

(b) what were the points put forth by the State Government to substantiate their demand;

(c) what decision the Central Government have taken in this regard; and

(d) if not, when a decision is likely to be taken?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (d). Government of India have received a request from Government of Maharashtra for nationalisation of 3 mills viz. Pulgaon Cotton Mills, Western India Spg. and Mfg. Co. and Vijay Manufacturing Co. in favour of State Government. The Government of Maharashtra have urged nationalisation of these mills on the ground that substantial investments have been made by the State Government/Maharashtra State Textile Corpn. for restarting these units and nursing them back to health after their take over. They also stated that if the ownership of the unit were to change at this stage, it will affect the modernisation programmes undertaken by State Govt. and will create avoidable uncertainty about the security of funds invested and the future of the undertaking.

The proposal of the Government of Maharashtra is being considered in the context of overall policy on take over and nationalisation of sick textile units.

Janata Hotels in Orissa State

644. SHRI LAKSHMAN MALICK: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there is any proposal under Government's consideration to build more Janata hotels in the State of Orissa; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI CHANDULAL CHANDRAKAR): (a) and (b). There is no such proposal under the consideration of the Government. However, the whole policy relating to the setting up of such type of hotels is under consideration of Government.

Credit expansion of Scheduled Banks

645. SHRI NARAYAN CHOUBEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there has been a runaway credit expansion over the past six and a half months despite RBI's guidelines of keeping credit expansion within last years' limit;

(b) if so, comparing facts thereof, what is the Government's reaction to the Schedule Banks' behaviour in this regard;

(c) whether it is not a fact that this credit expansion has helped the industrial units to make a trading profit; and

(d) whether lending to priority sectors has shown any increase during the same period the details thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) and (b). The Reserve Bank have reported that the increase in the total net bank credit during the period November 16, 1979 to May 23, 1980 has been markedly lower at Rs. 1424 crores (7 per cent) as compared to the expansion of Rs. 1862 crores (11.1 per cent) in the comparable period a year ago.

(c) The banks have been advised to strictly restrict their advances to traders as well as manufacturers utilising stocks of sensitive and scarce commodities so as to prevent hoarding and profiteering.

(d) Information regarding credit to priority sectors is available upto end-March, 1980. During the 5 months'