

administrative side, we have also to take economic measures to tackle smuggling and that is what we intend to do.

WRITTEN ANSWERS TO QUESTIONS

[English]

Release of Cotton Export Quota

*90. SHRI V. SOBHANADREESWARA RAO : Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to release immediately the cotton export quota for the current season to ensure better deal to cotton growers; and

(b) the quantity proposed to be allocated to Markfed of Andhra Pradesh ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Government have already released some quantities for export during the current cotton season. Further export quota will be released if and when considered necessary. Allocation of export quotas to State Federations including Andhra Pradesh can be considered keeping in view their capability and past performance.

Relaxation to Credit Policy

*91. SHRI JAI PRAKASH AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has recently relaxed its credit policy to allow larger funds to meet credit requirements;

(b) if so, the norms evolved for extending credit; and

(c) whether any ceiling has been fixed on bank credit for various items to different parties ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c). The Reserve Bank of India

reviewed the credit policy prior to the onset of the busy season. Taking into account the liquidity position of banks and the genuine seasonal credit needs, certain changes were made in the credit policy announced on October 25, 1985. These included :

- (i) Release of one-third of impounded cash balances maintained under the Additional Cash Reserve of 10 per cent of the incremental demand and time liabilities of banks accruing between January 1977 and October 1980.
- (ii) Reduction of Statutory Liquidity Ratio (SLR) for non-resident (external) rupee accounts from 37 per cent to 25 per cent.
- (iii) Bringing forward of the base for 100 per cent export refinance from the monthly average level of 1983 to 1984.
- (iv) Repayment by banks of discretionary refinance outstanding on October 25, 1985 and corrections for shortfalls in the maintenance of SLR.

These measures taken together are expected to provide some improvement in banks' liquidity.

No new norms or ceilings on banks' credit for various items to different parties were prescribed in the recent credit policy statement of October 25, 1985.

Export of Jute

*92. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of TEXTILES be pleased to state :

(a) whether the recent bulk contracts of State Trading Corporation for export of jute to some countries have been cancelled;

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

(c) the steps taken/proposed to increase export of jute; and

(d) the prospects for the current year ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). Three contracts entered into STC for jute goods export were cancelled during the current financial year as detailed below :

- (i) Order from M/s. Sharakate Toavani Tahiem Va Tozin, Iran for 12 million yards of hessian cloth in different sizes valed at Rs. 50370000;
- (ii) Contract for export of 3 lakhs yards of jute carpet backing cloth worth Rs. 75 lakhs approximately finalised by STC with M/s. Sherkata Sahami Khass Kharkhanejat Dadfar, Teheran;
- (iii) A contract between STC and National Agricultural Marketing Board of Zambia (Namboard) for five million pieces of B. Twill bags at the rate of US \$ 79.15 per 100 bags c.i.f. Dar-es salam.

2. The reason for cancellation of these contracts were reluctance of the buyers probably on account of falling prices and foreign exchange problems.

(c) Government has taken following steps to improve export of juste goods :

- (i) providing higher cash compensatory support to juste carpet backing cloth and yarn on the basis of matching performance by the industry.
- (ii) formation of STC-jute industry consortium on 50 : 50 loss sharing basis for export of carpet backing cloth to North America.
- (iii) encouraging development of exportable products through R and D efforts and
- (iv) constituting a new JMDC and jute fund out of proceeds of jute to give boost to R and D of efforts and export promotion.

(d) The export target of 3.0 lakh tonnes valued round Rs. 250/275 crores. for the

current financial year is likely to be reached.

Decline in Occupancy in 5-Star Hotels in Delhi

*93. SHRI A.J.V.B. MAHESWARA RAO :
SHRIMATI N.P. JHANSI
LAKSHMI :

Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the occupancy ratio of 5-star hotels like Ashoka, Akbar, etc., in the capital during the last three years;

(b) whether India Tourism Development Corporation has continually been running into loss for the last three years;

(c) whether it is a fact that the foreign tourists are hesitant to visit India due to terrorist activities in the country;

(d) if not, the reasons for the decrease in tourist traffic; and

(e) the action taken by Government in the matter ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) The occupancy ratio of the ITDC and non-ITDC 5-star hotels located in the capital are given in the statement below.

(b) No, Sir.

(c) and (d). There was a significant decline in the inflow of foreign tourists in 1984 and the first-half of 1985 on account of a series of adverse circumstances in our country as also some of our neighbouring countries including the terrorist activities, the adverse media coverage these events received abroad, the imposition of blanket visa requirements on all foreigners visiting India, and the advice issued by a large number of foreign countries to their nationals in November and December not to visit India on account of disturbed law and order conditions.