

AND REVENUE AND BANKING be pleased to state:

(a) whether Government are considering to give concession in the rate of interest for agriculture community;

(b) whether it pertains to short term loan; and

(c) whether banks have already reduced interest rate for medium and long term loan duration of more than 3 years; what are the special features of this?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H.M. PATEL): (a) and (b): Rates of interest on commercial banks' advances are subject to the stipulation of the Reserve Bank of India regarding minimum and maximum rates. At present the minimum rate of interest is 12.5 per cent. The minimum rate of interest, however, does not apply to advances granted for agricultural purposes upto specified limits and covered by the Credit Guarantee Corporation of India Ltd. The rates of interest on agricultural loans including short term loans charged by public sector banks from small and marginal farmers requiring loans upto Rs. 5,000 range between 8.5 to 13 per cent.

(c) Considering the need to stimulate long term capital investment scheduled commercial banks have been advised by the Reserve Bank of India to charge interest at a rates not exceeding 12.5 per cent on term loans for periods exceeding 3 years extended by them for capital investment in area indicated for priority attention. The Reserve Bank of India have further advised the banks to pass on the benefit of savings in interest cost on their deposits, to their borrowing constituents, particularly in the priority sectors.

Impact of Reduction in Import Duty on Stainless Steel Sheet

4451. **SHRI G. NARASIMHA REDDY** Will the Minister of **FINANCE AND REVENUE AND BANKING** be pleased to state:

(a) whether due to recent reduction in custom duty on stainless steel sheets for the manufacture of utensils and re-rolling purposes, consumer would get any relief;

(b) if so, the extent of relief; and

(c) whether, as a result of reduction in duty on stainless steel sheets, 1500 cottage and small scale units would be closed and poor consumers would be the ultimate sufferers?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) to (c): After the announcement of Budget-proposals regarding reduction in import duty on stainless steel plates, sheets and strips, the Government had received several representations, including some from stainless steel re-rollers. Keeping in view the interests of re-roller as well as those of users of stainless steel, the rates of duty on stainless steel have been restructured. The concessional rates of duty have been notified vide Notification No. 152-Customs dated 15th July, 1977.

These concessional duty rates are linked to different purposes for which stainless steel is imported and the extent of relief would vary according to the purposes of imports.

Grants of Pension to Ex-employees of Reserve Bank Bombay

4452. **SHRI R. K. MHALGI:** Will the Minister of **FINANCE AND REVENUE AND BANKING** be pleased to refer to the reply given to Unstarred Question No. 2367 on 1st July, 1977, regarding representation of ex-employees of Reserve Bank of Bombay and state:

(a) since when the request of ex-employees of the Reserve Bank for grant of pension is under the consideration of the Bank;