

(a) whether the Federation of Indian Chamber of Commerce and Industry has suggested a package of measures to contain black money and ensure the country's healthy trade balance;

(b) if so, whether Government have examined the suggestions made by the Federation;

(c) if so, to what extent they have been accepted;

(d) the steps being taken to implement those suggestions; and

(e) whether Government are convinced that steps suggested would curb the black money growth in India ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Ministry have not received any suggestions from Federation of Indian Chamber of Commerce and Industry regarding black money.

(b) to (e). Does not arise.

[*Translation*]

Loan to Small Intreprenuers to Promote Small Industries

3793. SHRI JAGANNATH PRASAD : Will the minister of FINANCE be pleased to state :

(a) whether the Union Government have made any arrangements to make bank loans speedily and easily available to small entrepreneurs with a view to promoting small industries;

(b) if so, the number of the loan applications, out of those pending so far with various banks, which have been scrutinised and against which loans has been given; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of India have been issuing guidelines from time to time to ensure that the loans

and advances to small industrial units including small entrepreneurs are sanctioned speedily and are made easily available. Some of the important instructions are :

(i) the banks are required to use standardised uniform sets of applications and interview-cum-appraisal forms for all small sector industrial borrowers including small entrepreneurs. These forms are to be made available in the regional languages also. (ii) with a view to facilitating timely sanction of credit facilities, the branch managers should be vested with adequate discretionary powers : so that the major portions of the credit decision could be taken at the branch level itself. (iii) All loan applications upto a credit limit of Rs. 25,000/- should be disposed of within a fortnight and those for over Rs. 25,000/- within 8 to 9 weeks from the date of receipt of applications. (iv) while considering the credit proposals, banks have to be guided by the viability of project applicant's skills/experience, integrity and ability to organise an activity or business and not merely by the tangible securities which the borrowers can provide. No worthwhile proposal is to be rejected merely for want of collateral security/guarantee. Where collateral security is obtained, creation of the charge should as far as possible be by way of equitable mortgage instead of registered mortgage so that the borrowers are not made to bear stamp/registration costs. (v) The banks should adopt a flexible approach towards margin requirements. Margin money may be permitted to be introduced in stages, as and when required and it should not be insisted that such margin money should be brought in at the beginning of the loan operations.

(b) and (c). The present data reporting system for the banks does not generate data in the manner asked for.

[*English*]

Proposal to Start an Office of NHDC in Chirala, Prakasam Distt. A. P.

3794. SHRI C. SAMBU : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal to start an office of the National Handloom Development Corporation at Chirala in