

Secondly, on the one hand you are saying agriculture, green-house, export promotion, 100 per cent buy back and so on for earning foreign exchange in a liberalised economy and on the other hand, just now, the Minister of State for Finance has said that they are getting out of the complications regarding environmental pollution and they are having another project to import or get all the assistance from the foreign agencies. How will they prevent pollution from the other side? I want to know whether there is any coordination for solving the complication that has been already created. Simultaneously how will he handle both these problems?

SHRI P CHIDAMBARAM Sir, with great respect to the hon Member, I would like to say that I am unable to understand what the contradiction is. Sir, if buy-back arrangements are being entered into, it is good for the country. We will have an assured market for the enhanced production that takes place in the country. I have information here which says that a number of companies in the Netherlands, Italy, Thailand, and USA have come forward to offer technical collaboration and perhaps some of them have also taken equity stake in Indian companies. Some of these companies have entered into buy-back arrangements. Buy-back arrangement, I think, is good for the producer because he has an assured market.

Secondly, Sir, one must look at the consumption pattern of mushrooms. We are not a major producer of mushrooms nor are we a major consumer of mushrooms. The major consumers of mushrooms are Germany, USA, France and Sweden, Norway and UK are fairly small consumers which means we need to orientate our exports towards markets where there is a large amount of consumption. If one gets a buy-back arrangement with any company in these countries, I would submit, Sir, it is good for the producer here and not bad as he sought to suggest here.

DR B G JAWALI They are creating environmental pollution and all those things.

SHRI P CHIDAMBARAM Sir, I will not be able to answer in any technical detail. But I am absolutely sure that when we allowed permission for an EOU to be established for mushroom cultivation, one has to observe environmental laws and get clearance from the State Environment Board, if there is water pollution.

SHRI CHANDRA JEET YADAV Mushroom is one of the food items after prawn which is very popular in western countries. But our production is surprisingly low and our export is also very low. In view of this, many European countries have lately shown great interest in buy-back arrangements. But one difficulty is that they have given certain proposals that they want to develop the farms here and they want to develop the storage capacity but they want land on a long term lease

and the Government has not been able to take a policy decision on that. That is coming in the way of materialising this buy-back arrangement.

Will the Minister take necessary steps and expedite these matters so that our farmers in those areas which are good for producing mushrooms can take advantage of this interest which has been shown in our country?

SHRI P CHIDAMBARAM Sir, the hon Member is absolutely right. Land is a vital input for mushroom cultivation and mushroom industry. I am happy to tell him, that 44 proposals for 100 per cent export-oriented units with such foreign investment have been approved.

And the figures that I have, show that all of them are under various stages of implementation in various States. Apparently the State Governments are providing land for mushroom cultivation and if there is any constraint in any State, I am willing to write to the Chief Minister.

## WRITTEN ANSWERS TO QUESTIONS

[Translation]

### Internal Debt

\*625 SHRI NAWAL KISHORE RAI  
PROF SUSANTA CHAKRABORTY

Will the Minister of FINANCE be pleased to state

(a) whether the amount of internal debt on Union Government has increased continuously for the last few years,

(b) if so, the amount of internal debt at the end of the years 1992-93, 1993-94 and 1994-95 separately

(c) the percentage that this amount constitutes of the annual G D P,

(d) whether the Union Government have also made repayment of this amount of debt during these years,

(e) if so, the total amount of loan repaid during these years separately, and

(f) the year-wise total amount of debt taken by the Union Government during the said years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY)  
(a) and (b) The internal debt and other liabilities of Union Government in the last three years have been as under

(Rs in crore)		
1992-93	1993-94	1994-95 (RE)
3,59,355	4,30,323	4,90,701

(c) The percentage of internal debt and other liabilities to the GDP was 51%, 55% and 54% in the years 1992-93, 1993-94 and 1994-95 respectively

