

Block/closure of jute mills in West Bengal

335. SHRI CHITTA BASU:

SHRIMATI GEETA
MUKHERJEE:

SHRI INDRAJIT GUPTA:

SHRI P. K. KODIYAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware that the Indian Jute Mills Association contemplate to impose block/closure of jute mills in West Bengal; and

(b) if so, the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) Yes, Sir; a delegation of IJMA is reported to have met the West Bengal State Labour Minister in this connection. The State Government has not formally communicated their reaction to the Central Government. However, the industry has not submitted a formal proposal for block closure of jute mills in certain specified period so far.

(b) In the year of Productivity, Government do not view with favour the idea of block closure of jute mills in certain specified period.

Suggestion for conference of Chief Ministers regarding overdrafts by States and inflation

336. SHRI CHITTA BASU: Will the Minister of FINANCE be pleased to state:

(a) whether the Chief Minister of West Bengal recently suggested for a Conference of Chief Ministers to consider the issue of overdrafts taken by the States and also to evolve measures to control inflation; and

(b) if so, the reaction of Government thereto?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) The Union Finance Minister had a meeting with the Chief Minister of West Bengal on 8th June 1982 regarding the State's continuing and large overdrafts on the Reserve Bank of India. At this meeting, Chief Minister, West Bengal suggested that a conference of Chief Ministers should be convened to consider the problem of overdrafts by States and the effect of inflation of State's finances

(b) The Government of India has, however, no proposal at present to convene such a Conference Finance Minister, however, discussed with a number of Chief Ministers including Chief Minister, West Bengal regarding the problem of overdrafts before the decision on it was announced.

Rates of Interests charged by Reserve Bank of India from Scheduled Banks and Co-operative Banks

337. SHRI UTTAM RATHOD: Will the Minister of FINANCE be pleased to state:

(a) what is the rate of interest charged by the Reserve Bank of India on advances (1) to scheduled banks, and (2) to co-operative banks; and

(b) if there is any difference in the above rates, the reasons for the same?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The rates of interest being presently charged by the Reserve Bank on advances to scheduled commercial banks and co-operative banks are given in Annexure.

(b) Rates of interest charged by the Reserve Bank vary in accordance with purposes for which advances are made. While concessional rates of interest below bank rate are charged for production purposes with a view to boosting up production in the agricultural/small scale industry sector, etc. the rates charged for other activities which are commercial in nature are at bank rate, or above bank rate.

Statement

I. Rates of interest being charged at present by Reserve Bank of India on refinance facilities extended to State Cooperative Banks for various purposes are given below :—

Purpose	Rate of interest (%)
(a) Short term Credit Limit	
(1) For seasonal agricultural operations	7
(2) For marketing of crops including cotton and Kapas	10
(3) For purchase and distribution of Fertilisers	11
(4) For financing working capital of cooperative sugar factories against stocks of sugar	13
(5) Against eligible securities representing stabilisation funds.	10
(6) For financing production and marketing activities of cottage and small scale industries (inclusive weavers)	7.5
(7) To apex weavers societies for trading in yarn	10
(b) Medium Term Credit Limit	
(1) For approved agricultural purposes	7
(2) For purchase of shares in cooperative sugar factories	10
(c) Medium Term Conversion Loans	
(1) Conversion of short term loans into medium term conversion loans in the event of natural calamities	7

II. Rates of interest charged at present by Reserve Bank of India on advances extended to scheduled commercial banks are given below :—

1. Food Finance	10
2. Export refinance	10
3. Refinance against shipping loans	11.5
4. Discretionary Refinance	14 (Minimum)
5. Stand-by refinance	11
6. Bill Rediscounting	14 (on first tranche and higher rates on subsequent tranches)

Contracts finalised by Soviet Union with Indian Exporters

338. SHRI TARIQ ANWAR: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the Soviet Union has finalised contracts with Indian manufacturers and exporters for the sup-

ply of a wide range of items worth Rs. 1600 crores in 1982; and

(b) whether the deal is on purchase and sale basis?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) During the course of review of the implementation of Indo-