

Statement II

Figures of Production and Sales of M/s. Pure Drinks (New Delhi) Limited as furnished by Central Excise Department MOR 27

Period	Production in Bottles	Sales in Bottles (Clearance)	Period	Production in Bottles	Sales in Bottles (Clearance)
April, 1984	16100516 Bottles Nil production of Compa Cola in Cans	16206984 Bottles +6732 Compa Cola in Cans	April, 1985	16288295 Bottles Nil production of Compa Cola Cans	16210128 Bottles +105 Comp Cola Cans
May, 1984	22518216 Bottles +1086 Compa Cola Cans	22405680 Bottles +2533 Compa Cola Cans	May, 1985	20755930 Bottles Nil Cans	20674680 Bottles Nil Cans
June, 1984	18150337 Bottles +5828 Compa Cola Cans	18087408 Bottles +3569 Compa Cola in Cans	June, 1985	19618764 Bottles +23324 Compa Cola in Cans	19530720 Bottles +11596 Cans
July, 1984	13279028 Bottles +17443 Compa Cola in Cans	13188120 Bottles +14775 Compa Cola in Cans	July, 1985	Statement has not been received.	

Note : The figures of production and sales also includes Soda Special as well. These figures are for MOR 27.

Incentives for Exporters

2820. SHRI NARAYAN CHOUBEY : Will the Minister of FINANCE be pleased to state :

(a) whether 100 per cent export oriented units have been allowed to retain 50 per cent of their annual profits tax free;

(b) if so, the details thereof;

(c) what are the other incentives so far given to 100 per cent export oriented units; and

(d) the quantum of foreign exchange earned and spent for imports of plant and machinery etc. by such units in the years 1980-84 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b). Yes, Sir. According to provisions of Section 80 HHC of the Income-

tax Act, 1961 as amended by Finance Act, 1985 (with effect from 1-4-1986, applicable to assessments for 1986-87 and subsequent years) 100 per cent export oriented units will be entitled for a deduction not exceeding 50% of the profits derived from the export of such goods or merchandise. This deduction is subject to the conditions that the sale proceeds of such goods or merchandise exported out of India, are receivable in convertible foreign exchange and the amount of deduction is credited to a reserve account to be utilised for the purposes of the business of the assessee.

(c) Other incentives and facilities given to 100 per cent export oriented units are indicated in the statement below.

(d) Yearwise figures of imports of capital goods and raw material etc., and exports by 100 per cent export oriented units in production and exporting during the last four financial years are given below :

Year	Imports			Production	Exports
	Capital Goods	Raw Material	Total (Value in Rs. crores)		
1981-82	15.58	0.19	15.77	4.64	10.41
1982-83	15.99	15.18	31.17	107.94	37.86
1983-84	50.30	29.30	79.60	140.06	58.16
1984-85	19.68	31.23	50.91	117.51	100.12
total	101.55	75.90	177.45	370.15	206.55

Note : The figures for 1980-81 are not readily available.

Statement

Other Incentives/Facilities given to 100% Export Oriented Units

Main Facilities

- (1) 100% EOUs can import duty free capital goods, raw materials, components consumables, spares, material handling equipments namely fork lifts and overhead cranes, sample/prototypes not exceeding two in number of each type of articles covered by the manufacturing activity, drawing/blue prints, technical maps and charts relating to the manufacturing activity.
- (2) Finished products shall be exempt from excise and other central levies.
- (3) Indigenously procured capital goods, components and raw materials will be allowed without payment of central excise duty.
- (4) MRTP/FERA companies shall be allowed to set up units under the scheme.
- (5) The conditions of dilution of foreign equity as stipulated by the Department of Economic Affairs will not be applicable in the case of units approved under the scheme of 100% EOUs.

- (6) Permitted level of rejects can be sold in the domestic tariff area, after payment of duties, etc.
- (7) Upto 25% of the production can be supplied in the home market provided it is consistent with import policy and subject to licences and payment of duties on the goods.
- (8) Approved 100% EOUs can sell their products to domestic projects under global tender conditions.

Other facilities

- (1) Green Cards are issued to 100% EOUs which entitle them to get priority treatment from various Central/State Government agencies.
- (2) Approved 100% EOUs have been categorised in Group I as 'Essential Consumers' for supply of power.
- (3) Railway Board has classified all export traffic as priority 'B' of the Preferential Traffic Schedule. In case such traffic is not cleared within 5 days of placement of demand the priority shall be upgraded to 'A' so that it is cleared without delay.
- (4) For units approved under the scheme of 100% EOUs which do not have telephone/telex connection

either at Head Office or at the nominated location, the Ministry of Communications had agreed to expeditiously sanction one temporary telephone/telex connection on the recommendation of the Ministry of Commerce.

- (5) The Reserve Bank of India has issued instructions that applications for release of foreign exchange received from green card holding 100% EOUs would be handled on a priority basis and disposed of expeditiously within a maximum of four working days.
- (6) In the matter of supply of iron and steel for construction purposes, green card holding 100% EOUs would be treated on par with customer coming under status 'A' (Highest Group). Export Commissioner in the Ministry of Commerce has been nominated to recommend requests to the Joint Plant Committee, Calcutta and to coordinate demand for iron and steel from 100% EOUs.
- (7) The Department of Civil Aviation has issued instructions to Air India, Indian Airlines, International Airports Authority of India and Director General Civil Aviation to accord priority treatment to 100% EOUs holding green cards in the matter of transport facility by air.
- (8) Green card holding approved 100% EOUs in the small scale sector would be treated on par with units in the medium/large scale sector in the matter of allocation of levy cement for factory construction from central quota.
- (9) IOBI has issued instructions to financial institutions to charge 1½% less interest from approved 100% EOUs on loans sanctioned to them subject to certain conditions.

Note : The units availing facilities/benefits under the 100% EOU scheme are required to be approved by the Board of Approval headed by Secretary, Ministry of Commerce.

U.S. Investment in India

2821. SHRI SOMNATH RATH : Will the Minister of FINANCE be pleased to state :

(a) whether there is any possibility of increasing US investment in India with the recent visit of Prime Minister to U.S.A.; and

(b) what effort is being made to make the people of the US, particularly trade and industry, know about India and India's capabilities ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Recent press reports indicate an increasing awareness in US of our investment and foreign collaboration policies. US investments and collaborations will be welcome within the parameters of our policies.

(b) Several steps are taken for this by various agencies of the Government, including dissemination of information regarding our industrial policies and capabilities and guidance to prospective investors/collaborators by the Indian Investment Centre which has an office in New York.

Incentive to State Governments for better Financial Management

2822. SHRI DIGVIJAYA SINGH : Will the Minister of FINANCE be pleased to state;

(a) whether his Ministry gives any incentives to State Governments for better financial management;

(b) if so, the details thereof; and

(c) if not, whether his Ministry would introduce some incentives to encourage State Governments to have better financial management ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) Does not arise.

(c) The question of providing incentives for better financial management does not arise as all the States are expected to manage their finances in such a manner as to avoid