

of Third Level Airline is also tied up with the selection of suitable aircraft for operation of feeder services.

Exemption from FERA to M/s. English Electrical Company (India) Limited

10383. SHRI TRIDIB CHAUDHURI:
Will the Minister of FINANCE be pleased to state:

(a) whether foreign companies coming under FERA restrictions can be shown any preference in doing business in this country over totally Indian-owned companies without diluting their foreign equity holdings to the required percentage;

(b) whether attention of Government has been drawn to the fact that M/s. English Electrical Company (India) Limited which has 66 per cent foreign equity holdings still is not only carrying on business in this country with impunity but also is shown preference by concerned Government Departments and public sector enterprises in their dealings with it; and

(c) whether this company has been given any special exemption from FERA restrictions?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) to (c). The application of the English Electric Company of India submitted under Section 29 of the FERA was considered and it was noted that in terms of the guidelines the company was eligible to continue its operations with the existing level of non-resident equity of 66.66 per cent, since the company has more than 75 per cent of its activities accounted for by core areas. The company was accordingly granted permission to continue its business in the country with the then existing level of foreign equity. While doing this no preference has been shown to the company nor any exemption granted.

Import of Cottonseed oil Coconut Oil etc.

10384. SHRI K. RAMAMURTHY:
Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the total contracts of private trade with their foreign counterparts for the import of coconut oil, cottonseed oil, palm stearin, palmkerne stearin and acid oil exceed 80,000 tonnes and these are being imported as industrial raw material, in contravention of import trade regulations;

(b) whether 8500 tonnes have already been cleared through Madras and Bombay Ports and a consignment of 2000 tonnes is due for clearance at Bombay port; and

(c) if so, the action being taken to penalise those who circumvent the ban imposed from December, 1978 for importing edible oils?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KHURSHED ALAM KHAN):

(a) Some imports of these items have come to notice; but the total quantity of contracts entered into by private trade for import of these items is not known. The importers have tried to take undue advantage of the general structure of the import policy under which industrial raw materials which do not appear in the banned, restricted or canalised lists in the import policy, could be imported under Open General Licence by Actual Users (Industrial).

(b) The information so far received shows that more than 10,000 tonnes of these items have been imported.

(c) Action in such cases is taken where the concerned authority decides that the import is unauthorised. According to the information available, in some cases, the import has been treated as unauthorised and fine imposed;