

[English]

SHRI BRAJA KISHORE TRIPATHY: The Government has allotted money and released 50 per cent of it so far. May I know from the hon. Minister whether the Government is taking steps to release the rest of money and whether there is any proposal of the Government pending for revision of the scheme?

[Translation]

SHRI UTTAMBHAI H. PATEL: Mr. Speaker, Sir, the amount released so far has been mentioned in the reply and the balance amount is usually released simultaneously with the progress of the work. No delay occurs in this regard.

[English]

SHRI BRAJA KISHORE TRIPATHY: Recently in the meeting of the project officers of the DRDA, the Government has indicated that they are going to revise the scheme. I would like to know from the hon. Minister whether the Government is proposing any change in the scheme.

[Translation]

SHRI UTTAMBHAI H. PATEL: Yes, the share of women under this programme has been increased from thirty per cent to forty per cent. Similarly, the share of the Scheduled Castes/Tribes has been increased from the earlier thirty per cent to fifty per cent and the share of three per cent has been provided for the handicapped. We intend to work on these lines in future.

[English]

SHRI BRAJA KISHORE TRIPATHY: In the Seventh Five Year Plan, the Government had decided to release second dose to the beneficiaries who have availed of benefits in the Sixth Five Year Plan. May I know from the hon. Minister as to whether the Government has assessed the position and also may I know what is the real percentage of beneficiaries eligi-

ble to get the second dose in the Seventh Five Year Plan?

[Translation]

SHRI UTTAMBHAI H. PATEL: So far, 380 lakh families have been covered under this programme. Of them 28 per cent have been brought above the poverty line. Additional assistance can be provided to the rest, with the release of the second dose.

[English]

MR. SPEAKER : Question No. 494. Dr. Laxmi Narayan Pandey—Absent.

Question No. 495, Shri Ramashray Prasad Singh—Absent.

Question No. 496, Shri Bhagwan Shankar Rawat—Absent.

Question No. 497, Shri M.V.V.S. Murthy.

SHRI M.V.V.S. MURTHY: Question No. 497, Sir.

AN HON. MEMBER: Very good progress, Sir!

MR. SPEAKER : Progress by default.

Loss of Foreign Exchange

*497. **SHRI M.V.V.S. MURTHY:** Will the **PRIME MINISTER** be pleased to state:

(a) whether the Government have studied the data compiled by the Institute for Studies on Industrial Development regarding the net loss of foreign exchange during the year 1987-89;

(b) if so, the result thereof; and

(c) whether the Government propose to ensure that the new foreign collaborations with 50 per cent foreign equity will not further deteriorate the foreign exchange position?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P. J. KURIEN): (a) to (c) A statement is laid on the Table of the House.

STATEMENT

(a) Government are not aware of any report submitted by the Institute of Studies on Industrial Development regarding the net loss of foreign exchange during the year 1987-89;

(b) Does not arise.

(c) According to the Statement on Industrial Policy laid on the Table of the House on 24th July, 1991, direct foreign investment upto 51% foreign equity in high priority industries will be permitted if foreign equity covers the foreign exchange requirement for imported capital goods. The payment of dividends in such cases would also be monitored through the Reserve Bank of India so as to ensure that outflows on account of dividend payments are balanced by export earnings over a period of time. Other foreign equity proposals, including proposals involving 51% foreign equity, which do not meet the criteria laid down will continue to need prior clearance. While granting clearance to these proposals, Government may consider stipulating such conditions, as may be necessary, to ensure that the foreign exchange outgo is kept to the barest minimum.

MR. SPEAKER: You can ask a supplementary please...

(Interruptions)

[Translation]

MR. SPEAKER: Do you want to ask a supplementary question? All right, if not, it doesn't matter.

[English]

I will go to the next question...
(Interruptions)

[English]

MR. SPEAKER: Please bear with the new Member.

SHRI M.V.V.S. MURTHY: And also, Sir, I did not expect that it will come up so fast...*(Interruptions)*.

MR. SPEAKER: Well, I can understand your difficulty.

SHRI M.V.V.S. MURTHY: Mr. Speaker, Sir, the foreign exchange component is not according to the studies made by the Institute for studies on industrial development. I would like to know whether the Government is taking any steps to improve upon the situation.

PROF. P. J. KURIEN: Yes, Sir, the Government is taking all possible steps...*(Interruptions)*. Government is taking all possible steps to improve upon the foreign exchange position. In the new Industrial Policy, we have ensured that the foreign exchange drain due to imports should be minimised and there should be more foreign equity or foreign exchange, and we are trying for foreign exchange surplus.

SHRI M.V.V.S. MURTHY: Sir, the recently introduced EXIM SCRIPS for imports are not conducive with the development of exports because the EXIM SCRIPS are being traded in the open market also—in the Stock Exchanges. I would like to know whether the Government will do something in this regard.

PROF. P. J. KURIEN: Sir, this question should have been put to the Commerce Ministry. However, I will clarify the position. The Government's intention is to reduce imports. That is why we have introduced the new system of EXIM SCRIPS. As far as possible, imports should be minimised. That is why we have abolished the previous system where imports would have been allowed on certain conditions. Now if a manufacturer wants to import, he should

go and buy EXIM SCRIPS which are costly. So, he will be trying to reduce the import and also he will be trying to export more. Actually, the new policy is giving thrust on reduction of imports and also giving an impetus to exports.

Food Processing Industries

*498. SHRI SUDHIR GIRI: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the number of food processing industries developed under the direct control of the Union Government in 1989-90 and 1990-91, State-wise;

(b) the main problems faced by these industries in their expansion;

(c) the total grants made by the Union Government towards development of the food processing industries during 1989-90 and 1990-91; and

(d) the incentives provided by the Union Government to the new entrepreneurs?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI GIRIDHAR GOMANGO): (a) to (d) A statement is laid on the Table of the House.

STATEMENT

There are two Public Sector Undertakings under the control of Ministry of Food Processing Industries viz. Modern Food Industries (India) Ltd. (MFIL), New Delhi and North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC), Guwahati. In 1989-90 Modern Food

Industries (India) Limited has added one bread line in Madras by converting a bun line shifted from Calcutta, modernised bread plant in Cochin and Madras and has initiated steps to add two bread lines in Delhi. This company has also expanded capacity of its Fruit Juice Bottling Plant at Delhi in 1990-91. North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC) has not set up any new plant in last two years but has been trying to develop fruit juice concentrate plant at Nalkata.

Modern Food Industries (India) Limited has not been able to expand its bread manufacturing activities substantially because the bread industry has been reserved for small scale industries. However, the company have taken steps to develop ancillaries and franchise of bread, and fruit based drinks.

NERAMAC has not been able to perform satisfactorily mainly due to non-availability of raw material throughout the year, difficulties in timely availability of suitable packaging material, marketing and organisation problems coupled with transport bottlenecks and other infrastructural problems in built in difficult terrain of north eastern region. In order to have an indepth study of the functioning of the Corporation and to make suitable recommendations to the Government, a High Level Committee was constituted which the submitted its report recently.

Ministry of Food Processing Industries provided budgetary support to Modern Food Industries (India) Limited (MFIL) and NERAMAC as follows:—

(Rupees in Crores)

Central Undertaking	Year	Equity	Loan	Total
MFIL	1989-90	1.28	1.28	2.56
	1990-91	0.95	0.95	1.90
NERAMAC	1989-90
	1990-91	..	0.90	0.90