

objective of the Government that not only nationalised banks but also private banks extend home loans liberally to middle and lower middle class and poor people. But the ground reality is the other way round when it comes to private banks. Whenever the Government reduces the Repo Rate, the nationalised banks promptly reduce the corresponding rates of interest on home loans, thereby passing on the benefit to the customers. But when it comes to private banks, neither they reduce rates of interest nor pass on the benefit to customers in spite of directives from the Government. Sometimes, they apply the directives to provide loans at lower rates of interest, which they do only for new customers and not the existing customers. Even now, when the nationalised banks are charging 8 per cent or 9 per cent rate of interest, private banks such as ICICI, HDFC, Deutsch Bank, etc. are still charging exorbitant rates of interest which varies between 11 and 13 per cent. There is also another problem with private banks. They charge between two to three per cent of the loan if one wishes to foreclose the loan account.

I would request the Government of India to ponder over the issue seriously and direct the private banks to strictly follow the directives of the Government, at least, with regard to home loan and also, not leave home loans to the market forces.

SHRI P. RAJEEVE (Kerala): Sir, I associate myself with the Special Mention made by the hon. Member.

Demand to leverage the annual allocation of Pradhan Mantri Gram Sadak Yojana

SHRI GIREESH KUMAR SANGHI (Andhra Pradesh): Sir, my Special Mention is about leveraging the annual allocation of the Pradhan Mantri Gram Sadak Yojana.

Sir, the proposal emanated at the instance of Government of India through letters of Minister of Rural Development dated 29.05.2003 and Secretary, Ministry of Rural Development dated 21.04.2004. Government of Andhra Pradesh in consultation with the financial institutions submitted a proposal to Government of India for leveraging the Pradhan Mantri Gram Sadak Yojana to the tune of Rs. 900 crores in the State. Definite sanctions have been obtained from the banks for Rs. 500 crores. Projects worth Rs. 500 crores have already been submitted to the Government of India.

Government of India is now attempting to amend the Diesel Cess Act to enable the National Rural Roads Development Agency (NRRDA) to leverage Pradhan Mantri Gram Sadak Yojana.

As the proposal is pending for long, I urge upon the Government to kindly take a final decision and approve the State Government's programme which has been submitted to the Government of India.

Demand for special relief package for victims of Cyclone 'AILA'

SHRI RAJIV PRATAP RUDY (Bihar): Sir, Darjeeling was struck by Cyclone Aila on 25-26 May, 2009 causing extensive damage in terms of lives lost, property destroyed and roads and highways washed away and more than thirty two lives were lost. The damage to the hill district's infrastructure has been immense and deserves a special consideration for relief and rehabilitation of the affected areas. Hence, the Prime Minister must send a special team separately and earmark separate funds