahila Udyam Nidhi Scheme (MUN).

- iv) SIDBI provides equity type assistance by way of soft loans to new entrepreneurs under such schemes as NEF and MUN where no interest is charged but a nominal service charge of 1% is levied on such soft loans.

[English]

Operations of Foreign Airlines

3530. SHRI GURUDAS KAMAT: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government have decided not to allow foreign airlines to operate in domestic circuit; and

(b) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) It is the prevalent International practice to permit operations of foreign airlines to/from selected gateway points in a country. Rights to operate domestic routes are ordinarily not granted under bilateral agreements.

B-777 Aircraft

3531. SHRI MANORANJAN BHAKTA: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether American Boeing aircraft company has offered two models of its new aircraft B-777 to the Air India and the Indian Airlines;

(b) if so, the details thereof; and

(c) the decision taken by the Government in this regard?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD):(a) to (c). At present, both Air India Ltd., and Indian Airlines Ltd. have no specific proposal to acquire B-777 aircraft. Air India will evaluate this aircraft, alongwith others before making a final selection of Medium Capacity Long Range Aircraft.

Overdues of Nationalised Banks

3532. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the amount overdue to the nationalised banks, bank-wise against borrowers as on March, 31, 1993;

(b) the break-up of the number of such borrowers and the total amount due by slabs upto 1 lakh, 5 lakh, 10 lakh, 1 crore and above 1 crore;

(c) the number of cases in which lists have been filed by the bank concerned with the RBI as on March 31, 1993;

(d) whether RBI processes the information available and circulates a Caution List to all banks in order that the same defaulters do not borrow from other banks; and

(e) if so, the date of circulation

of the last Caution List?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(DR.ABRAR AHMED) : (a) to (c). All banks, including Nationalised Banks, furnish periodically various types of information and data relating thereto, including position of overdues, to the Reserve Bank of India (RBI) through various reports/returns prescribed by RBI in the matter. The position of overdues as at the end of March 1993 in respect of advances of Nationalised Banks showing the overdue amount and the number of accounts involved (Bank-wise) is given in the statement. The break up of the number of borrowers having overdues and the total amount due by slabs upto Rs. one lakh, five lakhs, ten lakhs, one crore and above one crore of the data given in the statement is not readily available.

(d) and (e). Reserve Bank of India (RBI) has been issuing Caution Advice (CA) to the Chairman of Scheduled Commercial Banks (excluding RRBs) conveying information relating to areas in which frauds were perpetrated by unscrupulous borrowers/its associate concerns and deficiencies observed requesting them to make indepth enquiries before granting/renewing any credit facilities to the borrowers named in the Caution Advices(CA). In terms of RBI's existing instructions, bank report to RBI in performance details of frauds perpetrated by unscrupulous borrowers where the amount involved is Rs.5 lakhs and above. On the basis of these frauds reports separate Caution Advices(ICA) in respect of each fraud are issued. The purpose of the CA is not to prohibit the