

[English]

CCS to 100 per cent EOUs

8055. SHRIMATI BASAVARAJESWARI : Will the Minister of COMMERCE be pleased to state :

(a) whether Union Government have decided to give Cash Compensatory Support (CCS) to 100 per cent Export Oriented Industries and Units (EOUs) located in export processing zones to prop up their performance;

(b) if so, when will it come into effect;

(c) the facilities to be provided to such units;

(d) whether the facilities will be alternative to the present scheme; and

(e) the reasons for providing CCS to these units ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (e). Government have with effect from 1st April, 1988 decided to grant to 100% Export Oriented Units and units in Export Processing Zones (EPZs), Cash Compensatory Support (CCS) at the rate of 50% of the level applicable to the units in the Domestic Tariff Area (DTA) as an alternative to the present scheme of CCS on deemed exports to these units from the DTA which is available at a level of 75% of what is admissible on physical exports. Units may exercise a one time option for either of the two schemes.

The above decision has been taken with a view to improving the operational viability of the 100% EOUs and units in EPZs and strengthening their export capability.

Loans by Official Development Bank of West Bengal

8056. SHRI S.B. SIDNAL : Will the Minister of FINANCE be pleased to state :

(a) whether Official Development Bank of West Germany is examining the possibility of providing additional loans to the Small Scale Industries Corporation, the Industrial Development Bank of India and the Industrial Finance Corporation of India;

(b) if so, whether any agreement has been signed; and

(c) if so, the total loan proposed to be provided ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). During the Annual Indo-FRG Negotiations held in Germany recently, DM 10 million has been committed for 1988 for the National Small Industries Corporation Ltd. For the Industrial Finance Corporation of India, FRG Government had earlier made an advance allocation of DM 25 million and an agreement to this effect was also signed recently. However, no funds have been allocated by the FRG Government for utilisation by the Industrial Development Bank of India.

Anti-Smuggling Operation

8057. SHRI H.N. NANJE GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to recruit more personnel to curb anti-smuggling operations;

(b) if so, the reasons therefor; and

(c) whether Government have issued fresh guidelines to the Customs Authorities to tackle such operations ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). It is the Government's firm resolve to combat smuggling. Personnel are recruited for this purpose as and when felt necessary.

(c) The Customs authorities enforce the law. This is a continuous process. However, anti smuggling drive has been intensified and the anti-smuggling machinery throughout the country particularly in the vulnerable areas of the land borders and the coastline and at the international airports and seaports has been geared up. Close co-ordination is maintained with all the agencies concerned in the prevention and detection of smuggling.