

in individual cases involving important questions of law which may affect a large number of cases.

(d) The Income-tax Act contains provision to charge interest for delay in the payment of taxes due from assesseees in arrears of payment. Such rate of interest has been varied from time to time. Currently, it is 12 per cent simple interest.

Issue of licence for import of Stainless Steel to Swadeshi Metal Works, Kanpur

8326. SHRI HEMENDRA SINGH BANERA: Will the Minister of COMMERCE be pleased to state:

(a) whether a licence for import of stainless steel was issued to Swadeshi Metal Works, Kanpur on the 26th January, 1971;

(b) whether proper assessment of capacity as stipulated in Appendix 28 of the Import-Export Rules and Regulations was made before issuing the licence; and

(c) whether the whole imported material was sold in the black market, if so, the action taken in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) No, Sir.

(b) and (c) Do not arise.

Rates of interest charged by Nationalised Banks

8327. SHRI B. V. NAIK: Will the Minister of FINANCE be pleased to state:

(a) the rates of interest charged by the nationalised banks both normal and penal regarding various types of loans; and

(b) how do they compare with interest rate charged by other sources viz. cooperative banks licen-

ced money lenders, and private non-banking financial institutions?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MATI SUSHILA ROHATGI): (a) and (b) Public Sector Banks' advances, other than those specifically exempted, are subject to the minimum lending rates prescribed by the Reserve Bank from time to time. Currently the minimum lending rate is 12.5 per cent per annum. Subject to this stipulation, the banks determine their interest rates taking into account, several factors such as cost and composition of deposits, purpose and size of the advance, terms of repayment, standing of the borrower and location of productive activity. By and large the interest rates of public sector banks on advances in the non-exempted categories range between 13.5 per cent and 18.0 per cent per annum.

The interest rates charged by Central Cooperative Banks range from 9 per cent to 11 per cent for agricultural advances and 10 per cent to 16 per cent for other advances. The Reserve Bank of India have reported that while details regarding the interest rates charged by primary credit societies to the individual members are not available with them, the primary credit societies generally keep a margin of 25 per cent to 3 per cent. Thus the interest rates to borrowers from the cooperative institutions range between 12 per cent to 14 per cent for agricultural purposes and 12.5 per cent to 19 per cent for other purposes.

The ceiling on the rates of interest chargeable by the licenced money lenders are governed by the state enactments of the state concerned. The Reserve Bank of India have reported that although they have no specific information regarding the rate of interest charged by the money lenders and the non-Banking financial institutions on the advances granted by them, these are generally believed to be higher than those charged by the commercial and cooperative banks.