

the price of coconut oil. The reason for such a request from Kerala Government is mainly due to a news item which has appeared recently saying that the Government is going to import large quantities of coconut oil from Sri Lanka with the result that the prices of coconut in Kerala have fallen sharply. May I know whether such a news item has been brought to the attention of the hon. Minister? If so, why such a false statement has not been contradicted by the hon. Minister?

SHRI VISHWANATH PRATAP SINGH: The prices prevailing now for the past three months are higher than last year's prices. Cochin Ready price in last year August was 793; now it is 875. This is on 18-8-76. Regarding Kozhikode Milliclean, during last year August the price was 795. Now it is 885. Regarding Bombay white, the respective figures are 850 and 860. Regarding Calcutta-Cochin Centre, the price last year was 950. Now it is 1020. So, I cannot subscribe to the hon. Member's view that prices have crashed. About import, I have already made a statement.

SHRI VARKEY GEORGE: Even though comparatively this year prices are slightly higher, due to the high cost of production, the prices prevailing at the moment are not adequate to the growers. Therefore, may I know from the Minister what steps are being taken to streamline prices for coconuts so that the growers can meet the present high cost of production?

SHRI VISHWANATH PRATAP SINGH: We have to take on the one side the growers' interest and on the other side the consumers' interest and between the two Government has to strike a balance.

MR. SPEAKER: His question is about the steps taken to stabilise the prices.

SHRI VISHWANATH PRATAP SINGH: To see that prices do not go up very much for the consumers imports are made whenever needed. This is done to see that prices do not go up very much higher.

Lowering of Interest Rate on Bank and other Credits

*258. **SHRI R S PANDEY:** Will the Minister of REVENUE AND BANKING be pleased to state:

(a) whether the Federation of Indian Chambers of Commerce and Industry has suggested lowering of the interest rate on bank and other credits; and

(b) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN-CHARGE OF THE DEPARTMENT OF REVENUE AND BANKING (SHRI PRANAB KUMAR MUKHERJEE):
(a) Yes, Sir.

(b) In view of the current economic situation, no reduction in lending rates is considered necessary at present.

SHRI R. S. PANDEY: What rate of interest is being charged by Reserve Bank from Central Cooperative Banks and what rate Central Cooperative Banks charge from primary credit societies?

SHRI PRANAB KUMAR MUKHERJEE: It varies from 7 to 9 per cent.

SHRI R. S. PANDEY: Is it not true that Central Cooperative Bank is charging from poor agriculturists 14 per cent in some States?

SHRI PRANAB KUMAR MUKHERJEE: This point has come to our notice but it is to be kept in mind various States are there and the Reserve Bank advised the cooperative banks to reduce the overhead

cost. On the one hand we are expecting the cooperative movement to expand and whether we could put in restriction by way of expansion is another matter. But as I said, this point has come to our notice. Reserve Bank is in touch with cooperative financial institutions. Beyond that at the moment it is not possible for me to indicate anything.

SHRI BISHWANATH ROY: May I know whether at the present rate of interest, there is much demand for loan from the banks?

SHRI PRANAB KUMAR MUKHERJEE: Naturally, a huge demand is there. Usually, the banks are complaining that they are not in a position to meet the requirements.

SHRI P. VENKATASUBBAIAH: Sir, May I draw the hon. Minister's attention to the fact that the present rate of interest charged, especially, from the small farmers and medium types farmers on term-lending loans and loans for crop raising is prohibitive—in some banks it is upto 14 per cent, leave alone the Cooperative Central Bank who is charging only 11 per cent, and, in some cases, they charge 9 per cent—with the result, there is a great credit gap and, because of the private money-lenders, the small farmers and the artisans are put to a lot of difficulties. The interest rate being too high, the small farmers and the marginal farmers, as also the artisans are not able to take advantage of the credits advanced by the nationalised banks as well as the Cooperative Central Bank.

In that case, may I also draw the attention of the hon. Minister to the sharing of this margin of interest rate.....

MR. SPEAKER: Mr. Venkatasubbiah, this question relates to the representation by the Federation of Indian Chambers of Commerce and

Industry and there is a reaction of the Government. Now, you are going into the entire gamut of it. I cannot, therefore, allow this. Mr. Joarder.

SHRI DINESH JOARDER: Sir, I want to know from the hon. Minister whether the Members of the F.I.C.C.I. have demanded or claimed a series of relaxations and concessions and reduction in the bank rate this being one of their demands. They have also demanded reduction in excise duty and export duty and they have also demanded various other concessions and they have achieved most of their demands in the form of concessions or relaxations.

The hon. Minister just now said that he was not going to reduce the bank rate at present. I want to know whether these concessions are there in other ways also. By not giving the reduction in the bank rate but by giving other concessions of reductions in rates in other items, to compensate their demand, are you going to consider the other items also for giving the concessions?

MR. SPEAKER: His only point is—are you going to consider this in future also—of course, it is perhaps not there presently?

SHRI PRANAB KUMAR MUKHERJEE: We are presently concerned with their demand for reducing the lending rate and my answer is 'No'; we are not going to reduce the lending rate.

Price Stamping Scheme on Cloth

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*29. **SHRI D. K. PANDA:**

SHRI S. M. BANERJEE:

Will the Minister of COMMERCE be pleased to state:

(a) whether the cloth price stamping scheme has come into force from July, 15, 1976;