

other commercial banks are opened after taking into consideration their viability and the credit requirements of all kinds of borrowers in the area.

Interest on Agricultural Loans

873. SHRI K. MURALEEDHARAN: Will the Minister of FINANCE be pleased to state:

(a) whether the agriculturists in some States have to pay more interest for the agricultural loans sanctioned by the National Bank for Agriculture and Rural Development which ultimately reaches to farmers through State Co-operative Banks/District Co-operative Banks/Co-operative Societies;

(b) if so, the details thereof; and

(c) the action proposed to be taken by Government in this regard?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) to (c). National Bank for Agriculture and Rural Development (NABARD) have reported that, as per the instructions issued by them, the rate of interest to be charged on short-term agricultural loans issued to farmers through Primary Agricultural Credit Societies (PACS) is the same throughout the country. They have further intimated in this regard that they conducted certain test checks in the area of operation of some Central Co-operative

Banks to ascertain whether the PACS are following the interest rate prescribed by them. The text checks have shown that in general the rate of interest charged in the same as that prescribed by NABARD/ Reserve Bank of India.

Ratio Between Deposits and Disbursement of Loans in Nationalised Banks in Kerala

874. SHRI S. KRISHNA KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the ratio between deposits and disbursement of loans in all the nationalised banks in Kerala is very low;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps contemplated to increase the ratio?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) to (c). The data reporting system of the banks does not provide information in the manner asked for. However, the ratio of aggregate deposits and outstanding loans of nationalised banks in Kerala compares favourably with their All India figures. The credit deposit ratio of nationalised banks in Kerala and at All India level as on December 1987, December 1988 and as on the last Friday of September 1989 (Latest available) are given below:

	<i>Kerala</i>	<i>All-India</i>
December, 1987	59.15%	56.12%
December, 1988	59.20%	55.83%
September, 1989	61.63%	58.03%