(d) and (e) The repayment of internal debt and other liabilities (excluding discharge of 91 days Treasury Bill, Reserve funds and deposits not bearing interest and suspense transactions) amounted to Rs 34151 crore, Rs 58482 crore and Rs 56778 crore in the year 1992-93, 1993-94 and 1994-95 respectively

(f) The additional internal debt and other liabilities taken by the Central Government net of repayments amounted to Rs 41,941 crore, Rs 70,968 crore and Rs 60,378 crore in the years 1992-93, 1993-94 and 1994-95 respectively

[English]

### Credit Policy

\*626 SHRI SULTAN SALAHUDDIN OWAIISI  
SHRI R SURENDER REDDY

Will the Minister of FINANCE be pleased to state

(a) the main features of the new credit policy announced by the Reserve Bank of India recently

(b) the shortcomings and lacunae of the policy that had come to the notice and weighed in favour of framing the new policy,

(c) the objectives likely to be achieved through the new policy,

(d) whether the Chamber of Commerce and Industry and Non-Banking Finance Companies have expressed their reservations over the new measures to curb credit, inflation and contain money expansion and price rise in the country,

(e) if so, the details thereof, and

(f) the reaction of the Government/RBI thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V CHANDRASHEKHARA MURTHY)

(a) The salient features of the monetary and credit policy for the first half of 1995-96 announced by the Reserve Bank of India (RBI) on 17th April, 1995 are a one percentage point increase in the maximum term deposit rate, introduction of a loan system for delivery of bank credit by bifurcation of the existing cash credit limits of large borrowers into a "cash credit component" and a "loan component", reduction in credit to finance companies from banks/financial institutions, a ban on bridge loans against public issues and changes in export credit refinancing. The policy also outlines the details of the Rural Infrastructural Development Fund (RIDF) consortium for Khadi and Village Industries Commission (KVIC) and Scheme for Financing Primary Weavers Co-operative Societies by commercial banks, measures which were earlier announced by the Finance Minister in his Budget Speech on March 15, 1995

(b) RBI has reported that the credit policy has been framed against the background of the monetary and credit developments in the last two years including the price situation during the financial year 1994-95

(c) A key objective of the monetary and credit policy is to reduce the inflation rate

(d) and (e) As per reports in the Press, the major Chambers of Commerce and Industry have *inter-alia* expressed apprehension that the higher cost of credit implied by the rise in the maximum term deposit rate and the restraints on credit arising from the curb on credit to non-banking financial companies and the ban on bridge loans would adversely affect the growth of industry

(f) RBI has reported that the credit policy is so framed as to ensure that all genuine credit requirements of the economy are met. The Policy is under continuing review and modifications will be made therein taking into account emerging developments in the economy

[Translation]

### Setting up of Industrial Parks

\*627 SHRI JAGMEET SINGH BRAR Will the Minister of COMMERCE be pleased to state

(a) whether industrial parks have been set up at different places exclusively for import and export in the country,

(b) if so the places where such parks have been set up during 1994-95, State-wise

(c) the details of proposals for setting up such parks in future,

(d) the total number of units set up in these parks and the number of those units rendered sick upto March, 1995 and

(e) the value of the imports and exports in percentage made by these units out of the total value of the country's imports and exports made during each of the last three years and the targets fixed for 1995-96?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P CHIDAMBARAM) (a) and (b) A Centrally Sponsored Export Promotion Industrial Parks (EPIP) Scheme has been formulated to assist State Governments in establishing infrastructural facilities for export oriented production. Upto now, such parks have been approved to be set up in Dhandari Kalan (Punjab), Ambarnath (Maharashtra), Baddi (H P), Sitapura (Rajasthan), Hoodi (Karnataka), Kakkannad (Kerala), Kundli (Haryana), Surajpur (U P), Gummidipoondi (Tamil Nadu), Pashamylaram (Andhra Pradesh), Savli (Gujarat), Hajipur (Bihar), Durgapur (West Bengal) and Byrnihat (Meghalaya)