

lets have been awarded throughout the country ;

(b) if not, the names of various Districts where dealerships have not been established so far ; and

(c) the reasons therefor and when the same would be completed ?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI P. C. SETHI):

(a) to (c). Depending on the business potential and availability, the Indian Oil Corporation Ltd. have set up agencies/dealerships for LDO, Kerosene, Indane Gas and retail outlets for Petrol and HSD throughout the country except in the districts where the demand potential does not justify the same. The requirements of these districts are reviewed by the Corporation from time to time and as soon as the demand in the area justifies the need for the establishment of such agency/dealership, necessary action will be initiated in that direction. The information about the names of the districts where dealerships have not been established by the Corporation so far is being collected and will be furnished to the House in due course.

Recovery of Loans Granted By Nationalised Banks To Farmers

979. SHRI D. B. CHANDRA GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently issued any fresh guidelines in respect of recovery of loans granted by Nationalised Banks to farmers and small scale industries ; and

(b) if so, the nature of guidelines issued in this regard ?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN) :

(a) and (b). The Reserve Bank of

India, and not the Government, issued guidelines to the commercial banks in respect of recovery of loans granted by them to farmers, *inter alia*, in December, 1970 and to small entrepreneurs and other self-employed category of borrowers in March 1971. The nature of the guidelines applicable to these two sets of borrowers is indicated in the enclosed statement.

Statement

NATURE OF GUIDELINES ISSUED BY THE RESERVE BANK OF INDIA IN RESPECT OF RECOVERY OF LOAN EXTENDED TO—

(i) *Farmers:*

The due date should be fixed to coincide with the period when the cultivator would be most fluid. While deciding this date, sufficient room for adjustment should be provided to the cultivator with a view to enabling him to get a fair price for his produce. The procedure for recovery should be fair but firm. In fixing the due dates in multiple cropping areas where one crop is more important than the other, the due date should relate to the time of the sale of the main crop. The method of computing repayment capacity has also been indicated. The guidelines also indicate that there should be sufficient flexibility in the recovery procedures with a view to rephasing defaulted amounts in the event of natural calamities of a widespread nature affecting the crops. It has also been suggested that there should be a regular review of the recovery performance every season and that recovery performance should be related to 'demand' for a period and not to 'outstandings'.

(ii) *Small entrepreneurs and other self-employed category of borrowers*

Adequate follow-up and supervisory arrangements should be organised to keep track of the end-use of funds lent to the small entrepreneurs and other self-employ-

ed categories of borrowers, and for effecting recovery of the advances according to schedule. This will help achieve a measure of rotation of funds so that the scarce resources can be made to reach as large a number of people as possible. The borrower should be encouraged to maintain some basic minimum of accounts and should be persuaded to accept financial supervision and discipline. In particular, the borrower units should be encouraged to build up equity by ploughing back a portion of the surplus generated in the business.

Realisation of Wealth Tax on Agricultural Lands

980 SHRI YAMUNA PRASAD MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Income-Tax Department has been instructed by Government to begin realising the wealth tax on agricultural land for the years 1970-71 and 1971-72 as a result of the decision of the Supreme Court upholding Central Government's right to levy this tax ; and

(b) if so, the amount likely to be realised as a result thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH : (a) Yes, Sir. The Wealth-tax Officers have been instructed to make intensive efforts to realise the target of collections of wealth-tax on agricultural assets.

(b) An all-India budget target of Rs. 8 crores has been fixed for realisations on account of wealth-tax on agricultural assets for the year 1971-72.

Purchase of Motor Torpedo Boats for Indian Navy

981. SHRI YAMUNA PRASAD MANDAL : Will the Minister of DEFENCE be pleased to state :

(a) whether Government propose to purchase Motor Torpedo Boats for the

Indian Navy from foreign countries; and

(b) if not, the reasons thereof ?

THE MINISTER OF STATE (DEFENCE PRODUCTION) IN THE MINISTRY OF DEFENCE (SHRI VIDYA CHAPAN SHUKIA) : (a) and (b). It will not be in public interest to disclose information on the subject.

Exploration of Petroleum in Bihar

982. SHRI YAMUNA PRASAD MANDAL : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether Oil and Natural Gas Commission have recently formulated any plan for the exploration of petroleum in the State of Bihar; and

(b) if so, the salient features of the proposal ?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI P. C. SETHI) : (a) No, Sir.

(b) Does not arise.

Shortage of Petroleum in the Country

983. SHRI YAMUNA PRASAD MANDAL : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether Indian Oil Corporation is unable to meet the demand of petroleum in the country;

(b) if so, the reasons thereof, and