

Credit facilities by Commercial Banks to Agricultural Sector in areas of Orissa

3605. SHRI HARIHAR SOREN:
Will the Minister of FINANCE be pleased to state:

(a) the norms and procedures followed by the commercial banks to provide credit facilities to the agricultural sectors in the rural areas of Orissa;

(b) whether Government have any proposal to introduce separate loan schemes to the landless labourers, agricultural worker and village artisans of the State who remain outside the purview of norms that are followed by the commercial banks; and

(c) if so, the details of guidelines given by the Government to these commercial banks and the expected date of the commencement of the introduction of these schemes?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) To enable the poor borrowers in rural areas to avail themselves of credit facilities for agricultural purposes from commercial banks suitable instructions have been issued to banks including these in Orissa. These relate to simplification of loans application forms and lending procedure, liberalisation of terms of credit like security, margin, rate of interest, preparation of credit plan with a weightage in favour of Scheduled Castes/Scheduled Tribes and special bankable schemes suited to the members of these communities to ensure a larger flow of credit to them for self-employment etc.

(b) and (c). An integrated rural development programme (IRDP) has been introduced which covers small/marginal farmers, share croppers, agricultural labourers, rural artisans, village and cottage industries, tiny sector and persons belonging to SC/ST.

Guidelines have already been issued to the nationalised banks and the scheme is being implemented in a

phased manner. Banks have been advised to ensure that 50 per cent of their direct loans in the agriculture sector goes to small and marginal farmers and other weaker sections. To enable banks to charge concessional rates of interest, particularly to weaker sections, advances under priority sector have been exempted from the minimum lending rate of 13½ per cent. Under the DRI scheme banks are lending at the rate of 4 per cent to the weakest of the weaker sections which are 1 per cent of their total advances. To enlarge the flow of credit requirements Regional Rural Banks are being established by the Commercial Banks.

Loss Incurred by IISCO of Burnpur West Bengal

3606. SHRI TRIDIB CHAUDHURI:
Will the Minister of STEEL AND MINES be pleased to state:

(a) what is the amount of annual loss incurred by the Indian Iron and Steel Company (IISCO) of Burnpur, West Bengal, in 1977-78, 1978-79 and 1979-80;

(b) has any scheme for the modernisation, expansion and diversification of production of the IISCO plans been adopted with a view to wipe out the loss; and

(c) the total estimated cost of that scheme and the time by which it would be completed?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The losses incurred by the Indian Iron and Steel Company Limited for the year 1977-78 to 1979-80 are as under:

Year	Amount of loss (Rs. in crores)
1977-78	30.13
1978-79	24.31
1979-80	34.59
	(Provisional subject to audit)