

[English]

### Export to Chilly

2648. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government of Andhra Pradesh has requested the Union Government to set up a Chilly Board to promote the export of Chilly;

(b) if so, whether the Union Government have agreed to the proposal of the State Government; and

(c) if so the time by which the Chilly Board is likely to be set up in Andhra Pradesh ?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) Yes sir.

(b) No, Sir. The development, research and marketing/export promotion of spices including chillies is well taken care of by the following three institutes of the Government of India set up for this purpose;

- (i) Directorate of Cocoa, Arecanut and Spices Development, Calicut;
- (ii) ICAR and its Research Institutes;
- (iii) Spices Board, Ministry of Commerce.

Spices Board is primarily responsible for export promotion of all spices including chillies. The research and development aspects of chillies cultivation are looked after by the Ministry of Agriculture. Setting up a separate Board for Chillies would involve unnecessary duplication of work and would not result in commensurate gains. In view of this, it is felt that it would not be advisable to set up a separate Board for Chillies.

(c) Does not arise.

### Interest Rate on Priority Sector Lendings

2649. SHRI SUSHIL KUMAR SHINDE :  
SHRI MADHAVRAO SCINDIA :

Will the Minister of FINANCE be pleased to state :

(a) the rate of the interest charged by the nationalised banks from priority sector;

(b) whether this rate of interest is much higher than the other developing Asian Countries;

(c) if so, the reasons for such higher rates of interest is charged from priority sector debtors; and

(d) the steps taken by the Government to provide credit to priority sector on lesser rate of interest?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS

AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (d) Reserve Bank of India have reported that at present interest rate is linked to size of the loan (with the exception of advances under Differential Rate of Interest (DRI) Scheme and export credit). Interest rate to be charged by banks on loans upto Rs.2 lakhs should not exceed the Prime Lending Rate (PLR) of the bank, which is available to the best borrower of the concerned bank. In case of credit limits above Rs.2 lakhs, the banks are free to determine the interest rate. At present, the PLRs of major banks range between 12-75 percent to 13.00 percent. Since credit requirements of most of the borrowers of weaker sections/priority sector falls within Rs.2 lakh, concessionality is inbuilt in the lending structure for loans upto this limit of Rs.2 lakhs. The policy governing lending rate prescription is continuously reviewed and is subject to modification on the basis of emerging developments.

Reserve Bank of India have reported that the comparison of rate of interest prevailing in India vis-a-vis the rest of the world would not be meaningful unless the prevailing rates of inflation in India vis-a-vis the rest of the world are also considered. Some of the Asian countries have reduced their discount rates in view of their countries' specific economic conditions.

### Revival of Praga Tools Ltd.

2650. SHRI S.S. OWAISI : Will the Minister of INDUSTRY be pleased to state :

(a) whether the rehabilitation package for M/s Praga Tools Ltd., Secunderabad is pending with the Government;

(b) if so, the details thereof and since when the proposal is pending with the Government;

(c) whether it is a fact that the employees of this company have not got salaries for the last three months;

(d) if so, the steps taken by the Government to clear the revival package of Praga Tools Ltd., and the steps taken to make the arrangement of payment of salaries to the workers;

(e) whether the casual labourers of the company has been asked by the management to search jobs elsewhere; and

(f) if so, the reasons therefor and the steps being taken by the Government to regularise them?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes, Sir.