

(b) and (c). The smooth running of industrial mills depends on the state of financial health of the mill and other relevant factors.

(d) Government have taken steps for reviving the textile industry. These include setting up of Nodal Agency to evolve and manage rehabilitation packages for sick but potentially viable mills, creation of a Textile Modernisation Fund under which an assistance of Rs. 752 crores was sanctioned till 31.5.1989 in 191 cases & setting up of the Board for Industrial and Financial Reconstruction to consider cases of sick units including textile mills.

### **Charging of Compound Interest by Banks**

3584. SHRI BRAJA MOHAN MOHANTY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering any proposal not to charge compound interest by banks, cooperative and public financial institutions, against the loans advanced to marginal farmers, small farmers, artisans, agricultural labourers and the small businessmen who are running the business on their own labour not employing others, if so, the details thereof; and

(b) whether Government are considering to introduce a policy of not realising more interest than the capital to the aforesaid categories of people from the banks, cooperatives and public financial institutions, 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). According to existing instructions issued by Reserve Bank of India (RBI) and National Bank

for Agriculture and Rural Development (NABARD) from time to time, interest on current dues in the case of agricultural advances should not be compounded. Interest should also not be compounded on dues from Primary Agriculture Credit Societies (PACs) ceded to commercial banks. When crop loans or instalments under term loans become overdue banks can add interest outstanding to the principal and compound the interest. However, total interest debited to an account should not exceed the principal amount in respect of advances to small and marginal farmers.

State Cooperative Banks (SCBs) and State Land Development Banks (SLDBs) have been advised by NABARD that in the case of farmers affected by natural calamities for three or more years in succession, there should not be any compounding of interest on dues converted rescheduled or deferred/postponed.

In respect of composite loans for artisans, village and cottage industries, interest during the initial moratorium period should not be compounded. These instructions are also applicable to Industries, Services and Business (ISB) Sector loans under IRDP.

### **Restoration of 23 Dn/24 Up Bombay Ferozepur Express**

3585. SHRI ANOOPCHAND SHAH: Will the Minister of RAILWAYS be pleased to state:

(a) whether Pantry car service on 23-DN/24-UP Bombay-Ferozepur Janata train has been discontinued;

(b) if so, since when and the reasons therefor;

(c) whether a lot of inconvenience is being experience by the passengers on this long distance train in the absence of pantry

car service; and

(d) if so, whether Government propose to restore the service?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) Pantry car service on 23 Dn/24 Up Bombay Ferozepur Janata Express licensed to M/s Shah Caterers was discontinued from 25.8.88 on account of lock-out declared by the licenses due to labour problem.

(c) Some such representations have been received. Satisfactory alternative arrangements exist for catering from static units for this train.

(d) The matter is under consideration.

#### Vending Stalls on Bombay Suburban Railway

3586. SHRI ANOOPCHAND SHAH: Will the Minister of RAILWAYS be pleased to state:

(a) the number of tea, refreshments, book and fruit stalls allotted during the period April 1988 to March 1989 on suburban section of Bombay; and

(b) the criteria adopted for allotment of these stalls?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) One.

(b) Allotment of catering/vending contracts is done by the Zonal Railways on inviting applications through press notifications and/or notices displayed at Railway Stations where necessary. Applications so received are scrutinised by a Screening Committee and based on their recommen-

dations, the contract is awarded to the most suitable candidate on merits.

#### Punctuality of Trains on Churchgate-Virar Section

3587. SHRI ANOOPCHAND SHAH: Will the Minister of RAILWAYS be pleased to state:

(a) the punctuality rate of suburban trains running between Churchgate and Virar on Western Railway during 1987, 1988 and 1989;

(b) whether the punctuality rate had come down; and

(c) if so, the reasons therefor and the remedial measures being taken to increase the rate of punctuality?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a)

1987	-	93.0%
1988	-	92.8%
1989 (upto 31st July, 1989)	-	93.6%

(b) No, Sir.

(c) Does not arise.

#### Bandra Terminal (Bombay)

3588. SHRI ANOOPCHAND SHAH: Will the Minister of RAILWAYS be pleased to state:

(a) whether development work on Bandra Terminal, Western Railway, in Bombay has been stopped for the last two months; and