

(b) whether any cash, jewellery, gold, silver and other contraband as also incriminating documents relating to black money have been found; if so, the particulars thereof; and

(c) the number of days and the total time taken in the searches made and number of different categories of Government officials who accompanied the raiding party.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.M. KRISHNA): (a) and (b) Income Tax Department searched the business and residential premises of Har Sahai Mal, Sarraf group of cases of Budaun (UP) on 17.7.1984 and seized unaccounted assets valued at Rs. 6.3 lakhs approximately. One gold biscuit and incriminating books and documents have also been seized.

(c) Searches started on 17.7.1984 at 9.00 A.M. and continued for 19 hours. The search party consisted of 22 ITOs, 25 Inspectors and 22 other staff members.

Rules Regarding Advancing of Loans by Banks to Textile Mills

*382. **SHRI NARSINH MAKWANA:** Will the Minister of FINANCE be pleased to lay a statement showing :

(a) the rules framed by the Tandon Committee for advancing loans to textile mills ;

(b) the modifications made by the Pathak Committee in the loan rules having regard to the above rules to ensure higher amounts of bank loan to textile industries; and

(c) whether the textile industry will be able to face these adverse circumstances with this and other measures taken by his ministry to help the textile industries ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b) The details of inventory/receivables norms for cotton textile industry prescribed by the Reserve Bank of India on the basis of the recommendations of Tandon Committee and norms as revised by the Reserve Bank of India on the basis of the recommendations of the Pathak Committee are set out in the attached statement.

(c) The revision of norms relating to inventory/receivables is expected to help in ameliorating the hardship faced by textile mills in regard to liquidity constraints resulting from accumulated unsold stocks and extended receivables. Further, in accordance with the existing policy of Government, banks and financial institutions formulate suitable rehabilitation packages on a case to case basis in order to rehabilitate viable sick units. These measures are expected to help viable units in the textile industry.

Statement

Norms for Inventory and Receivables for Textile Industry

Classification of Industry	Earlier norms on the basis of Tandon Committee's Recommendations	Revised norms on the basis of Pathak Committee's Recommendations	Remarks
1	2	3	4

Cotton Blended Textile Mills

A. Raw Material

(i) Raw Cotton 2 months (Bombay and Ahmedabad)

2 months (Bombay and Ahmedabad)

1	2	3	4
	3 months (Eastern Region) $\frac{1}{2}$ months (other than above areas)	3 months (Eastern Region) $\frac{1}{2}$ months (other than above areas)	
(ii) Synthetic fibre/yarn	2 months	1 $\frac{1}{2}$ months	
(iii) Cloth (Processing mills)	Not prescribed Separately.	$\frac{1}{2}$ month	This norm would also apply to composite mills which purchase gray cloth as raw material.
(iv) Other raw materials inclusive of Stores & other consumable items.	2 months	2 months	Excluding machinery spares, the holding of which is to be as per existing norm.

B. Stock-in-Process

(i) Composite mills	$\frac{3}{4}$ month	1 $\frac{1}{2}$ months	The enhanced norm will not apply to that part of the activity relating to job work undertaken, if any.
(ii) Spinning Mills	$\frac{1}{2}$ month	$\frac{1}{2}$ month	
(iii) Processing Mills	$\frac{1}{2}$ month	$\frac{3}{4}$ month	

C. Finished Goods and receivables

(i) Composite Mills	2 $\frac{1}{4}$ months	3 months	The enhanced norm will not be applicable in the case of job work unit ^e .
(ii) Processing Mills and others.	2 $\frac{1}{4}$ months	2 $\frac{1}{2}$ months	

Ban on Advertisements by the Public Sector Banks

*383. SHRI MOOL CHAND DAGA :
Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to news-item captioned 'Ban on Bank Ads. till September' appeared in the 'Economic Times' of 8 May, 1984;

(b) if so, the gains derived out of the complete ban on advertisements by public sector banks by this scheme ;

(c) whether it is likely to be extended till March, 1985; and

(d) whether all the banks can be ordered to follow these instructions in the interest of economy ?