

(d) the details thereof ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) to (d). Reserve Bank of India has reported that banks are required to adopt a schematic approach to lending in respect of their agricultural advances, tone up pre-lending appraisal and post-lending supervision involving, *inter-alia*, contact with beneficiaries, financing for assets of standard quality and timely recovery of dues.

Reserve Bank of India has often impressed upon banks the need to institute a viable recovery system which will help not only in improving their profitability but also in re-cycling the scarce resources of the banking system to the needy sections of the economy. Banks are to closely monitor the utilisation of loan amount through periodical visits/inspection of the borrowers' premises, factories, scrutiny of accounting statements and where necessary by periodical counselling with the borrowers. Some banks also have special schemes to encourage technocrats/entrepreneurs to start new ventures.

#### Extension of Coffee Plantation

**2705. SHRIMATI JAYANTI PATNAIK :** Will the Minister of COMMERCE be pleased to state :

(a) the State which have taken up Coffee plantation;

(b) the approximate areas brought under Coffee cultivation by the end of 1987; and

(c) the incentive given by Coffee Board or Union Government to undertake Coffee plantation in those States ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) :** (a) to (c). A statement is given below.

#### Statement

(a) and (b). The state which have taken up Coffee Plantation and the area planted under Coffee as on Coffee Season 1985-86 are as under :

States	Area in Hectares
Karnataka	1,27,892
Kerala	65,628
Tamilnadu	32,869
Andhra Pradesh	7,647
Nagaland	1,865
Assam	1,307
Orissa	977
Mizoram	783
Meghalaya	717
Manipur	328
Arunachal Pradesh	255
Tripura	126
Madhya Pradesh	75
Sikkim	67
West Bengal	29
Maharashtra	23
Andaman and Nicobar Islands	8
<b>Total :</b>	<b>2,40,596</b>

(c) The Coffee Board has been implementing a number of schemes like Research programmes, Extension and Advisory Services, Coffee Demonstration Farms, Training programmes, Production and supply of quality seeds and disease resistant material for all coffee growers, and loan and subsidy assistance for the development of the coffee industry. Differential rate of interest for the weaker sections has also recently been introduced.

#### Boost to Trade with Iran

**2706. SHRIMATI JAYANTI PATNAIK :** Will the Minister of COMMERCE be pleased to state :

(a) whether steps have been taken to boost trade ties with Iran;

(b) if so, the areas in which trade ties have been established by both the countries earlier; and

(c) the new areas of co-operation identified to give further boost to India-Iran trade ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) :** (a) and (b). Discussions have been regularly held with the Iranian companies during the visits of official delegations as well as at the time of the Joint Commission Meetings to explore ways and means of increasing the level of Indo-Iranian trade turnover. Iran has been a traditional supplier of crude oil to India. Some quantities of sulphur and dry fruits are also being imported from Iran. Principal Indian exports to Iran comprise *inter-alia* tea, jeeps, light engineering equipment power equipment, meat, etc.

(c) During the visit of the Iranian Minister for Heavy Industry in December 1987 a number of Memoranda of Understanding were signed between Indian and Iranian companies conving *inter-alia* cooperation in transfer of technology and supply of equipment in sectors such as castings and forgings, machine tools automative components etc.

**Supply of Cotton Dhoties, Sarees at Cheaper Rate**

**2707. SHRI MANIK REDDY :** Will the Minister of TEXTILES be pleased to state :

(a) whether there is any scheme under consideration of Union Government for the supply of cotton dhoties, sarees and cloth at a cheaper rate to the common man through public distribution system;

(b) if so, the details thereof; and

(c) if not, the reasons therefor and the appropriate action being taken in this regard ?

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** (a) to (c). NTC is producing cotton dhoties, sarees and long cloth under the controlled cloth scheme which is predominantly distributed through NCCF and the public distribution system

of the State Government. There is no other scheme under consideration of the Government for supply of Mill-made cotton dhoties, cotton sarees and cotton cloth for supply through the public distribution system.

**Funds for Hotel Industry in Orissa**

**2708. SHRI SOMNATH RATH :** Will the Minister of FINANCE be pleased to state :

(a) the details of norms to provide funds for hotel industry by IPICOL in Orissa;

(b) whether Hotel Toronto at Balasore in Orissa has been provided funds from IPICOL, if so, the amount sanctioned and whether the norms have been followed; and

(c) whether Orissa State Financial Corporation has been consulted and whether any study report on marketing has been given by State Government Undertaking as well as Orissa State Financial Corporation ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) to (c). Industrial Promotion Investment Corporation of Orissa Ltd. (IPICOL) in Orissa provided financial assistance to projects in terms of the norms prescribed under the Industrial Development Bank of India's Refinance Scheme. The norms were (a) debt-equity ratio of 2 : 1; (b) promoters' contribution (for projects in "A" category backward area) of 12.5%; and (c) repayment period upto 12 years. However, lower debt equity norm is being followed by IPICOL in the case of hotel industry keeping in view the debt service capability of the hotel projects. IPICOL had sanctioned a term loan of Rs. 20 lakhs to hotel Toronto at Balasore in Orissa. Orissa State Financial Corporation had also been associated with the project. It is informed that market survey conducted by Orissa Industrial Technical and Consultancy Organisation indicated that there was scope for more hotels of this type at Balasore.