

Working Group of the Administrative Reforms Commission on Cooperation; and

(b) when the recommendations of the Administrative Reforms Commission on Cooperation are likely to be implemented and the progress made so far in this respect?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI KRISHNA KUMAR GOYAL): (a) The Working Group on Cooperation of the Administrative Reforms Commission submitted its report in 1968. The Government of India forwarded the copies of the Report to the State Governments for making use of the recommendations. Action taken was communicated to the Department of Administrative Reforms from time to time. A statement of action taken is laid on the Table of the House. [*Placed in Library. See No. LT-1308/77.*]

(b) There are no separate recommendations on cooperation of Administrative Reforms Commission.

Restrictions on Tea Exports Quotas

3231. **SHRI A. MURUGESAN:** Will the Minister of COMMERCE AND CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether it is a fact that restrictions on tea export quotas have led to a slump in the market; and

(b) the steps proposed by Government to rationalise exports so that tea industry is not faced with the problem as faced by Jute Industry?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEG): (a) No, Sir.

(b) Government is keeping a constant watch on tea exports including prices in India, world prices, internal prices, exports etc., and suitable remedial measures will be taken as and when, necessary.

Directives to Developmental Banks reg. Criteria for Giving Loans

3232. **SHRI S. D. SOMASUNDARAM:** Will the Minister of FINANCE be pleased to state:

(a) whether Government have given clear directives to developmental banks that the criteria in giving loans should be the soundness, social costs and benefits of the project and not mere private profitability;

(b) if so, the particulars thereof; and

(c) time bound plans; if any, for equipping the banks with the requisite number of expert staff for the purpose?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL): (a) to (c). While sanctioning assistance to a particular project, the all-India public financial institutions examine the suitability of its location, its techno-economic feasibility, its financial and commercial viability, the competence of the management to successfully implement the project and the economic justification of the project from the national point of view. Government has also told the financial institutions that (i) in sanctioning assistance to new or expansion projects, they must invariably examine the employment implications of the projects financed or to be financed by them and that (ii) it should be ensured that adequate finance is provided to rural and village industries, as well as projects where a large part of the benefit is likely to flow to rural areas.

The financial institutions have already their technical staff for economic and technical appraisal of the projects financed by them. They have also been asked to augment their promotional wings by recruiting additional staff as and when required.