

MR. SPEAKER : It is a straight question. Please give a straight answer.

.....(Interruptions)

SHRI T.R. BAALU : Sir, it seems that the Minister has not done his homework. What can I do?.....(Interruptions) Sir, the Cabinet Minister should answer on his behalf.....(Interruptions). There is only half a minute left. I should get the answer from the Minister. Sir, the time is up.....(Interruptions)

MR. SPEAKER : Mr. Minister, you can send the reply to him later.

SHRI KADAMBUR M. R. JANARTHANAN : I will send the reply to the hon. Member.

[Translation]

SHRI RAJESH PILOT : Mr. Speaker, Sir, I would like to draw the attention of the hon'ble Minister to the fact that the members of the House have just discussed about the problems and harassment caused to the people due to the indifferent attitude of the banks. These problems can be removed if bank loan limit is fixed for farmers. Suppose, I have 50 Bigha of land worth 50 lakhs of rupees, my bank loan limit can be fixed at Rs. 1 lakh. Then I can take the loan worth Rs. 1 lakh from the Bank at any time. If this can be done, all the problems of the farmers will be solved. Whether the hon'ble Minister is thinking in this direction.

12.00 hrs.

SHRI YASHWANT SINHA : Mr. Speaker, Sir, in reply to the question asked by the hon'ble Member, I would request him to wait for two-three days more for the presentation of the general Budget. If the question remains relevant even after that, I will give the reply.

## WRITTEN ANSWERS TO QUESTIONS

[English]

### New Exim Policy

\*45. SHRI INDRAJIT GUPTA : Will the Minister of COMMERCE be pleased to state :

(a) whether the majority of 340 items shifted to OGL list are being produced by the Small Scale Industries (SSI) and as such the new Exim Policy would hit hard the SSI sector; and

(b) if so, the steps taken by the Government to safeguard the interests of SSI sector?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEDGE) : (a) and (b) Out of 340 items shifted to OGL, only 57 items are having small scale angle

either due to their reservation for manufacture in the small scale sector or having strong SSI production base. Further, 50 out of these 57 items were already importable against transferable SIL (Special Import Licence). The actual import of these 50 items during 1997-98 (upto to November, 1997) was approx. Rs. 28 crores. The Customs duty on imports provides safeguard to the SSI Sector.

### Loans to Diamond Industry

\*46. SHRI DADA BABURAO PARANJPE : Will the Minister of FINANCE be pleased to state:

(a) whether diamond industry and diamond exporters are facing hardship in getting credit from banks; and

(b) if so, the steps taken by the Government to provide loans to the diamond industry and diamond exporters?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Reserve Bank of India (RBI) has informed that it has no information regarding any hardship faced by diamond industry and diamond exporters in obtaining credit from banks. The Gem and Jewellery Export Promotion Council has also reported that at present the diamond industry and diamond exporters are not facing any hardship in getting credit from banks. According to RBI, banks have been given full operational freedom to sanction credit facilities to borrowers based on their commercial judgement. Banks have also been advised to ensure that exporters' credit requirements are met in full and promptly and that no export order suffers for want of funds and cases, if any, of rejection of export credit proposals are brought to the notice of the Chief Executive of the bank concerned. Banks have been advised by RBI to ensure that necessary machinery is in place in their Head/Zonal offices to redress exporters' grievances regarding delay in granting credit limits/denial of credit limits.

### Closed Cotton and Textiles Mills

\*47. SHRI SADASHIVRAO DADODA MANDLIK :  
SHRI A. VENKATESH NAIK :

Will the Minister of TEXTILES be pleased to state:

(a) the number of Cotton and Textile Mills lying closed at present state-wise;

(b) the number of mills closed during 1996-97 and 1997-98, till date;

(c) the main reasons for their closure;

(d) the number of workers rendered jobless due to the closure particularly in Maharashtra; and

(e) the steps being taken/proposed to be taken by the Government for their rehabilitation and resumption of production in these mills?

THE MINISTER OF TEXTILES (SHRI KASHI RAM RANA) : (a) to (c) According to available information, as on 31.3.98, no cotton/man-made fibre textile mill was closed under the Industrial Disputes Act in the country. However, 170 mills were lying temporarily closed primarily on account of financial difficulties, strikes/labour problems and lockouts etc. while 50 mills were closed under liquidation. The number of workers affected due to closure is 2,60,343. The number of mills lying closed, state-wise, is given below:

Name of State/U.T.	Closed Mills
Andhra Pradesh	17
Assam	4
Bihar	2
Gujarat	66
Haryana	8
Karnataka	8
Kerala	1
Madhya Pradesh	9
Maharashtra	23
Orissa	1
Punjab	2
Rajasthan	9
Tamil Nadu	40
Uttar Pradesh	15
West Bengal	11
Delhi	3
Manipur	1
<b>Total</b>	<b>220</b>

39 cotton/man-made fibre textile mills were reported to be closed during 1996-97 and 22 cotton/man-made fibre textile mills were reported to be closed during 1997-98.

(d) The number of workers rendered jobless due to closure of mills in Maharashtra is 28,764.

(e) Government has set up the Board for Industrial and Financial Reconstruction (BIFR) to inquire into the working of sick industrial companies and to prepare and sanction, as appropriate, schemes for revival of such mills.

### Narasimham Committee Report

\*48. SHRI VILAS MUTTEMWAR :  
SHRI K.D. SULTANPURI :

Will the Minister of FINANCE be pleased to state :

(a) the main recommendations of the Narasimham Committee Report on the reforms in the Banking Sector;

(b) whether any indepth study of implication of the recommendations has been made by the Government.

(c) if so, the details thereof; and

(d) the time by which the final decision by the Government on the recommendations of the Narasimham Committee Report is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (d) The Committee on Banking Sector Reforms chaired by Shir M. Narasimham has recently submitted its Report to Government. Copies of the Report have been placed in the Parliament Library. The Committee's recommendations cover institutional, supervisory, legislative and banking policy aspects. The recommendations relate to capital adequacy, asset quality, non-performing assets, directed credit, prudential norms, disclosure requirements, systems and methods in banks, structural issues, rural & small industrial credit, regulation & supervision, legal and legislative framework. These recommendations would constitute a valuable input into the on-going exercise by Government and the Reserve Bank of India (RBI) for reform of the Banking Sector. Given the wide variety of issues on which the Committee has made recommendations and the ongoing nature of decision making in Government and RBI, it may not be feasible to set a specific time frame for decisions on these issues.

### Privatisation of Insurance Sector

\*49. SHRI NARESH PUGLIA :  
SHRI PANKAJ CHOUDHRY :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to involve private sector in the Insurance Sector;

(b) if so, the details thereof and the reasons therefor;

(c) whether there has been great resentment amongst the officers of the insurance companies on this issue;

(d) whether such a step taken by the Government is likely to affect adversely the insurance companies and also the economy of the country; and