

(a) Lay on the Table of the House the Memorandum of Understanding (MOU) signed between the State Trading Corporation and M/s. A.B. Bofors of Sweden ;

(b) state the value and quality of different commodities to be purchased by M/s. A.B. Bofors under this counter-purchase agreement ;

(c) the list of agricultural products, ores, metals and minerals, manufactured and finished goods, identified for such counter-purchase by M/s. A.B. Bofors, and their quantity and value, and mode of purchase ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c) Under the Memorandum of Understanding (MOU) signed between STC and M/s. A.B. Bofors, total exports will be not less than 50% of the value of the contract and purchases made under the Licence Agreement. The commodities which are to be exported under it include foodstuffs, beverages, ores, metals and mineral fuels, chemicals and pharmaceutical products. No specific quantity and value for individual items of export have been agreed under the MOU. The imports will be made by M/s. Bofors, their eligible assignees, partners, associates and affiliates from STC or individual private exporters. Government is not aware of M/s. Bofors appointing any agent in India. Government of Sweden has agreed that it will be the endeavour of the Swedish Government to encourage the appropriate agencies in Sweden to increase trade with India.

RBI Guidelines for Bank Loans

5367. SHRI K. KUNJAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has issued new guidelines in respect of bank loans ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Reserve Bank of India has issued a set of comprehensive instructions to banks in March, 1984 in respect of priority

sector advances. Some of the more important instructions covered in the guidelines are that repayment schedule to be realistically devised taking into account sustenance requirements, premium payable to Deposit Insurance and Credit Guarantee Corporation (DICGC) on advances to weaker sections be borne by banks, policy of levying penal rates of interest to be implemented with selectivity, no inspection charges to be levied on advances upto Rs. 5,000, insurance cover against fire etc. be waived in respect of finance provided for purchase of equipment where credit facilities are covered under the DICGC's guarantee scheme and do not exceed Rs. 10,000, levy of no other service charges except by way of re-imbusement in reasonable out of pocket expenses. The Branch Managers are empowered to sanction credit proposals of weaker sections promptly without reference to higher authority, loan applications upto credit limit of Rs. 25,000 be disposed off within a fortnight and for over Rs. 25,000 within 8 to 9 weeks. The banks are also to maintain a register of applications rejected which should be available for scrutiny.

Excise Exemption to Educational Video Cassettes/Tapes

5368. SHRI SWAMI PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have exempted excise duty on video cassettes and video tapes on educational character ;

(b) if so, the details of such exemptions ;

(c) whether several items at present have been exempted from excise duty ; and

(d) if so, the names of these items ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b) Video cassettes and video tapes of a predominantly educational character are exempt at present from the whole of excise, subject to certification by the Central Board of Film Certification.