

Interest on Loans

8298 SHRI M BAGA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether there is a general principal in regard to loaning and repayment that 'in no case the amount of interest should exceed the principal', and

(b) if so, whether Government have issued directions to all the State Governments and all the nationalised banks to implement it?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI) (a) to (b) Commercial banks have been instructed by Reserve Bank of India that interest on current dues on agricultural advances should not be compounded. When crop loans or instalments under term loans granted for agricultural purposes become overdue banks can add interest outstanding to the principal and compound the interest. However, total interest debited to an account should not exceed the principal amount in respect of short term advances granted to small and marginal farmers

<i>Year</i>	<i>Quantity (in '000 tonnes)</i>	<i>Value (in ₹s. crores)</i>
<i>1</i>	<i>2</i>	<i>3</i>
1989-90	166.6	115.15

(b) The production target of saleable steel by SAIL for the year 1990-91 is 7776,000 tonnes

(c) and (d) However, the Government feels that export of value added products should be encouraged in future instead of merely exporting iron ore

Steel Export by SAIL

8299. SHRI GANGA CHARAN LODHI:
SHRI Y.S. RAJA SEKHAR REDDY:

Will the Minister of STEEL AND MINES be pleased to state:

(a) the total quantity of steel exported by the Steel Authority of India Limited during 1989-90 and the foreign exchange earned therefrom,

(b) the production target of steel by SAIL for the year 1990-91,

(c) whether Government are evolving a new policy in order to export steel instead of iron ore, and

(d) if so, the details thereof?

THE MINISTER OF STEEL AND MINES AND MINISTER OF LAW AND JUSTICE (SHRI DINESH GOSWAMI). (a) The total quantity of steel exported by the Steel Authority of India Limited during 1989-90 and the foreign exchange earned therefrom is as follows

Short Term Credit to Punjab

8300. SHRI KAMAL CHAUDHRY: Will the Minister of FINANCE be pleased to state:

(a) the amount of annual grant and the amount of short term credit sanctioned to Punjab for the year 1990-91;

(b) whether the funds sanctioned to Punjab under short term credit and under the annual grant have been showing downward trend over the past few years;

(c) if so, the reasons for the decrease in the allocation;

(d) whether Government of Punjab has requested Union Government to increase the allocation to Punjab; and

(e) if so, the action taken by Government thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (e). The commercial banks do not give grants or loans to State Governments. In view of the special circumstances obtaining in Punjab, it had been decided to give certain concessions in the matter of grant of bank credit to the borrowers in the State. The concession include adhoc increase in credit upto 15%, reduction in the margin so that it does not exceed 15%, extension in the period of release of bills, reschedulement of repayment of term loan instalments by extending period upto one year in deserving cases and reduction of 50% in service charges on demand draft, pay orders, bankers cheques and other remittances. As per the latest information available the total increase in limits availed by units in Punjab during the period from June 1, 1986 to December 31, 1989 amounted to Rs. 190.60 crores. This is in addition to the limits granted between 1.6.1985 to 31st May, 1986 to the extent of Rs. 115.43 crores. The period of concessions granted to borrowers in Punjab has been extended upto 31st March, 1991.

Setting up of a T.V. Transmission Centre in Nowrangpur and Malkargire in Orissa

8301. SHRI K. PRADHANI: Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether Orissa Government has sent proposals for setting up of T.V. transmission centre one at Nowrangpur and another at Malkargire; and

(b) if so, the time by which the proposals would be implemented?

THE MINISTER OF INFORMATION AND BROADCASTING AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI P. UPENDRA): (a) Yes, Sir.

(b) Whereas three low power (100 W) TV transmitters one each at Koraput, Jeypore and Rayagada and a TV transposer at Sunabeda are already functioning in Koraput district of Orissa, TV service in the district is expected to be strengthened when the high power (10KW) TV transmitter under implementation at Bhawanipatna is commissioned into service. Extension of TV service to the remaining uncovered parts of Koraput district depends upon the availability of adequate resources for this purpose under the Eighth Plan.

Internal Debt

8302. SHRI ANBARASU ERA: Will the Minister of FINANCE be pleased to state:

(a) the total amount of internal debt owned by Union Government as on 31st March, 1990; and

(b) the steps proposed to be taken to reduce the debt burden?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) The total internal debt and other internal liabilities of the Central government outstanding at the end of 31st march, 1990 is estimated to amount to Rs. 238096 crores.

(b) It is always the endeavour of the government to keep the debt liability within