

December, 1973, small scale industrial units covered under the Credit Guarantee Scheme have been exempted from the requirements of increased margins stipulated earlier. More recently in order that the credit requirements of the export sector is not affected, Reserve Bank of India has decided to exempt increase in credit to this sector from the quantitative ceiling on credit restriction during the current busy season and also provide somewhat increased re-finance facilities to this sector. Thus, the flow of bank credit to industrial units is not likely to be affected by the current credit restrictions.

(c) Some State Governments have stressed the need for ensuring that the genuine credit requirements, particularly of the small borrowers, in the priority sectors and exports, are not affected.

(d) The position is being kept under constant review and suitable measures taken from time to time in the light of the emerging situation.

Simplification of Import Rules

500. SHRI RAGHUNANDAN LAL BHATIA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have simplified import rules;

(b) if so, how delays in the issue of licences will be cut down by them; and

(c) the main features of the new procedure?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) and (b). Yes, Sir. With a view to cut down delays in the issue of licences, efforts are continuously being made to simplify rules and procedure for submission of import applications.

, The main features of the various steps taken in this direction are:—

- (i) Time limits have been fixed for disposal of applications for import licences.

(ii) A simplified Procedure has been introduced for clearance of applications for import replenishment licences received from Registered Exporters.

(iii) More powers have been delegated to the regional licensing authorities for issuing advance licences to Registered Exporters.

(iv) The procedure for submitting applications for import of capital Goods has been further streamlined with effect from 1st January, 1974, with a view to cut down delays in the disposal of applications within the prescribed period of 60 days. Under the revised procedure, applications will be received directly by the licensing authorities and not through the sponsoring authorities.

(v) Powers have been delegated to the subordinate authorities to revalidate all categories of import licences for raw materials, components and Capital Goods issued under free foreign exchange and rupee payment area and the regional licensing authorities are not required to make a reference to Head Quarters in this regard.

Cotton Conversion deal with U.S.S.R.

501. SHRI RAGHUNANDAN LAL BHATIA:

SHRI P. GANGADEB:

Will the Minister of COMMERCE be pleased to state:

(a) whether cotton conversion deal under which U.S.S.R. supplied cotton to India last year has been given up this year; and

(b) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) No, Sir. Against the contracted volume of 126.60 million Sq. metres of fabrics and 5 million pieces of towels, India has so far exported 122.50 million