

loans where moveable assets are created in respect of the agricultural advances. Similarly, for other borrowers in the priority sectors, banks should not ask for collateral securities, third party guarantee for loans upto and inclusive of Rs. 25,000/-. The security for the banks will be the assets created out of the assistance given to the borrowers. For loans in excess of Rs. 25,000/- collateral security by way of immovable property or third party guarantee may be asked for only in cases where the primary security is inadequate or for other valid reasons and not as a matter of routine. Proposals otherwise viable should not be turned down merely for the want of such collateral security or third party guarantee.

(b) and (c) Do not arise.

Bogus Garment export firms

3940. SHRI H.B. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that 75 per cent of the Garment exporting firms in the country are bogus ;

(b) if so, the details regarding the number of such firms detected, State-wise, during last two years ; and

(c) the reaction of Government in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) to (c) The Government was aware of the problem of proliferation of associate firms in the garment sector and had already been taken measures to discourage them by insisting on affidavits under the export entitlement distribution policy. The Government has also recently stipulated that firms should be income tax assesseees in order to be eligible to apply for export entitlements under the Small Order System.

Permission to Blanket Exchange permits holders to use international credit card

3941. SHRI KATURI NARAYANA SWAMY :
SHRI C. MADHAV REDDI :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India has recently decided to allow companies holding valid Blanket Exchange permits under RBI and ITC schemes to obtain and use international credit to facilitate business visits abroad by their representatives ; and

(b) if so, the date by which the scheme will be effective ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) Yes, Sir.

(b) The introduction of the scheme has been announced by the R.B.I. on 11th August, 1986 and it has become effective from that date.

Stepping up exports to Japan

3942. SHRI HARIHAR SOREN :
SHRI Y.S. MAHAJAN :

Will the Minister of COMMERCE be pleased to state :

(a) whether exports to Japan have declined during 1985-86 ;

(b) if so, the reasons therefor ;

(c) whether Government propose to increase trade relation with Japan ;

(d) if so, the steps-taken in that direction ; and

(e) how does our exports compare with the exports of some of the other Asian countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) No, Sir.

(b) Does not arise.

(c) Yes, Sir.

(d) Steps taken include trade promo-