

(b) if so the details thereof

(c) if not, the reasons therefor

(d) whether any co-ordinated efforts have been taken up with various ministries for infrastructural development in those remote and hilly areas,

(e) if so, the details thereof, and

(f) if not the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) (a) and (b) No, Sir

(c) Normal incentives available to airlines and approved travel agents are considered sufficient

(d) Yes, Sir

(e) The infrastructure is being upgraded at the following airports located in hilly and remote areas Guwahati, Dibrugarh, Silchar Jorhat Tezpur, North Lakhimpur (Lilabari) Imphal Dimapur, Agartala, Leh, Srinagar Jammu, Kargil, Kishtwar Rajouri, Shimla, Gaggal and Port Blair

(f) Does not arise

MOU between NABARD and Orissa Government

6444 SHRI K PRADHANI

SHRI GOPINATH GAJAPATHI

Will the Minister of FINANCE be pleased to state

(a) whether the National Bank for Agricultural and Rural Development has signed or propose to sign a Memorandum of Understanding with the Government of Orissa to strengthen the cooperative banks in the State,

(b) if so, the details thereof and

(c) the amount of financial assistance proposed to be provided by the NABARD under the said agreement?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY) (a) Two Memorandum of Understanding (MOUs) have been signed by Government of Orissa Orissa State Cooperative Bank/Orissa State Cooperative Agriculture and Rural Development Bank Ltd with National Bank for Agriculture and Rural Development (NABARD)

(b) The Memorandum of Understanding lay down specific measures for improving viability, profitability, recovery performance and streamlining of organisational matters of the cooperatives

(c) NABARD will provide refinance and consider contribution to the share capital as per norms and consider providing support for human resource development and technological upgradation subject to satisfactory compliance with the terms of MOUs

Poverty Alleviation Programme

6445 SHRI RAM KAPSE Will the Minister of FINANCE be pleased to state

(a) whether IFAD has given permission to undertake a project involving Rs one hundred and fifty crores aimed at supplying finance to people below poverty line in Chandrapur, Yeotmal Pune and Nanded of Maharashtra State, and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY) (a) and (b) Government of India has obtained a loan of US \$ 29.2 million (Rs 90.5 crores) from the International Fund for Agricultural Development (IFAD) on 1-6-93 under Maharashtra Rural Credit Project (Ln No 325-IN) The balance project cost of Rs 60 crores is being met by the State Government The project is being implemented initially in four districts of Maharashtra viz Yeotmal, Chandrapur Pune and Nanded The projects objectives are (i) to improve the provision of financial services to the rural poor by the commercial banks, (ii) to make a large majority off rural poor bankable clients and (iii) to promote through the creation and operation of Self-help groups, savings mobilisation as the basis for lending to rural people in the project area

GDR Floating

6446 DR R MALLU Will the Minister of FINANCE be pleased to state

(a) whether Indian companies have been allowed to float GDRs in foreign markets on condition that the proceeds are not brought back into the country without prior notice,

(b) if so, the reasons for enforcing this stipulation, and

(c) the annual servicing burden in foreign exchange of the GDRs issued till now under this new guidelines?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY) (a) and (b) Yes Sir In terms of the guidelines issued by the Government on October 28, 1994, companies issuing GDRs would be required mandatorily to retain the Euro-issue proceeds abroad to be repatriated as and when expenditure for the approved enduses (including upto 15% earmarked for general corporate restructuring uses) are incurred This will enable companies to tap markets abroad for approved purposes while also avoiding monetary expansion as a consequence of Euro issue inflows in advance of the need for funds

(c) Dividends on the underlying Ordinary Shares would represent the annual servicing burden on account of GDRs issued by the Indian companies Such payments would depend on the performance of the individual companies and the rates of dividend declared by them