

State Government of Andhra Pradesh have submitted the following seven proposals during 1993-94 for development of tourism in the state —

Sl No	Name of the project
1	Restaurant at Golconda Fort
2	Restaurant at Bora Caves
3	Wayside facilities at Mallepalli
4	Tourist lodge at Hemavati
5	Tourist complex at Mantralayam
6	Tourist complex at Nacharam
7	Restaurant at Warangal Fort

Out of these five projects amounting to Rs 59.76 lakhs have since been sanctioned

Agricultural Credit

1703 SHRI SOBHANADREESWARA RAO VADDE Will the Minister of FINANCE be pleased to state

(a) whether the credit quantum and percentage in overall lending by nationalised banks fulfilled the raising demand for agricultural credit and

(b) if not, the avenues proposed for raising the level of lending to farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR ABRAR AHMED) (a) and (b) The existing credit policy is formulated to meet the credit needs of agriculture and allied activities. Rural borrowers all over the country are

provided loans by Public Sector Banks, cooperative banks and Regional rural Banks (RRBs) for activities undertaken by them on their own or through schemes framed by Government in this regard Under Service Area Approach all villages in the country are now allocated to the branches of commercial banks and RRBs. All the service area branches of commercial banks and RRBs are now preparing village-wise annual credit plans which take into account the requirements of credit for all types of borrowers in the villages including small medium and large farmers. In terms of guidelines of Reserve Bank of India to all commercial banks are required to extend atleast 18 per cent of their total credit for direct agriculture. A number of steps have also been taken with a view to increase the flow of agricultural credit. The important ones are

- (i) Banks have been instructed that all applications upto credit limit of Rs 25,000/- are to be disposed off within a fortnight and those over Rs 25,000/- within 8 to 9 weeks
- (ii) To facilitate speedy disposal of applications, the applications forms are made available in regional languages. Terms and conditions regarding margin/security should be printed on the reverse of the application form itself
- (iii) The interest on loans upto Rs 25,000/- is kept low at 12.0% per annum
- (iv) Term loans are provided at concessional rates
- (v) No third-party guarantee or collateral security is to be insisted upon for loans upto Rs 10,000/-

- (vi) Appropriate sanctioning powers have been delegated to the rural branch managers so that majority of loans applications are sanctioned at branch level itself.

[Translation]

Foreign Exchange Reserves and Export

1704. SHRI KHELAN RAM JANGDE: Will the Minister of FINANCE be pleased to state:

(a) the estimates of foreign exchange reserves and export target fixed during the current financial year;

(b) whether the target has been achieved;

(c) if not, the reasons therefor;

(d) whether the Government have received complaints about acquisition of Dollars through Havala Bazar and return through trade market; and

(e) if so, the steps being taken by the Government to prevent such activities in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). Foreign exchange reserves are the net result of all external transactions and no target was fixed in this regard for the current financial year. The target for exports (DGCI&S) for 1993-94 was fixed at \$ 22.14 billion which represented a growth of about 20 per cent over actual exports of \$ 18.42 billion (provisional) during 1992-93. Actual ex-

ports during April-January, 1993-94 at \$ 17.80 billion implied a growth of 21.4 per cent over the same period last year. The export target for 1993-94 is likely to be reached.

(d) and (e). There is a common perception that hard currency is acquired clandestinely abroad through the hawala market by some Indian nationals and NRIs, and is brought back to India through trade channels. This illegal route is sometimes adopted to launder unaccounted funds, as export earnings are tax-exempt, as also to avail of export incentives under various schemes. The Enforcement Directorate takes prompt action against such racketeers as and when specific intelligence is received.

[English]

Creation of Free Trade Zones in Maharashtra

1705. SHRI SHANTARAM POT-DUKHE: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have received any proposal from the Government of Maharashtra to create free trade zones in the State;

(b) if so, the locations suggested for creation of such zones by the State Government; and

(c) the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) An Export Processing Zone is already functioning in the State at Santacruz, Bombay. No proposal to set up another such Zone