

formance of the Zone units including the value addition is reviewed from time to time and corrective measures are taken wherever found necessary.

World Bank Study on Export Processing Zones

3624. SHRIMOHANBHAI PATEL: Will the Minister of COMMERCE be pleased to refer to 'Business Standard' of May 26, 1989, the news item "EPZs fail to deliver goods" and state:

(a) whether a World Bank study has concluded that the record has been disappointing about the technology transfer, absorption of labour, export provisions, etc. by Export Processing Zones in the Asian countries; and

(b) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). A study of the Export Processing Zones (EPZs) in four Asian countries namely, Indonesia, Republic of Korea, Malaysia and Philippines has appeared in the World Bank Research Observer January, 1989. It has been observed, with reference to the experience in these countries, that the transfer of technology to and linkage of the domestic economy with these Zones has been disappointing. It is, however, mentioned that the Zones have achieved the objective of earning foreign exchange and providing the employment. The author has concluded that the EPZs have a limited role in export promotion.

These conclusions are not applicable in the context of the performance of the Indian export processing Zones. An evaluation of the working of the already established zones at Kandla and Santacruz has indicated net positive gain to the economy and an internal rate of return which is higher than the rate of

return normally accruing on Government investment. The linkage of Indian Zones with the domestic economy is more effective in view of the developed industrial infrastructure in the country.

Government is constantly reviewing the performance of the EPZs in the country with a view to improving performance through appropriate promotional measures and input support.

Violation of FERA by Firms of Auditors

3625. SHRI N. DENNIS: Will the Minister of FINANCE be pleased to state:

(a) the number of cases regarding violation of Foreign Exchange Regulation Act by Auditors Firms of Auditors in Madras and other metropolitan cities detected during 1987 and 1988; and

(b) the action taken against them?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) During the years 1987 and 1988, the Directorate of Enforcement did not register any case of FERA violation against any Auditors firms of Madras or of other Metropolitan cities.

(b) In view of (a) above, the question does not arise.

Railway Line from Porbandar to Jetty Port

3626. SHRI BHARAT KUMAR ODRA: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to construct a broad gauge railway line from Porbandar to Jetty Port to facilitate the

movement of goods traffic to and from the port;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) No, Sir.

(b) Does not arise.

(c) Sidings, serving port traffic are to be constructed as per extant policy, at the cost of users only, if required by them.

Long Distance Express Train from Porbandar

3627. SHRI BHARAT KUMAR OD-EDRA: Will the Minister of RAILWAYS be pleased to state:

(a) whether there is a great demand for starting a long distance express train from Porbandar;

(b) if so, whether Government have examined the demand; and

(c) the decision taken in the matter?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes, Sir.

(c) Presently not found feasible.

[*Translation*]

Indira Sagar Project of Maharashtra

3628. SHRIVILAS MUTTEMWAR: Will the Minister of WATER RESOURCES be pleased to state:

(a) the present stage of the construction of 'Indira Sagar' project in Maharashtra;

(b) the central assistance provided by Government so far to complete the project; and

(c) the time by which this scheme is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) The project is in the initial stages of construction.

(b) Nil.

(c) As indicated in the project report, the construction period of the project is 12 years.

[*English*]

Working of Stock Exchanges

3629. DR. B.L. SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) whether the Securities and Exchange Board of India (SEBI) in its approach paper and draft legislation sent to his Ministry has suggested that the decision making powers available to the various branches of the Government, including those of the Controller of Capital Issues, should be vested in the Board, which will oversee the working of the Stock Exchanges and ensure investors protection; and

(b) if so, reaction of Government thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) The draft legislation has not yet