

(c) its likely impact on local industries engaged in production of such goods, outflow of foreign currency and prices of these items in the market?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBIPROSAD PAL): (a) to (c) Review of Export and Import Policy is an ongoing process and while making changes in it, all relevant aspects, including impact on local consumer goods industries are always kept in view.

Shortage of Funds in Film Industry

1484. SHRI MOHAN BABU: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the film industry is facing a severe shortage of funds;

(b) whether it is a fact that nationalised banks have not come forward to extend working capital to the cinema and film sector; and

(c) what steps do Government propose to take to assist the film industry through adequate financing and loans at reasonable rate of interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DEBIPROSAD PAL): (a) According to the information furnished by the Ministry of Information & Broadcasting which is administratively concerned with the matters relating to the film industry, no complaint/representation has been received in this regard in the recent past.

(b) Reserve Bank of India (RBI) has reported that there are no restrictions on grant of advances by banks to film industry and some of the commercial banks have, in fact, sanctioned advances for productions of films. However, in view of the severe competing demands of greater priority on the resources of banks due to growth in agricultural and industrial productions and exports, etc., it may not be possible for banks to extend credit to film industry beyond a limited extent. Wherever feasible banks are expected to finance the film industry depending on their own liquidity position, viability of the projects, income

generation cash flow and other relevant factors to ensure that the project is commercially viable. However, existence of high risk factors and considerable uncertainty in the marketability of the end-products and extremely speculative nature of the film industry prevent involvement of the commercial banks in the financing of the film industry in a big way.

(c) The National Film and Development Corporation Ltd. (NFDC), a public sector enterprise under the Ministry of Information and Broadcasting already provides loans for production of low budget films based on good and socially relevant themes.

Threat to Termination of Membership of UP Exporters' Association

1485. SHRI E. BALANANDAN: Will the Minister of TEXTILES be pleased to state:

(a) whether Government's attention has been drawn to a news-item appeared in Hindi daily 'Amar Ujala' dated 24.8.95 about alleged threat from Export Promotion Council for Handicrafts, New Delhi to Uttar Pradesh Exporters Association, Moradabad for termination of their membership;

(b) whether Government are aware that UP Exporters' Association, Moradabad had sent complaints to Government about alleged high handed action of the Export Promotion Council for Handicrafts;

(c) whether the threat of termination of the membership to the above Association is due to the complaint made against Export Promotion Council; and

(d) if so, whether Government have made any enquiry into the matter and if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAMAL NATH): (a) Yes, Sir.

(b) Yes Sir.

(c) The Uttar Pradesh Exporters' Association, Moradabad is not enrolled as a member of the Export Promotion Council for Handicrafts. Hence, the question of termination of the membership to the above Association does not arise.