

(b) if so, the time by which it is likely to be so extended and whether consultations have been held with State Governments in this regard; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Extension of MODVAT to the remaining commodities and the time-frame would depend on the experience of the working of the MODVAT scheme and other relevant considerations. Trade associations have also been asked to give detailed information regarding commodities for which they would like MODVAT to be extended. Since MODVAT relates only to the credit of duties levied by the Central Government, consultations with the State Governments are not considered necessary.

Export target for 1986-87

2776. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is fact that target of exports for the year 1986-87 has not yet been laid down;

(b) if so, the reasons therefore; and

(c) if not, the details of the export target ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) No, Sir.

(b) Does not arise.

(c) The export target for the current financial year 1986-87 has been fixed at Rs, 12,203 crores.

[English]

Exoneration of large industrial house netted under FERA

2277. SHRI KRISHNA SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether some of the large Industrial Houses earlier netted under FERA and other such provisions by Revenue Intelligence authorities have been lately exonerated by the courts;

(b) if so, the details of cases in which such parties have been exonerated during the past four months;

(c) whether this exoneration is attributable to certain flaws or weak links in the law or rules/regulations etc., and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) In a recent case, the Chief Judicial Magistrate, Pune, has acquitted M/s. Kirloskar Oil Engines Ltd. and its directors, by his order dt 14.5.86, of the charge framed for raising the non-resident interest more than 49 per cent in a German Company i e. F. H. Schule, owned by M/s. Kirloskar Oil Engines Ltd., in violation of Sec. 26(3) of the F. E. R. Act, 1973. Appeal against the above judgement has been filed by the Government.

(c) No, Sir.

(d) In view of part (c) above, the question does not arise.

U. S. aid for India

2278. SHRI KRISHNA SINGH :
SHRI GURUDAS KAMAT :

Will the Minister of FINANCE be pleased to state :

(a) whether US aid worth Rs. 55 crores (\$ 44.65 million) has been agreed upon under 4 agreements signed in May this year; and

(b) if so, the details of the agreements and the projects and schemes to be financed therewith ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The details of the agreements are as under :

- (i) Hill Areas Land and Water Development Project—for improvement of irrigation system in Himachal Pradesh—loan of Rs. 29.6 crores (equivalent to \$ 24 million).
- (ii) National Social Forestry Project—to raise income and employment among the rural poor by planting small trees on marginal land for timber, fuelwood and fodder in Uttar Pradesh, Rajasthan, Gujarat and Himachal Pradesh—loan of Rs. 18.4 crores and grant of Rs. 1 crore (equivalent to \$ 15.7 million).
- (iii) Agriculture Research Project—to upgrade scientific and Technological research and development on high priority agricultural problems—grant of Rs. 3.7 crores (equivalent to \$ 3 million).
- (iv) Programme for the Advancement of Commercial Technology—to accelerate the pace and quality of technological innovation in India by promoting and funding Indo-US research and development of joint ventures through India's private sector—of Rs. 24 crores (equivalent to \$ 1.95 million). These are on-going projects and the assistance now provided is in addition to the amounts earlier agreed to by US AID.

The US loans are repayable over a period of 40 years including a grace period of 10 years and carry interest at the rate of 2 per cent for the first 10 years and 3 per cent thereafter.

Extension of moratorium on nuclear tests by USSR

2279. SHRI KRISHNA SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Soviet Union has extended in May, 1986 its unilateral moratorium on nuclear tests;

(b) if so, what was the response of the USA and other nuclear powers thereto; and

(c) the Government's assessment about the possibilities of an agreement being reached amongst different nuclear powers to stop further nuclear tests and a ban on production of such weapons ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Yes Sir. In May, 1986, the Soviet Union extended its unilateral moratorium on nuclear testing upto August 6.

(b) So far, no other nuclear weapon State has joined in the moratorium.

(c) The Government of India hope that the nuclear weapon States would soon be able to reach an agreement to stop further nuclear tests and ban the production of nuclear weapons.

Export of Tea by TTCI

2280. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of COMMERCE be pleased to state :

(a) the reason why Tea Trading Corporation of India (TTCI) is not getting any business from the State Trading Corporation during the last few years;

(b) the year-wise details of export of TTCI for the last three years; and

(c) whether Government are encouraging private sector in the matter of export of tea ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (c). The State Trading Corporation of India makes use of its marketing strength, expertise and foreign offices to obtain export orders for various products, including tea, which it executes with the help of associates. With the con-