

(b) the main features of this "year";

(c) whether Government will take the responsibility of providing hank yarn and other raw materials to this sector by opening a network of raw material banks for this sector and announcing a NABARD type bank exclusively to meet the financial requirements of this sector; and

(d) whether Government will consider making handloom and handicrafts as an independent and separate department?

THE DETUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) (a) Yes, Sir.

(b) As per Statement attached.

(c) In order to ensure supply of hank yarn to the Handloom Sector, Government have imposed statutory obligation on all mills to pack at least 50% of their marketable yarn in the form of hanks. Further, the National Handloom Development Corporation, which has already been set up has, as one of its main objectives, the procurement and supply of yarn to handloom weavers through the State Governments. There is no proposal under consideration of the Government for setting up a bank exclusively to meet the financial requirements of handloom sector.

(d) There is no such proposal under consideration of Government at present.

Statement

Some of the main features include—

- (i) Special thrust to hill areas, for benefit to weavers belonging to scheduled tribes, located in backward regions of the country. These include setting up of new Weavers' Service Centres in hill areas, higher rate of rebate for woollen products belonging to hill areas, new courses in handloom technology, etc.

(ii) Setting up of processing houses in areas hitherto not covered by special facilities.

(iii) To make available yarn of good quality at reasonable prices through the mechanism of a national corporation.

(iv) Special awards for new inventions covering awards for masterweavers, including financial incentives and scroll of honour.

(v) Credit sales to be extended to various sections of Government employees to stimulate consumption and promote market development.

(vi) Weavers from one State/Region will be encouraged to visit weavers in other parts of the country to learn techniques of weaving and designs used elsewhere.

(vii) A special housing-cum-work shed scheme, with Central Government sponsorship to benefit weavers with assistance from HUDCO.

'Mass Loaning Scheme' in New Delhi

1116. SHRI CHITTA BASU : Will the Minister of FINANCE be pleased to state :

(a) whether bank loans were recently disbursed by a nationalised bank in New Delhi under the 'mass loaning scheme' to 4000 families;

(b) if so, the amount disbursed;

(c) whether any irregularity in disbursement has come to the notice of the Government;

(d) if so, the nature of the irregularities;

(e) whether Government proposes to institute a judicial probe into them; and

(f) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Public Sector Banks and 9 of the Indian scheduled commercial banks operating in the Union Territory of Delhi had launched a campaign in September 1983 to accelerate the flow of credit to smaller borrowers in the priority sector. During the period of campaign covering four months (September-December, 1983) the banks advanced Rs. 16 crores involving 40,770 small borrowers. Number of beneficiaries assisted by banks, however, varied from bank to bank depending on the size of their operation in Delhi/New Delhi.

(c) No, Sir.

(d) to (f) Do not arise.

Response of Jute Industry to Soft Loan Schemes of IDBI, IFCI and ICICI

1117. SHRI CHITTA BASU : Will the Minister of COMMERCE be pleased to state :

(a) whether the Jute industry has not responded favourably to the soft loans scheme of the Industrial Development Bank of India, Industrial Finance Corporation of India and Industrial Credit and Investment Corporation of India for its modernisation and rehabilitation;

(b) if so; the reaction of Government thereto;

(c) whether Government have come to the conclusion that the industry under the private sector management is incapable of modernising itself; and

(d) if so, the steps Government propose to take to salvage this industry in the national interests?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND IN THE DEPARTMENT OF SUPPLY (SHRI NIHAR RANJAN LASKAR) : (a) to (d) The response from jute industry to the soft loan schemes of the Industrial Development Bank of India, Industrial Finance Corporation of India and Industrial Credit and Investment Corporation of India is not encouraging. Uptil now only nine jute mills have availed of soft loan schemes of the above financial institutions for modernisation and rehabilitation of plants and equipments. Besides persuading the jute industry from time to time in various forums, a Standing Committee for jute industry has been set up under the auspices of the Reserve Bank of India to consider the financial assistance including the term loans for modernisation and renovation of plants and equipments, to sick jute mills. While continuing the dialogue with the industry for implementation of modernisation and renovation programme, the Government has taken several steps, from time to time, to improve the viability of the jute industry, which include :

(i) Grant of cash compensatory support against export of jute goods;

(ii) Formation of a Consortium between STC and exporting mills for export of CBC to USA on 50 : 50 loss sharing basis;

(iii) Purchase of jute goods by Government from jute industry on cost plus basis;

(iv) Introduction of compulsory use of 100% new jute bags by cement industry;

(v) Persuading other user departments to use more jute bags, instead of synthetic substitutes, for packing of fertilisers.

U.S. Foreign Aid

1118. SHRI CHITTA BASU : Will the Minister of FINANCE be pleased to state :