

industries from time to time. The public sector banks are endeavouring to meet the legitimate credit requirements of all industrial establishments, irrespective of their size or location. While the level of credit disbursal as well as deposit mobilisation is largely linked up to the general level of economic activity and availability of infrastructural facilities like communication, power etc., in any region, the public sector banks are devoting special attention to meeting the credit requirements of priority sectors, particularly of small industries. Their outstanding advances to small borrowers in the priority sectors in the Eastern Region increased by 265 per cent from Rs. 31 crores as at the end of June 1969 to Rs. 113 crores as at the end of September 1972, while over the same period priority sector advances for the country as a whole increased by 145 per cent from Rs. 441 crores to Rs. 1080 crores. So far as financing of small entrepreneurs is concerned the provisional data available upto end June 1973 shows that while for the country as a whole, between June 1969 and June 1973, the number of small industrial units financed by the public sector banks increased from 50850 to 158661 and the amount outstanding from Rs. 251 crores to Rs. 643 crores, in the Eastern Region the increase was higher—from 3,151 units to 17,010 units and from Rs. 22.8 crores to Rs. 73.11 crores.

**Simplification of procedure in granting advances by Nationalised Banks**

776. SHRI M. B. SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the recommendations of the Thacker Committee for simplifying the procedure of advancing loans by the nationalised banks to the unemployed youth in backward States have been implemented by any of these banks; and

(b) if the answer to part (a) above be in the negative, what are the reasons therefor?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN): (a) and (b) Yes, Sir. The Nationalised Banks have already taken steps to simplify the procedure for granting loans. They have also introduced simpler loan application forms, have delegated adequate powers of sanction to their officials at various levels and have further strengthened the organisational machinery at the branches located in backward States.

**New economic relationship between India and U.S.A.**

777. SHRI SHYAMLAL GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item appearing in the "Economic Times" dated the 13th September, 1973 regarding the new economic relationship between India and the United States;

(b) if so, whether any talks have been held between the representatives of the two Governments; and

(c) if the answer to part (b) above be in the affirmative, the details of the talks held and the outcome thereof?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN): (a) Yes, Sir.

(b) and (c) Discussions with the U.S. Government on the disposition of U.S. rupee funds in India are in progress. It is hoped that a satisfactory solution to this problem will be arrived at, which will be helpful in building up further the economic relationship and co-operation between the two countries.

**Increase in prices of essential items imported from abroad**

778. SHRI SITARAM KESRI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there has been an abnormal increase in prices of several essential items imported by India from abroad;