

lation of huge quantities of readymade garments in the country; and

(b) if so, what remedial measures have been taken to provide further incentives to the garment industry to ensure that foreign exchange earnings of Government are maximised by export of garments?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR): (a) and (b). During February-April, 1987, some problems of accumulation of garment export consignment were reported, mainly at Delhi Airport. This, however, did not affect the exports of garments from India. The problem was solved by pressing into service additional freighters to clear the accumulated cargo.

#### **Setting up of Small Scale Industries by Ex-Servicemen**

2895. SHRI KATURI NARAYANA SWAMY : Will the Minister of DEFENCE be pleased to state :

(a) the amount earmarked to encourage ex-servicemen to set up small scale industries in the current financial year; and

(b) the amount given to ex-servicemen units as price subsidy during 1986-87 and the number of ex-servicemen benefited by this?

THE MINISTER OF STATE IN THE DEPTT. OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ V. PATIL) : (a) Ex-servicemen are encouraged to set up small scale industries by way of loans on concessional terms by a few State Financial Corporations and Nationalised Banks. A Scheme for interest subsidy on bank loans is also operated through Rajya/Zila Sainik Boards out of their Welfare Funds (Amalgamated State Special Fund), under which the ex-servicemen are granted interest subsidy on loans upto Rs. 50,000 for setting up small scale industry/agro industry. A price subsidy of 10% is also provided, subject to a maximum monetary limit of

Rs. 50,000 in a year for a duration of five year, on the value of any item manufactured by them and purchased by the Ministry of Defence/Inter-service organisations. No specific amount is earmarked by the Central Government in these areas of concessions and the requests are considered as and when received.

Further, in order to encourage, self-employment ventures by ex-servicemen a new scheme called "Self Employment for Ex-Servicemen" (SEMFEX) has been formulated and launched w.e.f. 1st April, 1987, jointly by the Directorate General Resettlement and Industrial Development Bank of India (IDBI) for entrepreneurial training as well as provision of loan and soft seed capital assistance to intending ex-servicemen entrepreneurs. During the current financial year, an amount of Rs. 1 crore each has been earmarked and provided by the Directorate General Resettlement and the IDBI for giving soft seed capital assistance.

For projects costing upto Rs. 50,000 there will be no promoters' contribution required. For projects costing over Rs. 50,000 but upto Rs. 12 lakhs, the promoters' contribution would be only 10% and a soft seed capital assistance to meet the balance of equity component on a debt equity ratio of 3:1 will be provided in the form of a loan subject to a maximum of Rs. 1.8 lakhs per project with a nominal rate of interest of 1% per annum.

(b) During the financial year 1986-87, a sum of Rs. 3,41,507.40 has been granted as price subsidy to 9 Ex-servicemen Units who have supplied their products to the Ministry of Defence or its various Establishments.

#### **Imports and Exports with Australia**

2896. SHRI G. M. BANATWALLA: Will the Minister of COMMERCE be pleased to state:

(a) the value of our exports to and