

has decided that non-Basmati rice, wheat and sugar as well as other agricultural items be exported having regard to the surpluses available. Ceilings for these exports have been decided keeping in view the interests of the consumers and so that these exports should not have an adverse effect on prices of these commodities in the domestic market. These exports are to be effected through various Government and non-Government agencies.

### **Economic Policy**

370. SHRI M.V. CHANDRASHEKARA MURTHY:  
SHRI V. SREENIVASA PRASAD:  
SHRIMATI VASUNDHARA RAJE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Associated Chambers of Commerce and Industry have urged the Government to come out with a comprehensive long term economic policy;

(b) if so, the reaction of Union Government thereon; and

(c) the steps proposed to be taken to have a stable economic policy?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):

(a) Yes, Sir.

(b) and (c). Formulation of Long Term Fiscal Policy is under consideration of the Government of India.

### **Impact of Gulf Crisis on Engineering Exports**

371. SHRI M.V. CHANDRASHEKARA MURTHY: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have asked the Engineering Export Promotion Council (EEPC) to carry out a study on the impact of the current Gulf crisis on the Country's engineering exports and also initiate necessary measures to achieve the export target;

(b) if so, by when the EEPC would conduct study in this regard; and

(c) the details of the assistance Government propose to give to EEPC to boost its export performance?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL):  
(a) and (b). EEPC was asked in August, 1990 to undertake a study on the impact of the present crisis in the Gulf region on export of engineering products from India to the Gulf region. The EEPC conducted the study and reported erosion of liquidity among local traders due to substantial transfer of funds outside arising out of fear of war fare. Bank finance has also come down and high premiums due to war risks have increased shipping costs. Measures proposed to achieve the export target include concerted promotion efforts in the markets of Iran, Egypt, Oman, Bahrain and UAE, Buyer-seller meets, contact promotion and exhibitions in these countries and giving more attention to future Government projects in this region.

(c) An Empowered Committee has been set up in the Ministry of Commerce to attend to the problems faced by exporters and to take decisions so that India's exports do not suffer. Some specific actions taken by this Committee to help exporters include activation of the Tramp Committee under the Chairmanship of Chairman, Bombay Port Trust, to resolve shipping problems of exporters, consideration of all cases of extension of packing credit beyond 180 days upto 270 days for exports to Gulf Countries at a

concessive rate of interest @ 9.50% p.a. by Reserve Bank of India, decision to allow inclusion of all export receivables from Iraq and Kuwait in the total current assets and to exclude the quantum of export receivables from the total current assets for reckoning the minimum stipulated Net Working Capital, for arriving at the maximum permissible bank finance. Exporters are also permitted to sell the cargo shipped to Iraq and Kuwait but off loaded at other ports to alternative buyers on discount upto 10% without reference to RBI.

### Review of Import and Export Policy

372. SHRI M. V.  
CHANDRASHEKARA  
MURTHY:  
SHRI AMAL DATTA:  
DR. SUDHIR RAY:  
SHRI VAMANRAO MAHADIK:  
SHRI V. SREENIVASA  
PRASAD:  
SHRI YASHWANTRAOPATIL:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to review the current import and export policy;

(b) if so, the details of the changes likely to be made in the import and export policy; and

(c) the extent to which the proposed changes would generate exports?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAM DAS PATEL): (a) to (c). Review of Import and Export Policy is a continuous process and necessary corrective measures are taken from time to time, inter-alia with a view to support exports and to restrict non-essential imports. While re-

viewing the policy, every effort is being made to encourage rapid and sustained export growth.

[Translation]

### Opening of Bank Branches in Uttar Pradesh

373. SHRI RAJVEER SINGH: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of nationalised banks opened in rural and urban areas of the country during the last three years; and

(b) the number of branches proposed to be opened in Uttar Pradesh during 1991 and the names of districts where these are likely to be opened?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) 3461 branches of public sector banks including nationalised banks were opened in rural and urban areas of the country during the last three calendar years ending December, 1989.

(b) The Reserve Bank of India (RBI) in September 1990 issued guidelines in regard to their approach to future branch expansion to all Indian commercial banks including Regional Rural Banks (RRBs). They have not so far received consolidated requests from banks for opening branches under the Policy in respect of rural/semi-urban areas. As regards urban and metropolitan centres, the recommendations of the Working Groups set up for identification of unbanked/underbanked localities are under examination of the RBI. It will not be, therefore, possible to indicate the number of branches to be opened in Uttar Pradesh during 1991.