

Loan by Nationalised Banks to Weaker Sections

*71. SHRI D. P. JADEJA:
SHRI AMARSINH V.
RATHAWA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to issue certain instructions to the Nationalised Banks to make available advances to weaker sections of the people for their economic rehabilitation in backward areas of the country; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) and (b). Banks have been following programmes of increasing the flow of credit to the priority sectors, especially for the economic rehabilitation of the weaker sections of the society. Recently, a meeting of the Chief Executives of public sector banks was convened and the broad conclusions reached at the meeting were as follows:—

(i) The target set in February, 1977 of banks lending 33.3 per cent of their aggregate credit to the priority sectors, is now to be raised to 40 per cent to be achieved over the next five years. A significant proportion within this overall target will be provided to the beneficiaries of the 20 Point Programme which will be revitalised.

(ii) Banks will evolve special schemes tailored to the requirements of the beneficiaries of the 20 Point Programme as part of their District Credit Plans.

(iii) The scheme of Differential Rate of Interest and the programme of establishing Regional Rural Banks will be pursued with greater vigour.

(iv) The Reserve Bank will evolve a monitoring system to evaluate the performance of different banks in the implementation of the 20 Point Programme.

Some of the other programmes which the banks have been pursuing over the past few years for the benefit of the weaker sections are:—

(a) Composite loans to artisans and village and cottage industries upto Rs. 25,000/- with a repayment period of 7-10 years, are provided at a concessional interest rate of $9\frac{1}{2}$ per cent per annum in industrially backward districts.

(b) Working capital requirements for amounts exceeding Rs. 25,000/- and upto Rs. 1 lakh for tiny units are provided at a rate of interest of $12\frac{1}{2}$ per cent per annum and term loans of not less than three years duration at $11\frac{1}{2}$ per cent per annum. For specified backward districts the rate of interest is $9\frac{1}{2}$ per cent per annum.

(c) Housing finance is provided to Scheduled Castes/Scheduled Tribes upto 80 per cent of the total cost at 4 per cent per annum rate of interest, provided the loan amount does not exceed Rs. 2,500/-.

Imported Rubber lying with STC

*72. SHRI SOMNATH CHATTERJEE:

Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that several thousand tonnes of imported rubber are lying with State Trading Corporation for want of market;

(b) if so, the reason for such a glut thereof; and

(c) whether it is a fact that wrong assessment had been made by Government about the actual requirement of raw rubber?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The State Trading Corporation is presently having stocks of about 10,800 tonnes of imported rubber.

(b) and (c). Import programme was planned on an assessment of the supply-demand position but off take was low due to various factors, like power cuts imposed by State Governments, credit squeeze, availability of indigenous rubber, diesel shortage etc.

Opening of Account by IAAI in Midland Bank, London (U.K.)

*73. DR. SUBRAMANIAM SWAMY: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the International Airports Authority of India (IAAI) had opened a bank account in Midland Bank, London (U.K.) for the Ghat project in Libya;

(b) whether there are any other bank accounts for the same project in other London Banks; and

(c) whether for the years 1976-77 and onwards, these accounts are reported and reflected in Annual Report of the IAAI?

THE MINISTER OF TOURISM AND CIVIL AVIATION AND LABOUR (SHRI J. B. PATNAIK): (a) Yes, Sir, in May, 1976.

(b) Yes, Sir. An Account was opened in State Bank of India, London on 5-10-1977.

(c) Yes, Sir.

Dearness Allowance to Central Government Employees

*74. SHRI PIUS TIRKEY:
SHRI ATAL BIHARI
VAJPAYEE:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of Government has been drawn to a news-report appearing in the 'Patriot' in its issue of 25th February, 1980 under the caption "Dearness Allowance".

(b) if so, the full facts thereof and reaction of Government thereto;

(c) whether another instalment of Dearness Allowance to the Central Government Employees has become due with effect from 1st January, 1980 following rise in All India Average Consumer Price Index;

(d) if so, when do Government propose to issue orders for payment thereof to the Central Government employees; and

(e) the reasons for the delay in granting such instalment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (d). The reference apparently is to the leading article in the 'Patriot' of 25-2-80 under the caption 'Dearness Allowance'. Consequent on the 12-monthly average of the All India Average Consumer Price Index for Industrial Workers (General) (1960=100) reaching 344 points at the end of October, 1979, Government have decided to pay one more instalment of Dearness Allowance to the Central Government employees with effect from 1-11-79. Formal orders for the payment of this instalment will be issued shortly. Government have taken note of the fact that another instalment of dearness allowance has become due for consideration with effect from 1-2-80 at the average index level of 352.

(e) In so far as the Dearness Allowance instalment from 1-11-79 is concerned, the previous Government had left the question of its payment to be decided by the present Government since its payment involved spending of significant order. On assumption of office, the new Government took up the question and has already taken a decision in the matter. As regards the instalment with effect from 1-2-80, this has become due for consideration only a few days ago on receipt of the Consumer Price Index for January, 1980 after the Government had already taken a decision about the instalment due from 1-11-79.