

interest thereon does not arise. Concessional finance from financial institutions is available at a rate of 9½ per cent p.a. as against the present normal rate of interest of 11 per cent p.a. Seed money given in the form of a loan to the entrepreneurs carries simple interest, subject to a maximum of 4 per cent p.a. In the case of hire purchase of machinery by small scale units from the National Small Industries Corporation Ltd. the earnest money payable by technocrats and entrepreneurs from the declared backward areas is 10 per cent as against 15 per cent in other areas. The rate of interest is 11 per cent p.a. in respect of technocrats and entrepreneurs coming from backward areas as against 13½ per cent in the case of others. A rebate of 2 per cent is allowed for prompt payment.

Consultancy for technical services is provided free of cost. The entire amount of consultancy fee is paid by the Government in case of units located in backward areas, whereas only 25 per cent of the consultancy fee is paid by the Govt. in the case of units in other areas.

Interest subsidy aims at assisting the engineer entrepreneurs who set up self-employment ventures. The scheme envisages that the Government would pay to the engineer entrepreneurs the difference in interest rates paid by them to the financial institutions on loans taken by them at 7 per cent subject to a maximum of Rs 20,000 per annum.

#### **Stagnation in trade between India and Hungary**

2123. SHRI SHIV KUMAR SINGH: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that trade between India and Hungary has been stagnating for some time past; and

(b) if so, the detailed reasons therefor?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b) The overall volume of trade with Hungary as has remained around Rs. 33—37 crores from 1976 onwards, with exports and imports more or less balanced. The change from the bilateral to multi-lateral trade from 1st January, 1978, has had some effect on our stable trade with Hungary. There is, however, a qualitative change in our exports to Hungary inasmuch as we are now supplying more non-traditional items like tinned fruits and juices, cosmetics and toiletries, leather goods, automobile spares and other engineering goods, than traditional goods like coffee, spices etc.

We are making efforts to find ways and means to increase the volume of trade with Hungary.

#### **Action against Mr. Hoon under COFEPOSA**

2124. SHRI RAM JETHMALANI: Will the Minister of FINANCE be pleased to state:

(a) whether there are any guidelines on which the Central Government, State Governments and other officers exercise the powers of detention under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act;

(b) whether it is a fact that every person found involved in large scale smuggling in or out of the country has been detained under the COFEPOSA;

(c) whether one Mr. Hoon was recently arrested by the customs authorities in Bombay in connection with smuggling on a colossal scale;

(d) whether the said Mr. Hoon was released on bail by court and the customs authorities did not object to bail being granted; and if so, the reasons therefor;

(e) whether action under the COFEPOSA against Mr. Hoon has been initiated, and if not, the reasons therefor;