

loans has been slightly adjusted as follows:

	Rates prior to March 1 1978	New rates
	per cent	per cent
(a) Term loans of not less than 3 years for capital investment in priority areas	12.50	12.50
(b) Term loans of not less than 3 years for all other purposes		
(i) Between 3 and 7 years	15.00	14.00
(ii) Above 7 years	14.10	

3. The maximum lending rates specified above will also apply to advances against commodities subject to selective credit control.

4. For purposes of compounding, the rests shall be quarterly or longer.

5. The Bank Rate will remain unchanged at 9 per cent. However, the rate charged by the Reserve Bank on refinance given for food advances is being reduced from 10 per cent to 9 per cent.

6. Consequent to the changes in lending rates prescribed as above, the banks have been asked to reduce the lending rates broadly on the following lines:

(a) For banks with deposit liabilities in excess of Rs. 25 crores, all rates of $16\frac{1}{2}$ per cent and above to be brought down to 15 per cent. For banks with deposit liabilities less than Rs. 25 crores, similar adjustment of the higher rates to 16 per cent.

(b) For existing rates between $13\frac{1}{2}$ and 15 per cent, reduction should work out, on an average, to 1 per cent, with reductions in the upper ranges being more taken the average.

(c) Existing rates of interest over $12\frac{1}{2}$ per cent and upto $13\frac{1}{2}$ per cent should be brought down

close to $12\frac{1}{2}$ per cent; and if reductions imply going to rates marginally below $12\frac{1}{2}$ per cent (i.e. minimum lending rate), banks may do so and inform the Reserve Bank accordingly.

(d) For the existing rates of $12\frac{1}{2}$ per cent and below, some reduction should be effected.

(e) The existing rates charged under the Differential Rates of interest Scheme remain unchanged.

(f) The concessional term lending rates for small-scale industry, agriculture, etc., and for crop loans below Rs. 2500 announced on December 12, 1977 will remain unchanged.

(g) The minimum lending rates of 14 to 15 per cent in respect of advances against commodities subject to selective credit control remain the same as at present, such advances are also subject to the new ceiling rates.

7. Food Credit: The rate of interest on food credit is reduced from 12 per cent to 11 per cent. As regards the rates on the refinance facilities by the Reserve Bank, the food refinance rate has been reduced from 10 to 9 per cent.

8. EXPORT CREDIT: The rates of pre-shipment credit should be reduced by $1\frac{1}{2}$ per cent, i.e. from $11\frac{1}{2}$ and $13\frac{1}{2}$ per cent to 11 and 13 per cent, respectively, and the rate on post-shipment credit from $11\frac{1}{2}$ per cent to 11 per cent. The rates on deferred payment exports continue unchanged at 8 per cent. The export refinance rate also reduced from $10\frac{1}{2}$ per cent to 10 per cent.

Withdrawal of Air Bus service from certain routes

157. SHRI S. W. DHABE:

SHRIMATI AMARJIT KAUR:

SHRI DINESH GOSWAMI:

SHRI L. R. NAIK:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Indian Airlines is considering dis-

continuance of the Air Bus service on certain routes as they have proved to be uneconomic; and

(b) if so, what are the details in this regard?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURU-SHOTTAM KAUSHIK): (a) No, Sir.

(b) Does not arise.

नये करेंसी नोटों का परिचालन

158. श्री बापूरावजी माहतरावजी देशमुख : क्या वित्त मन्त्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार शीघ्र ही करेंसी नोटों की एक नई सिरीज जारी करने का विचार रखती है यदि हां, तो नई सिरीज को परिचालन में लाने के क्या कारण हैं ; और

(ख) ये करेंसी नोट किन-किन मूल्यों को होंगे और उनके परिचालन के लिए क्या पद्धति अपनायी जायेगी ?

†[Circulation of new currency notes

158. SHRI BAPURAOJI MAROT-RAOJI DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to issue a new series of currency notes shortly; if so, what are the reasons for bringing the new series into circulation; and

(b) what will be the denominations of such currency notes and what procedure will be adopted for their circulation?]

वित्त मंत्रालय में राज्य मंत्री (श्री जुल्फिकार उल्ला) : (क) जी नहीं ।

(ख) यह मवाल पैदा ही नहीं होता ।

†[THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQUARULLA): (a) No, Sir.

(b) Does not arise].

चुंगी समाप्त करने के लिये महाराष्ट्र सरकार का प्रस्ताव

159. श्री बापूरावजी माहतरावजी देशमुख : क्या वित्त मन्त्री यह बताने की कृपा करेंगे कि :

(क) क्या चुंगी समाप्त करने के सम्बन्ध में महाराष्ट्र सरकार से कोई प्रस्ताव केन्द्रीय सरकार के अनुमोदनार्थ प्राप्त हुआ है ; और

(ख) यदि हां, तो इसका व्योम क्या है ?

†[Maharashtra Government's proposal for the abolition of Octroi

159. SHRI BAPURAOJI MAROT-RAOJI DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government have received for approval any proposal from the Maharashtra Government for the abolition of Octroi; and

(b) if so, what are the details thereof?]

वित्त मंत्री (श्री एच० एम० पटेल) :

(क) जी, नहीं ।

(ख) प्रश्न ही नहीं उठता ।

†[THE MINISTER OF FINANCE (SHRI H. M. PATEL): (a) No, Sir.

(b) Does not arise.]