

petitions pending before different High Courts to the Supreme Court. The Supreme Court has issued notice and, in the mean time, the proceedings in the said petitions in the High Courts have been stayed. The matter is sub-judice.

The Bar Council of India has informed that the Council has no information about any nation-wide agitation by Law Students Forum.

[Translation]

#### Licences for New Sugar Mills in U.P.

1116. SHRI MUNAWWAR HASSAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to issue licences for setting up new sugar mills in Uttar Pradesh;

(b) if so, whether it is proposed to set up a new mill at Kairana-Jhinhana area of Muzzafarnagar district in U.P.

(c) if so, by when; and

(d) if not the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Consideration of Industrial Licence applications is an on-going process

(b) to (d) As per status as on 15.7.96, no proposal for granting any Letter of Intent against any application for the same in Muzzafarnagar District is under consideration of the Government

[English]

#### Economic Liberalisation

1117. DR. LAXMINARAYAN PANDEY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Confederation of Indian Industries (CII) has expressed any apprehensions about the various facets of ongoing process of economic liberalisation and the free-run allowed to foreign multinationals;

(b) if so, the details thereof;

(c) whether the Government have held any dialogue with CII in this regard; and

(d) if so, the results thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. The Confederation of Indian Industries (CII) presented a paper entitled "MNCs India Strategy need rethink" in its session held on 22nd March, 1996 to deliberate its strategy towards Multinationals in the post election scenario. These issues include - (i) sales approach to India as distinct from manufacturing, (ii) failure in bringing latest technology, (iii) multinational companies rushing to acquire 51% holdings, (iv) setting up a 100% subsidiary despite having a joint-venture with an Indian partner, and

appointment of expatriate managers against competitive Indian managements available in the country.

(c) and (d) Suggestions and reactions to the Industrial Policy continue to be received from a number of quarters including the CII. Keeping the above in mind, the Government constantly reviews the policy framework for making the Indian industry internationally competitive and India an attractive destination for foreign investment which is in the interest of the industrial and economic development of the country

#### External Aid Utilisation

1118. SHRI SARAT PATTANAYAK : Will the Minister of FINANCE be pleased to state

(a) whether the pace of external aid utilisation in infrastructure sector is slow;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to ensure the speedy and proper utilisation of external aid?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) There are slippages in respect of many projects. Overall aid utilisation in infrastructure should be improved.

(b) Slippages are mainly due to delayed investment approval, environmental clearance, delay in finalisation of contracts and delay in release of funds by the State Governments

(c) In the case of these slippages, the project authorities are urged to overcome these delays through more effective monitoring. In general, steps taken by the government in the last few years include ensuring better utilisation of foreign aid, such as release of 100% as ACA to State Governments in all sectors; release of 25% of the annual expenditure as advance ACA to State Government; disinter-mediation of aid flow to Central Public Sector undertakings to overcome the delay in budgetary process; cancellations and restructuring of projects where necessary; intensified monitoring of projects by concerned credit divisions; setting up of a project monitoring Unit in Ministry of Finance and appointment of nodal officers

[Translation]

#### Investment in Bihar

1119. SHRI RAMENDRA KUMAR : Will the Minister of FINANCE be pleased to state

(a) whether 18 per cent of the amount deposited in the nationalised banks in Bihar is invested in that State while 32 per cent amount is invested at national level; and

(b) if so, the steps taken or proposed to be taken to bring Bihar at par with the national level?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The Reserve Bank of India (RBI) has reported that the credit deposit ratio for Bihar as in March, 1996 is 31.98 per cent as against the all-India figure of 61.9 per cent.

(b) Bank of India, the Convenor Bank for State Level Bankers Committee (SLBC) for Bihar has reported that a number of steps have been taken to increase deployment of bank credit in Bihar. These inter alia, include :

- (i) A High Powered Committee has been constituted by Reserve Bank of India (RBI) for reviewing and overseeing the implementation of recommendations of the Task Force on Credit Deposit Ratio for the State;
- (ii) Scale of finance of crop loans has been revised to increase loan component;
- (iii) Opening of specialised bank branches such as Hi-Tech Agricultural Branch and Small Scale Industries Finance Branch;
- (iv) Identification work for proposed medium and large industries for increasing bank credit in the State; and
- (v) Bigger plan for 1996-97 has been prepared based on the available potential to increase Credit Deposit Ratio.

[English]

#### Investment in Public Sector Units

1120 SHRI SRIBALLAV PANIGRAHI : Will the Minister of INDUSTRY be pleased to state

(a) the details of the Public Sector Undertakings which have been allowed to go for disinvestment during the last one year; and

(b) the steps the Government have taken or contemplates to take to make the market conditions suitable for disinvestment?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) During the last one year Government have disinvested in four public sector enterprises namely Oil & Natural Gas Corporation, Steel Authority of India Limited, Container Corporation of India Limited, Mahanagar Telephone Nigam Limited. No disinvestment has taken place after October'95. The question of Government taking steps to make the market conditions suitable for disinvestment does not arise in free market operation conditions.

[Translation]

#### Export of Readymade Garments

1121 SHRIMATI SHEELA GAUTAM Will the Minister of TEXTILES be pleased to state

(a) the quantum of readymade garments exported from the country during 1994-95 and 1995-96;

(b) the incentives given by the Government for promoting the export of readymade garments; and

(c) the position of the country in world's readymade garment export trade in comparison to Bangladesh, Pakistan, Malaysia, Sri Lanka and United Arab Emirates?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) The quantum of readymade garments exported from the country during 1994-95 and 1995-96 has been as follows

	Quantity in Crore Pieces
1994-95	99.24
1995-96	109.82

(b) In order to step up the exports of readymade garments, Government have been taking a number of steps, which include encouraging exporters to participate in buyer-seller meets, fairs and exhibitions, enabling import of capital goods at concessional duty for export production, special arrangements for duty free import of raw materials for export production, ensuring increased availability of export credit etc.

(c) India's readymade garments exports are higher as compared to that of Bangladesh, Pakistan, Malaysia, Sri Lanka and the United Arab Emirates

[English]

#### Export to Bangladesh

1122 SHRI PRABHU DAYAL KATHERIA Will the Minister of COMMERCE be pleased to state

(a) whether the export to Bangladesh have come down during 1995-96 as compared to 1994-95;

(b) if so, the details thereof and the reasons therefor and

(c) the steps taken by the Government to boost our exports to that country during 1996-97?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) No, Sir.

India's exports to Bangladesh during 1995-96 amounted to Rs. 3469.91 cr. as compared to Rs. 2024.13 cr. in 1994-95.

(c) Govt. have not taken any specific steps for boosting exports to Bangladesh so far during the current year i.e. 1996-97.