

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) During the Post Policy period i.e. from 01.08.91 to 31.05.96, 4679 proposals for foreign direct investment were approved involving foreign direct investment of Rs.71058.23 crores in different areas.

The details of such proposals viz. name of Indian company, name and country of foreign collaborator, equity investment involved and item of manufacture/activity are published by the Indian Investment Centre as a supplement to the Monthly Newsletter and copies of these are regularly supplied to the Parliament Library.

(b) The proposals were considered and approved according to the Industrial Policy, in force.

Closure of Industries

2052. SHRI SRIBALLAV PANIGRAHI : Will the Minister of INDUSTRY be pleased to state:

(a) the details of industries closed down or declared sick after the announcement of industrial policy;

(b) the details of such industries which have been captured by multinational companies or big industrial houses after the announcement of industrial policy; and

(c) the steps taken by Government to safeguard the interest of workers involved in such industries?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The provisions relating to closure of industries are contained in the Industrial Disputes Act, 1947. According to the information available from the Labour Bureau, the number of units closed during 1992, 1993, 1994, 1995, and 1996 (January to May) are 187, 493, 228, 183, and 29, respectively. As regards the sick industrial units, the relevant data is compiled by the Reserve Bank of India. According to the latest RBI data available as at the end of March, 1995, the number of sick industrial units in the small scale and non-small scale sectors is as under:-

As at the end of	No. of sick SSI units	No. of sick non-SSI units
March, 1992	245575	1536
March, 1993	238176	1867
March, 1994	256452	1909
March, 1995	268815	1915

(b) Such information is not centrally maintained.

(c) The Industrial Disputes Act provides for payment of compensation to the workers in the event of retrenchment/closure. Whenever proposals for merger of units/companies are received, it is insisted that conditions of employment of workers are not adversely affected in the event of such mergers/amalgamations.

Small Industries Board

2053. SHRIMATI SUMITRA MAHAJAN : Will the Minister of INDUSTRY be pleased to state:

(a) whether the Small Industries Board has recommended for setting up of a tribunal to deal with the problems of sick small industries;

(b) if so, the details thereof;

(c) the extent of sickness in small industrial units during the last three years; and

(d) the steps being taken by the Government to tackle the problem?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Yes, Sir. Small Scale Industries Board in its meeting held on the 16th December, 1994 has recommended that an institutional arrangement in the form of a Tribunal be made which will act as the mechanism of rehabilitation of potentially viable, but sick, SSI units so as to enable detection of sickness at the incipient stage and implementation of rehabilitation packages within the stipulated time frame.

(c) As per the data collected by Reserve Bank of India from the Scheduled Commercial Banks, total number of SSI units as at the end of March, 1993, 1994, and 1995 aggregated 2,38,176, 2,56,452 and 2,68,815 with outstanding amounts of Rs. 3442.97, 3680.37 and 3547.16 crores respectively. Of these 21649, 16580 and 15539 units with outstanding amounts of Rs. 798.79, 685.93 and 597.93 crores respectively were considered as potentially viable.

(d) For tackling the problems of industrial sickness in SSI sector and rehabilitation of sick units, Reserve Bank of India has issued guidelines to commercial banks in February, 1987 (modified in June, 1989 and April, 1993), containing inter alia, definition of sick SSI units, viability norms, incipient sickness, as also reliefs/concessions from banks/financial institutions for implementation of packages in the case of potentially viable sick (SSI) units.

Setting up of Industrial Unit in Kerala

2054. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether any offer has been received from abroad to set up Industrial Units in Kerala;

(b) if so, the details of proposals and amount offered to be spent;

(c) whether any decision has been taken thereof, and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d). 43 number of foreign collaboration proposals involving foreign direct investment have been received and approved during the post policy period i.e.

from 1.8.91 to 31.05.96 envisaging foreign direct investment of Rs. 109.17 crores in the State of Kerala.

The details of such proposals viz. name of the Indian company, name and country of foreign collaborator, equity investment involved, item of manufacture/activity are published by the Indian Investment Centre as a supplement to the Monthly Newsletter and copies of these are regularly supplied to the Parliament Library.

Prohibition in States

2055. SHRI N. RAMAKRISHNA REDDY :
SHRI L. RAMANA :
SHRIMATI BHAVNABEN DEVRAJ BHAI
CHIKHALIA :

Will the Minister of FINANCE be pleased to state:

(a) the States which have imposed prohibition:

(b) whether the Union Government have provided financial assistance to these States to make up the loss on account of the prohibition:

(c) if so, the details thereof during the last two years and current year, so far, State-wise:

(d) whether some of the above States have also levied heavy taxes on various areas to make-up the loss:

(e) if so, its impact on the common man.

(f) whether the Union Government propose to direct such State Governments to reconsider their decision of imposing heavy taxes; and

(g) if so, the details thereof?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) Prohibition being a State subject, information in this regard has to be collected from States, and shall be furnished later.

(b) and (c). The Government of India have no scheme at present to provide financial assistance to States to make up the loss on account of prohibition.

(d) to (g) The States levy taxes depending upon the need to raise resources and looking to the general economic environment. It is difficult to say whether any tax has been imposed or enhanced to make up for the loss on account of imposition of prohibition. It is not possible for Government of India to judge whether a particular tax is heavy or not. Since the States are autonomous, it will not be proper for the Government of India to interfere in their legislative competence to levy tax.

Export of Basmati Rice

2056. PROF. AJIT KUMAR MEHTA : Will the Minister of COMMERCE be pleased to state:

(a) whether there is any decline in the export of basmati rice:

(b) if so, the percentage of decline in basmati rice exports and in the foreign exchange earnings as a result thereof during 1995 and 1996:

(c) the main reasons for its steep decline in exports: and

(d) the measures taken by the Government to boost the exports of basmati rice?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) and (b). The quantity and value of basmati rice exported during the last three years and the percentage change in exports both in quantity and value terms over the corresponding period of the previous year(s) is as under:

Year	Quantity (MT)	Value (Rs.) Crores)	% Change over the corresponding period of previous year in	
			Quantity Terms	Value Terms
1993-94	527233	1061.27	-	-
1994-95	442125	865.32	(-)16.14	(-)18.46
1995-96	392258	851.16	(-)11.27	(-)1.63
1996-97 (APRIL'96)	57260	119.65	49.41	25.80
APRIL'95	38322	88.77		

(c) The fall in exports of basmati rice occurred due to depressed demand in the importing countries and high domestic prices.

(d) Some of the measures taken to promote export of rice include, inter-alia conducting publicity campaigns, delegations abroad, participating in International Trade Fairs, inviting potential buyers and providing financial assistance to exporters for improving quality, packaging, brand promotion of products and for conducting market surveys.

Regulatory Authority for Insurance Sector

2057. SHRI SOUMYA RANJAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Insurance Regulatory Authority has since started functioning:

(b) if so, the details of its scope and terms of office: and

(c) the particulars of its Chairman, Members and also the officials working at present on deputation?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) and (b). Yes, Sir. The Govt. has set up an interim Insurance