

ber of mills but of those mills which themselves are seeking such assistance and are eligible for it.

(c) Before sanctioning assistance the institutions appraise modernisation proposals and satisfy themselves about their viability and the need for assistance. Assistance is disbursed according to progress in implementation of the project and subject to the borrower fulfilling certain conditions. Progress is periodically monitored, etc.

### **Export Target by STC**

9112. SHRI DAULATSINHJI JADEJA:  
Will the Minister of COMMERCE be pleased to state:

(a) the export target of the State Trading Corporation (STC) for the financial years 1987-88 and 1988-89;

(b) the export target of STC for non-canalised items in 1987-88 and 1988-89 and whether it has been achieved; and

(c) whether STC has huge overheads in-commensurate with its performance?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) STC's exports in 1987-88 amounted to Rs. 585 crores. The target for 1988-89 is Rs. 700 crores.

(b) The export target of STC for non-canalised items during 1987-88 was Rs. 402 crores against which exports are of the order of Rs. 381 crores (Provisional).

Export target for non-canalised items for 1988-89 is Rs. 500 crores.

(c) STC's overheads are commensurate with its volume of trading operations.

### **MOU Signed by STC, MMTC for Export**

9113. PROF. RAMAKRISHNA  
MORE:  
SHRI YASHWANTRAO  
GADAKH PATIL:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Minerals and Metals Corporation and the State Trading Corporation have signed a Memorandum of Understanding (MOU) with Government in increase substantially their export turnover in 1988-89;

(b) if so, the salient features of the MOU signed;

(c) the details of the items identified for exports in major markets; and

(d) by when the export will start?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (d). A statement is given below.

### **STATEMENT**

Ministry of Commerce signed Memoranda of Understanding with STC and MMTC on 5th April, 1988. The memoranda set out the responsibilities and performance targets of these Corporations as well as the Government responsibilities.

The responsibilities of the Corporations relate to their performance targets for 1988-89, export strategy for the next year, development of counter trade, off-shore trading, inventory management, corporate plan and review of organisational set up. The responsibilities of the Government cover the release of timely foreign exchange for imports, formulation of policy on off-shore trading,

according trading house status to STC/MMTC and conducting of quarterly reviews on the performance of the Corporations.

The items identified for exports by STC to major markets include Agricultural commodities, fresh and processed foods, drugs and chemicals, meat and marine products, consumer products, engineering/construction material, textiles and garments, etc. Items identified for exports by MMTC are minerals and mineral products, precious stones, engineering items, agro-marine products, handicrafts etc.

Exports envisaged under the MOU have commenced in April, 1988.

#### **IDBI Assistance to Textile Mills**

9114. PROF. RAMAKRISHNA  
MORE:  
SHRI V. SREENIVASA  
PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India has decided to liberalise the eligibility criteria for textile mills to avail themselves of the special loan facilities under the Textiles Modernisation Fund Scheme;

(b) if so, full details in this regard; and

(c) to what extent the modernisation of the textile mills throughout the country will be benefited by the liberalised policy of the IDBI?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The Industrial Development Bank of India (IDBI) has reported that it has been decided to enlarge the scope of Special Loan under the Textile

Modernisation Fund Scheme by liberalising the definition of "weak units". This would enable the units which are making marginal cash profits to be eligible for special loan facility for taking up modernisation programmes. The IDBI has also reported that it is too early to make an assessment of the extent of increase in coverage of the units for the purpose of this facility.

#### **ADB Suggestion on Capital Market**

9116. SHRIMATI BASAVARAJESWARI: Will the Minister of FINANCE be pleased to state:

(a) whether the Asian Development Bank has urged India to liberalise its capital market operations so that foreign buyers could directly invest in the stocks of Indian Companies;

(b) if so, whether Government are considering suggestions made by ADB; and

(c) the main points forwarded by the ADB?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No Sir.

(b) The question does not arise.

(c) The question does not arise.

#### **Seminar on Non-Resident Indians in the Gulf**

9117. SHRIMATI BASAVARAJESWARI: Will the Minister of FINANCE be pleased to state:

(a) whether the first ever seminar of Non-resident Indians in the Gulf has demanded appointment of an independent Minister at the Centre to look after and to