

(b) the time by which it is likely to be completed?

**THE MINISTER OF INFORMATION AND BROADCASTING AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI P. UPENDRA):** (a) and (b). It has been recently decided in principle to set up a TV Studio Centre and a 10KW transmitter at Hissar in Haryana, subject to availability of funds. The lead time for completion of projects of this nature is about four years after commencement of civil works at the site.

**Interest charged by Nationalised Banks on NABARD Loans**

8272. **SHRI D.M. PUTTE GOWDA:** Will the Minister of FINANCE be pleased to state:

(a) whether the Deposit Insurance Corporation of India was formed mainly to give security to banks for loans provided to poor people under several popular schemes of Government;

(b) whether the Reserve Bank of India has instructed all the nationalised banks to collect 1.5 per cent interest on all the National Bank for Agriculture and Rural Development (NABARD) loans mentioning it as fees for the Deposit Insurance Corporation of India;

(c) whether bank advances are secured to a maximum of Rs. 25,000 in case of bad debts;

(d) whether the 1.5 per cent interest is charged on all the NABARD development loans irrespective of the amount involved; and

(e) if so, the action proposed to be taken by Government so that the 1.5 per cent interest is not charged on the amount of loans which exceed Rs. 25,000?

**THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI):** (a) to (e). The Deposit Insurance and Credit Guarantee Corporation (DICGC) was established to achieve the twin objectives of giving protection to small depositors in banks and providing guarantee support to credit extended by eligible credit institutions to certain categories of small borrowers particularly those belonging to the weaker sections of society. Reserve Bank of India (RBI) had advised all scheduled commercial banks on May, 1989 as under:

(i) Banks will continue to bear the guarantee fees in respect of advances to weaker sections, pure consumption loans etc. as hitherto.

(ii) In the case of advances where the banks charge interest of 16 per cent or more, the banks will have to absorb the guarantee fees.

(iii) In all other cases, the banks should ensure that the lending rate as stipulated together with the guarantee fee, irrespective of whether it is levied separately or not, does not exceed 16 per cent.

1. The above instructions issued by RBI apply to all priority sector advances and were made applicable from April 1, 1989.

2. It has been decided by DICGC to bring into force the enhanced guarantee fee rate of 1.5% per annum uniformly from April 1, 1989. The Regional Rural Banks (RRBs) will however, continue to pay guarantee fee at the rate of 0.755 per annum till they complete 5 years of their joining the Small Loan (SSI) Guarantee Scheme and after which they would pay the guarantee fee at the rate of 1.5% per annum as

applicable to the commercial banks.

3. The Corporation's claim liability is at present 60% of the amount in default for schemes in the non-industrial sector and 60% to 50% of the amount in default for the small scale industries according to the size of the credit or the monetary ceiling as prescribed under the scheme. The purpose-wise monetary ceiling on the Corporation's claim liability for the scheme relating to small borrowers varies from Rs 10,000 to Rs 1,50,000/- for the category of borrowers like farmers and agriculturists, retail traders and transport operators etc effective from 1 4 1989. The monetary ceiling on the Corporation's claim liability for the small scale industries under the Small Loans (SSI) Guarantee Scheme, 1981 effective from 1 4.1989 is Rs. 20 lakhs

#### **Decentralisation of Supply Department**

8273 SHRI SHANTARAM POTDUKHE: Will the Minister of COMMERCE be pleased to state:

- (a) whether Government propose to wind up the Department of Supply;
- (b) whether before taking a decision to dismantle this massive purchase organisation, the views of the various Ministries were elicited;
- (c) if so, their reaction thereto particularly of the major buying Ministries like Railways, Defence etc; and
- (d) the places where presently supply Missions abroad are situated and the decision taken regarding their future set up?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI AR-ANGIL SHREEDHARAN): (a) No, Sir.

(b) Does not arise.

(c) Does not arise.

(d) Indian Supply Wings (ISW) are located in the High Commission of India, London and the Embassy of India, Washington. Over the years the quantum of work handled by the two Wings has progressively decreased. The need for their continuance is being actively reviewed by the Government of India.

#### **Potentiality of Tourism in Orissa**

8274. SHRI ANADI CHARAN DAS: Will the Minister of TOURISM be pleased to state:

- (a) whether Government are aware that the tourism of Orissa depends on the coastal Districts of Orissa which have a rich potentiality of tourism;
- (b) whether his Ministry is also aware that, restrictions have been imposed on developmental activities within 500 metres from the High Tide Line and the Orissa Government has been instructed to prepare Environment Management Plan for the entire coastal area of Orissa which has given a set back to the tourism in the State; and
- (c) if so, the action taken or proposed to be taken to clear the projects to allow developmental activity on the Orissa beaches?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI SATYA PAL MALIK): (a) Yes, Sir. Government is aware of rich potentiality of tourism of the beaches of Orissa.