

[English]

### Trade with Pakistan

2146. SHRIMATI LAKSHMI PANABAKA :  
SHRIMATI JAYANTI PATNAIK :

Will the Minister of COMMERCE be pleased to state :

(a) whether India and Pakistan discussed trade prospects and to improve trade between the two Countries during November, 1998;

(b) if so, to what extent the trade between the two countries will be further strengthened;

(c) whether any agreement between India and Pakistan was signed regarding economic and trade issues;

(d) if so, the details thereof; and

(e) whether Pakistan has given MFN status to India; and

(f) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir.

(b) During the Commerce Secretary level discussions between India and Pakistan in November, 1998, the two delegations exchanged ideas on issues affecting bilateral trade. A series of steps aimed at enhancing the scope of cooperation were discussed. It was agreed that technical teams on Railways and Power from India and Pakistan would meet for detailed discussions in these areas.

(c) No, Sir.

(d) Does not arise.

(e) and (f) Pakistan has been following a discriminatory and restrictive import policy towards India. During the Commerce Secretary level talks between India and Pakistan in November, 1998 the Indian delegation inter-alia pointed out that while India has already accorded Most Favoured Nation (MFN) status to Pakistan since the 1970s, Pakistan is yet to grant similar status to India in accordance with its obligations under GATT/WTO. The Pakistan delegation responded that they would fulfil their obligation in "due course".

### Burn Standard Company Ltd.

2147. SHRI BIKASH CHOWDHURY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Revival Package of Burn Standard Company Ltd., prepared by M/s M.N. Dastur and Co., has been submitted;

(b) if so, the details thereof;

(c) whether the Government agreed with the report of M.N. Dastur and Co including the Lalkoti Durgapur Works of the Refractory Group of Burn Standard Co. Ltd.;

(d) whether the Government propose to modernise and renovate the Lalkoti, Durgapur and other Works of Burn Standard Company Ltd.; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL) : (a) Yes, Sir.

(b) M/s M.N. Dastur (MND) recommended revival of 2 engineering units and 5 Refractory Units at a total cost to the Government of India of Rs.709.59 crore (fresh infusion of funds of Rs.261.06 crore and other reliefs totalling Rs.448.53 crore).

(c) to (e) BIFR, in its hearing held on 5.3.1997, said that the greenfield project proposed by M/s M.N. Dastur (MND) for revival of Durgapur Works need not be undertaken. BIFR had further directed in its hearing held on 17.10.1997 that viability of the loss making Refractory Units should be examined on stand-alone basis. After considering the projections of Operating Agency (OA) on viability of Lalkoti Works on stand-alone basis, this Department was not in a position to support its revival. BIFR has now circulated a Draft Rehabilitation Scheme (DRS) for the company on 21.9.1998 for which Government is required to provide Rs.132.51 crores, including Rs.34 crore from National Renewal Fund (NRF).

### Comments of World Bank

2148. SHRI MAGANTI VENKATESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has warned against the possibility of widening knowledge gap pushing developing nations further behind in the race for development;

(b) if so, whether this is likely to accelerate disparity between the rich and the poor countries; and

(c) if so, the steps being considered by the Government in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The World Bank in its "World Development Report 1998/99 - Knowledge for Development" has analysed the risks and opportunities that the global information revolution is creating for developing countries and concluded that access to financial, technical and medical knowledge is crucial to improving the health and living standards of the poor.

It further says that low national incomes are not the only reason why poor countries are less prosperous than richer ones. Many developing countries lack the capability to acquire and adapt the economic, technical and social knowledge that has spurred many of the world's development success stories. Since creating this know-how is often costly, industrial coun-

tries have greater opportunities to use knowledge to obtain better health and rising prosperity for their populations.

(c) Government is paying due attention to expansion of primary, secondary, technical and higher education. Government is also opening up the economy to bring inflows of foreign direct investment, knowledge of advanced technology and know-how.

[Translation]

#### **Stock of Khadi Gramodyog**

2149. SHRI CHANDRASHEKHAR SAHU : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that the stock registers are not being maintained at the Khadi Gramodyog retail outlets of Khadi and Village Industries Commission;

(b) if so, the reasons therefor; and

(c) the criteria being adopted to ascertain the stock position in the absence of the stock register?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) Stock registers are maintained in the godowns of Khadi Gramodyog retail outlets and in the main showrooms and branches.

The quantumwise/challanwise stock i.e. inward and outward registers are maintained in the sale outlets.

(b) and (c) Do not arise.

#### **Onkar Goswami Committee**

2150. SHRI ARVIND KAMBLE Will the Minister of FINANCE be pleased to state :

(a) whether any action has been taken by the Government to implement the recommendations of Onkar Goswami Committee regarding Industrial sickness even after five years of presentation of its report;

(b) if so, the details of recommendations on which some action has been taken and the recommendations on which no action has been taken; and

(c) the time by which the recommendations of this report is likely to be implemented fully?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (c) In April, 1993 a Committee under the Chairmanship of Dr. Onkar Goswami was constituted to review and examine the various aspect of industrial sickness and corporate restructuring. The Committee submitted its report in July 1993 wherein it made wide range of recommendations starting from a change in definition of sick-

ness to converting the Board for Industrial and Financial Reconstruction (BIFR) into a fast track facilitator. The recommendations of Goswami Committee were taken into consideration while drafting a comprehensive new Legislation to deal with sick industrial companies. Consequently, Government introduced a new Bill namely the Sick Industrial Companies (Special Provisions) Bill, 1997 in the Parliament on 16th May, 1997. However, the Bill lapsed due to dissolution of the 11th Lok Sabha in December, 1997. Action has been initiated to recast the above Bill.

#### **World Bank Assistance for Infrastructural Projects**

2151. SHRI MITRASEN YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether India is likely to get financial assistance from World Bank for some Infrastructural Projects of the country;

(b) if so, the details thereof; and

(c) the details of agreement made by him with other countries during his foreign visits recently?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The following Infrastructural Projects have been negotiated in April/May, 1998 with the World Bank for getting financial assistance:

(i) Powergrid Transmission System Project (US \$ 450 million).

(ii) Renewable Energy Development Project (US \$ 135 million).

(iii) Haryana State Highway Project (US \$ 275 million).

(iv) Gujarat State Highway Project (US \$ 381 million).

The approval of the Board of Directors of World Bank for the above loans is awaited.

Apart from these, some road projects are also under preparation in various States with World Bank assistance under the State Road Infrastructure Finance TA loan. Some of these road projects are also expected to get World Bank assistance on successful preparation of the project.

(c) No agreement has been signed with other countries during the foreign visits recently.

[English]

#### **"External Commercial Borrowings"**

2152. SHRI BRAJA KISHORE TRIPATHY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have achieved the expected results with the modification of the External Commercial Borrowing Guidelines for 1998-99;