

by a manufacturer in a financial year;

(ii) Soft drinks upto a value of Rs. 5 lakhs of clearances by or on behalf of a manufacturer whose clearances in terms of value did not exceed Rs. 15 lakhs in the preceding financial year has fully been exempted from the payment of excise duty.

(c) Duty at the rate of 55 per cent *ad valorem* is leviable generally on aerated waters containing blended flavouring concentrates which are manufactured by very large companies and consumed by economically better off people

Banks Lending through Cooperative Societies

805. SHRI M. V. CHANDERSHEKHARA MURTY :

SHRI R. V. SWAMINATHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Union Government have expressed their concern over the slow progress made by banks towards increasing their lending through Cooperative Societies;

(b) if so, whether Government have also pointed out to the banks that the performance under the village development programme is also not satisfactory; and

(c) if so, what steps are being considered by Government to improve the working of the banks in the above programmes?

THE MINISTER OF FINANCE (SHRI H. M. PATEL) : (a) Yes, Sir.

(b) Presumably, the Hon'ble Member is referring to Village Adoption Scheme taken up by the commercial banks for integrated development of the village economy in all its aspects in a phased manner. The working of the Scheme remains under constant

watch of the Reserve Bank of India. The following statement indicates the progress of the Scheme:—

	No. of Villages	No. of A/cs financed	Amount outstanding (Ks. crores)
Dec. 1976	45382	11,73,310	234.08
June 1977	49700	13,08,003	249.80
Dec. 1977	54918	15,23,022	297.21

(c) The Government of India has requested the State Government as well as the public sector banks to resolve the difficulties in the way of smooth flow of commercial banks' credit through primary Agricultural Credit Societies, especially inasmuch as it concerns the taking over of the overdues of the societies proposed to be ceded to the banks.

Overdrafts by States

806. SHRI A. R. BADRINARAYAN:
SHRI P. M. SAYEED :

Will the Minister of FINANCE be pleased to state:

(a) whether State Governments are barred from 1st October, 1978 from running overdrafts with R.B.I. as per Central directive; and

(b) if so, what is the total amount drawn as overdraft by the States upto 30th September, 1978?

THE MINISTER OF FINANCE (SHRI H. M. PATEL) : (a) A scheme for regulation of States' overdrafts has been brought into effective operation from 1st October, 1978. At the same time, the normal authorised ways and means limits available to the States from the Reserve Bank of India have been doubled to provide a larger margin to the States for temporary imbalances in the flow of receipts and