

New policy for leather and leather goods

2124. SHRI ANANTA PRASAD SETHI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have recently finalised new policy for leather and leather goods with a view to reduce the incentives now available for finished leather export and to provide adequate incentives for the indigenous products, like garments, shoe-uppers and handbags;

(b) whether the Committee which went into the question of rationalising the incentives system for leather export had favoured weightage for export of leather products and discouraged export of finished leather by withdrawing the liberal incentives available now; and

(c) if so, the details regarding the new policy of Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) The Review Committee on Leather and Leather Manufactures for Exports had, inter alia, recommended a graded system of incentives to push up exports of value added leather products.

(c) Export of finished leather including sole leather conforming to prescribed ISI standards, if exported by air, is eligible for cash compensatory support at the rate of 3 per cent.

Repayment of loan under IRDP

2125. SHRI NITYANANDA MISRA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the IRDP borrowers face difficulties as they are required to repay their loan long before the machines go into production and they make some profit to repay their loan; and

(b) whether Government would consider laying a five year period after which the loan will be repaid ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Banks have been advised to fix the repayment period for IRDP loans in a realistic manner keeping in view the fact that repayment has to be made from the income generated out of the assets created. Banks have also been advised that the repayment period of IRDP loans should not be less than 3 years having regard to all the relevant factors such as the repayment capacity, life of the asset, etc. As the repayment schedule will have to be fixed with reference to the income generating capacity of the economic activity undertaken by the beneficiary, it would not be desirable to fix a uniform period of 5 years for repayment of IRDP loans.

Export of oilseeds

2126. SHRI C. SAMBU : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware of the fact that the export of oilseeds has decreased; and

(b) if so, the measures taken to improve the export of oil seeds ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) Export of oilseeds is not normally allowed as per the present Export Policy as a result of domestic considerations where we are having a shortage of oilseeds. As such, it is not proposed to draw up measures for the export of oil seeds for the present.

Rural Insurance Corporation

2127. SHRI PARASRAM BHARDWAJ : Will the Minister of FINANCE be pleased to state :