

14.14 hrs.

*The Lok Sabha re-assembled after Lunch at fourteen minutes past*

*Fourteen of the Clock.*

[Mr. Deputy-Speaker *in the Chair*]

**MATTERS UNDER RULE 377**

**MR. DEPUTY-SPEAKER:** Now, the House will take up Item No. 16 – Matters Under Rule 377.

**Title:** Need to redress the problems being faced by tobacco traders of Andhra Pradesh due to adverse market conditions.

**SHRI RAYAPATI SAMBASIVA RAO (GUNTUR):** I would like to draw the kind attention of the hon. Ministers of Commerce and Finance to the various representations made by the Indian Tobacco Association, Guntur and Ongole of Andhra Pradesh and also a number of Members of Parliament urging him to consider and include the following amendments suggested by the Indian Tobacco Association to the relief package announced on 31.1.2003 under RBI circular No., IECD No. 3046/08.07.04/2002-03 dated 31<sup>st</sup> January, 2003.

"To instruct Bankers not to harass Tobacco Dealers and consider all counts of Tobacco Dealers for relief.

To instruct Bankers to restructure or settle the accounts of all the Tobacco dealers under the package irrespective of viability.

To instruct Bankers to extend one time settlement scheme, to the accounts of willing Dealers and Suit Filed accounts by accepting 40 per cent to 50 per cent of the Credit Limits in full satisfaction of the dues.

To instruct Bankers to restructure all the accounts of Tobacco Dealers by only charging six per cent per annum from 30.09.1999, till the date of restructure, and convert the same to a term loan repayable in a period of seven years, with one year moratorium.

To instruct Bankers to credit the interest collected in excess of six per cent to the OCC accounts of the Dealers.

To instruct Bankers to consider and provide fresh finance to restructured account holders against the existing securities.

To advise the Banker to fix the repayment instalments on yearly basis."

I urge upon the hon. Ministers of Commerce and Finance to kindly take immediate measures and issue the instructions to the Reserve Bank of India to implement the suggestions and take final decision immediately to help the Tobacco traders.