

made during the last year of the Seventh Plan?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) to (c). Information as on 31.12.1988 is being collected and will be laid on the Table of the Sabha.

Repayment of loans by farmers

4326. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether any State Governments had initiated an Interest Rebate Scheme with the intention of making farmers repay their cooperative loans in time;

(b) if so, the names of the States in which the scheme has been initiated;

(c) whether the National Bank for Agriculture and Rural Development has objected to the practice with the observation that refinance can not be given against loans to farmers attracting interest subsidy by the State through cooperative banks; and

(d) the steps taken or proposed to be taken by the Union Government to help the farmers in the repayment of their loans?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). National Bank for Agriculture and Rural Development (NABARD) has reported that the interest rebate scheme was in operation in 10 States and one Union Territory namely Karnataka, Madhya Pradesh, Tamil Nadu, Kerala, West Bengal, Gujarat, Maharashtra, Andhra Pradesh, Bihar, Orissa and Union Territory of Pondicherry.

(c) and (d). The introduction of the inter-

est rebate scheme by co-operative banks in the above States/Union Territory was considered by Reserve Bank of India (RBI) and NABARD as violation of their instructions relating to interest rates, conversion of loans etc. In view of this NABARD vide its circular dated 29th November, 1988 addressed to Managing Director of all State Cooperative Banks and State Land Development Bank, withheld refinance facilities till an undertaking is furnished by the concerned institutions that they would follow the instructions/guidelines issued by the RBI/NABARD.

NABARD has reported that refinance facilities have been resumed in all States, except in Maharashtra, since undertakings from the cooperative banks of Maharashtra State are still awaited.

[Translation]

Conversion of Farrukhabad-Kanpur-Lucknow metre Gauge into Broad Gauge

4327. SHRI C. JANGA REDDY: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have decided to convert only Kanpur-Lucknow section of Farrukhabad-Lucknow metre gauge line broad gauge, and

(b) if so, the reason for cutting off many districts centres including Farrukhabad from the State capital by this partial conversion?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes, Sir

(b) Rail connections between district centres and Lucknow will not be affected after conversion of Kanpur-Lucknow MG section to BG. The passengers from Farrukhabad side will only have to change over