

All these efforts have successfully stemmed the drug trafficking considerable extent.

[English]

Setting up of Industries in African Countries

2610. SHRI HARIHAR SOREN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to help some African countries in setting up industries there;

(b) if so, the steps taken in that regard; and

(c) the details of the proposal of Government ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) to (c). Proposals for setting up industries are usually received in forums like Joint Commissions, Joint Committee Meetings, bilateral talks etc. Deliberations in these forums are, however, general in nature and further action is usually taken by the concerned executing agencies.

Under India's contribution to the AFRICA Fund, it is proposed to rehabilitate bicycle plants in Angola and Tanzania and also to set up workshops for repair and maintenance of agricultural implements in Mozambique. Besides, subject to the approval of respective host countries, it is proposed to set up (a) plant to manufacture agricultural implements and (b) plant for repair/rewinding of electric motors and transformers and manufacture of LT distribution boards and meter boxes in Botswana and support a projected refractory brick plant in Zimbabwe.

NABARD Comments on Work Done by West Bengal for Rural Development

2611. SHRI HANNAN MOLLAH : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn towards the comments

made by NABARD regarding the work done by West Bengal for rural development; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Information is being collected and will be laid on the Table of the House to the extent possible.

Housing Finance Scheme of Canara Bank

2612. SHRI V. KRISHNA RAO : SHRI S. B. SIDNAL :

Will the Minister of FINANCE be pleased to state :

(a) whether a Housing Finance Scheme has been launched by Canara Bank;

(b) if so, the main features of this scheme and the names of the States in which the scheme has been launched;

(c) the extent to which the scheme is likely to benefit the housing sector;

(d) whether Government propose to extend the scheme to other States; if so the names thereof; and

(e) whether other nationalised banks also propose to launch such schemes; if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Yes Sir. Canara Bank has been permitted to set up through its subsidiary "Canara bank Financial Services Ltd." jointly with Housing Development Finance Corporation (HDFC) and Unit Trust of India (UTI), "Can Fin Homes Ltd." a housing finance company to cater to the housing needs in Southern Region. The loans would be granted to individuals/societies ranging from Rs. 10,000 to Rs. 3 lakhs depending upon the repaying capacity of the borrower. "Can Fin Homes Ltd., has been pro-

jected to help build forty thousand houses for weaker section/Lower Income Group and forty thousand houses for persons belonging to other groups.

(d) and (e). State Bank of India (SBI) has also been permitted to set up through its subsidiary 'SBI Capital Markets Ltd', jointly with HDFC, a housing finance company viz, Housing Promotion and Finance Corporation Pvt. Ltd., to finance housing activities in Eastern Region and North-Eastern Region. Further, Punjab National Bank (PNB) also propose to set up through its wholly owned Housing Finance subsidiary "PNB Housing Services Pvt. Ltd." for financing housing activities in Northern Region.

Reduction of Interest Rates of Bank Credit

2613. SHRI S. B. SIDNAL : Will the Minister of FINANCE be pleased to state :

(a) whether the representatives of industry and farm sector had made a plea to him for reduction of interest rates and higher allocations of bank credit;

(b) if so, whether the farmers representatives stressed the importance of strong and sustained agricultural development in providing an expanding market for industrial goods; and

(c) if so, the benefits proposed to be given to the farmers ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Reserve Bank of India has reported that it has been receiving suggestions from the representatives of industry and agriculture sectors for reductions in lending rates and increased allocation of credit to the concerned sector. It has been decided that proportion of Direct Finance to Agriculture to net Bank Credit by Public Sector Banks should be raised from 16.0 per cent to 17.0 per cent by March 1989. In order to give further relief to farmers, Reserve Bank of India has announced reductions in interest rates charged for agricultural production credit. Comparative position with regard to rate of interest charged prior to 1st March, 1988 and effective rate of interest from 1st March, 1988 is indicated below :

Rate of Interest (% per annum)

Short-Term Agricultural Loans to Farmers	Upto end of February 1988	Effective from 1.3.1988
Upto Rs. 5000	11.5	10.0
Over Rs. 5000 and upto Rs. 7500	12.5	10.0
Over Rs. 7500 and upto Rs. 10,000	12.5	11.5
Over Rs. 10,000 and upto Rs. 15,000	12.5 to 14.0	11.5
Over Rs. 15,000 and upto Rs. 25,000	12.5 to 14.0	12.5 to 14.0
Over Rs. 25,000	14.0 to 15.0	14.0 to 15.0

[*Translation*]

Bank Loans for Unsuccessful Wells

2614. SHRI DILEEP SINGH H URIA : Will the Minister of FINANCE

be pleased to state :

(a) whether the scheme of repayment of loans in regard to the unsuccessful wells to the respective bank is required to be included in Integrated Rural Development