

[English]

	7.8.1993	1.9
Inflation Rate	4.9.1993	2.0
1829. SHRI NITISH KUMAR:	2.10.1993	0.7
SHRI SYED SHAHABUDDIN:		
SHRI RAM PUJAN PATEL:	6.11.1993	-0.2
SHRI PANKAJ CHOWDHARY:	4.12.1993	-0.4
SHRI GUMAN MAL LODHA:	1.1.1994	0.2
Will the Minister of Finance be pleased to state:	5.2.1994	0.9
(a) the monthly rate of inflation as at the beginning of the every month since April 1, 1993 until July 1, 1994;	5.3.1994	1.1
	2.4.1994	1.2
(b) whether the rate of inflation is showing an upward trend;	7.5.1994	1.8
	4.6.1994	-0.5(P)
(c) if so, the steps taken to brought it under control so that the rate of inflation dips below 10 per cent; and	2.7.1994	1.2(P)

P = Provisional

(d) the annual rate of inflation during 1991-92, 1992-93 and 1993-94?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):(a) The monthly rate of inflation (month over month) as on first week of each month from April 1993 measured by movement of Wholesale Price Index (Base: 1981-82) is listed below:

<i>Beginning of Month</i>	<i>Monthly Inflationrate (%)</i>
3.4.1993	0.3
1.5.1993	0.9
5.6.1993	1.2
3.7.1993	1.0

(b) It shows a mixed trend during the period April 1993 to July, 1994.

(c) The anti-inflationary measures taken by the Government in recent months are:

- (i) Decision to limit the fiscal deficit for 1994-95 to 6% of GDP as against 1.3% last year.
- (ii) Limiting the budget deficit and net borrowings from the RBI in the form of ad-hoc Treasury Bills to Rs.6000 crores during 1994-95 and instituting a mechanism to ensure that this limit is not exceeded by more than Rs.3000 crores for more than 10 continuous working days.

- (iii) Raising cash Reserve Ratio for banks to 15% from 14% with a view to reducing the growth of money supply to a range of 14-15% in 1994-95.

[*Translation*]

Loan To Industries

1830. SHRI RAM TAHAL CHOUDHARY: Will the Minister of FINANCE be pleased to state;

- (iv) Allowing import of sugar and cotton under OGL with zero duty.

(a) the details of the loans given to the industries by financial institutions without any guarantee during the last three years, institution-wise;

- (v) Placing import of refined palmolein on OGL and allowing imports for PDS at concessional duty of 20%.

(b) the reasons for violation of rules in this regard; and

- (vi) Allowing import of Viscose Staple Fibre at 7% duty to supplement cotton Yarn supply.

(c) the action taken against the concerned officers?

- (vii) Active intervention in the foodgrain market by open market sale of rice and wheat through FCI from large public holding of food stocks.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) The Industrial Development Bank of India (IDBI) has reported that the term loans provided by the financial institutions are usually secured by way of equitable mortgage/hypothecation of fixed asset/movable asset acquired/to be acquired by industrial concerns as well as their existing assets if any. Further, suitable personal or other guarantees wherever required for securing assistance are also obtained depending on risk perception, exposure of the institutions and the background of the promoters in the industry. To facilitate implementation of projects in time, institutions sometimes disburse part of the loan by way of interim/bridge loan pending creation of final stipulated security. The security in such cases is created in due course.

- (viii) Selective Credit control measures for agro raw materials, viz. cotton, vegetables oil, oilseeds and pulses.

(d) The annual rate of inflation in terms of Wholesale Price Index (Base: 1981-82) on point-to-point basis for the last three years is shown below:

Annual rate of inflation (%)

1991-92	13.6
1992-93	7.0
1993-94	10.8

Institutions also ensure that funds disbursed to the assisted units are utilised for the purpose for which assistance has been sanctioned. For the purpose, institutions obtain auditors certificate containing de-