

[English]

**Review of Performance of Export**

\*228. DR. LAXMINARAYAN PANDEY :  
SHRI JAGDAMBI PRASAD YADAV :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have set up Commercial Wings in Indian Missions abroad;

(b) if so, the details of its objectives;

(c) whether the Government have recently reviewed the functioning of the above wings in connection with their export promotion performance;

(d) if so, the details thereof;

(e) whether the Government have found the performance of these wings satisfactory;

(f) if so, the details thereof and if not, the reasons therefor; and

(g) the steps taken by the Government to achieve the objectives of these wings?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Yes Sir, 66 Commercial Wings abroad are presently in existence. These Wings advise and assist in the formulation of economic and trade policies of the country, aparta from rendering assistance for the strengthening of India's trade and economic relations with the country of their accreditation.

(c) and (d). The functioning of the Commercial Wings abroad is periodically monitored on a continuous basis;

(e) and (f). The performance of the Commercial Wings has been found to be useful for increasing, diversifying and boosting India's international trade; and

(g) These include updation of two-way information exchange system, trade related data base and holding of region-wise conferences of India's Commercial representatives etc.

**Enhancement of Equity Content**

\*229. SHRIMATI VASUNDHARA RAJE : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have cleared several proposals in which the companies had asked for enhanced equity content;

(b) if so, the proposals cleared during the current financial year; and

(c) the total amount of investment involved, installed capacity and employment generation potentiality of those projects?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c). Yes, Sir. A total of 85 number of proposals have been cleared by the Government involving enhanced equity content during the current financial year i.e. 1-4-96 to 30-9-96. These proposals envisage Foreign Direct Investment of Rs. 1806.12 crores in various Sectors like Power, Services, Electrical Equipments, Chemicals (other than Fertilizers) and Food Processing Industries etc. Sector-wise break-up of Foreign Direct Investment increase in equity cases approved during the period 1-4-96 to 30-9-96 is given in the Statement enclosed. The details of such proposals viz. 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.

Data on employment generation with specific linkage to Foreign Direct Investment (FDI) are not maintained. Employment linkage is with respect to Industrial Approvals i.e. LOI (for Licensed Sectors) and IEMs (for Delicensed Sectors). Such approvals are inclusive of projects involving Foreign Direct Investment. Similarly, installed capacity of the projects has no specific linkage to Foreign Direct Investment. With the delicensing of most of the industries in terms of Government's New Industrial Policy of 1991, capacity is not the constraint.

**STATEMENT**

*Sector-wise Break-up of Foreign Direct Investment Increase in Equity Cases Approved During the Period (01/04/96 to 30/09/96)*

(Rs. in Crores)

S.No.	Name of Industry	Total			Amount of FDI Approved	% of Total Amount Approved
		Total	Tech	Fin		
1	2	3	4	5	6	7
1.	Mettallurgical Industries					
	Ferrous	1	0	1	2.03	0.11

1	2	3	4	5	6	7
	Non-Ferrous	1	0	1	0.63	0.03
	Total	2	0	2	2.66	0.15
2.	Fuels					
	Power	1	0	1	39.00	2.16
	Oil Refinery	4	0	4	672.18	37.22
	Total	5	0	5	711.18	39.38
3.	Boilers and Steam Generating Plants	1	0	1	0.41	0.02
4.	Electricals Equipment					
	Electrical Equipment	8	0	8	138.67	7.68
	Computer Software Industry	2	0	2	8.03	0.44
	Electronics	4	0	4	22.01	1.22
	Total	14	0	14	168.71	9.34
5.	Telecommunications					
	Telecommunications	1	0	1	5.10	0.28
	Telecommunication (I & B)	1	0	1	0.03	0.00
	Total	2	0	2	5.13	0.28
6.	Transportation Industry					
	Automobile Industry	3	0	3	5.87	0.32
	Air/Sea Transport	1	0	1	2.00	0.11
	Total	4	0	4	7.87	0.44
7.	Industrial Machinery	7	0	7	18.43	1.02
8.	Machine Tools	1	0	1	1.82	0.10
9.	Miscellaneous Mechanical & Engineering	11	0	11	23.18	1.28
10.	Industrial Instruments	1	0	1	1.69	0.09
11.	Chemicals (Other than Fertilizers)	8	0	8	63.62	9.06
12.	Photographic Raw Film and Paper	1	0	1	0.30	0.02
13.	Drugs and Pharmaceuticals	1	0	1	4.31	0.24
14.	Textiles (Incl. Dyed, Printed)	3	0	3	25.79	1.43
15.	Food Processing Industries					
	Food Products	4	0	4	67.20	3.72
	Marine Products	1	0	1	3.44	0.19
	Total	5	0	5	70.64	3.91
16.	Vegetable Oils and Vanaspati	1	0	1	4.00	0.22
17.	Rubber Goods	1	0	1	0.00	0.00*
18.	Leather, Leather Goods and Pickers	1	0	1	0.12	0.01
19.	Glass	1	0	1	2.10	0.12
20.	Cement and Gypsum Products	2	0	2	16.44	0.91

1	2	3	4	5	6	7
21.	Consultancy Services					
	Design & Eng. Services	4	0	4	0.45	0.02
	Management Services	1	0	1	0.36	0.02
	Marketing	1	0	1	0.15	0.01
	Total	6	0	6	0.95	0.05
22.	Service Sector					
	No-Financial Services	1	0	1	570.30	31.58
	Total	1	0	1	570.30	31.58
23.	Trading Co.	1	0	1	0.00	0.00**
24.	Miscellaneous Industries					
	Horticulture	2	0	2	2.05	0.11
	Others (Misc Industries)	3	0	3	4.42	0.24
	Total	5	0	5	6.47	0.36
	Grand Total	85	0	85	1806.12	

Increase in equity from 59.93% to 74%. Amount not indicated.

Equity is only Rs 39,000/-

#### Investment on Infrastructure

\*230. SHRI K PARASURAMAN :

SHRI SULTAN SALAHUDDIN OWAISI :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are considering to promote private sector in the country by involving them in the infrastructure, consumer and social sectors; and

(b) if so, the details thereof;

(c) whether the Government have taken any policy decision in this regard;

(d) if so, the field in which the private participation is proposed; and

(e) if not, by when the decision is likely to be taken?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (e). The existing Industrial Policy of the Government underlines the need to promote private sector participation for investment in the infrastructure sectors. Various sectoral policies for private participation in various infrastructure sectors have also been announced by respective Ministries. As per these policies, private sector is being encouraged to participate in power, telecom, ports, roads etc.

#### External Commercial Borrowings

\*231. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) the number of companies that have taken

approval of the Government for securing external commercial borrowings during each of the last three years and the number of those companies which have not yet used those borrowings; and

(b) the action taken/proposed to be taken by the Government against the defaulting companies?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a)

Year	No. of proposals approved for external commercial borrowings	No. of proposals where approvals have lapsed
1993-94	143	41
1994-95	330	73
1995-96	300	72

(b) As per the existing guidelines on external commercial borrowings, approvals are valid for a period of one year in case of power projects and six months in all other cases. If the companies fail to submit the loan agreement to the Ministry of Finance within the stipulated period, the approvals are treated as lapsed automatically.

#### Contract Labour in CIL

\*232. SHRI BANWARI LAL PUROHIT : Will the Minister of COAL be pleased to state :

(a) whether some specific work has been assigned