

non-prime tinplate (seconds, waste/waste, defectives and misprints) is either not permitted by Law or is not considered ethical for use in packaging foodstuffs in public interest. Materials like seconds, waste/waste misprinted and defective tinplates are not listed as food packaging material under the international food standards and national standards of many countries viz. Food and Drug administration (FDA), Code of Federal Regulations (CFR), WHO/FAO, Codex Alimentarius and EEC regulations.

(c) When the base metal comes into contact with the food items packed in it, it may turn toxic/carcinogenic. However, toxicity depends upon the condition of the tinplate, the nature of the food item and the temperature and duration of the food item stored.

(d) and (e) The percentage of seconds to total import of tinplates during 1995-96, 1996-97 and 1997-98 was 79.43%, 81.55% and 84.17% respectively.

(f) Based on representations regarding cheap imports of tinplates putting the nation's health in grave danger, Office of Director General of Foreign Trade in the Ministry of Commerce issued a Public Notice fixing the floor price for import of tinplates seconds/defectives/waste/waste at US \$ 545 per M.T. The provisions of Prevention of Food Adulteration Act (PFA) provide for the specifications on use of packaging materials including tinplate for edible products. The Bureau of Indian Standards have also framed standards for tinplate packaging of Vanaspati, Ghee and Edible oils. These standards inter-alia, provide for use of prime grade or first grade tinplate as the materials for packaging. The packaging materials made from seconds, waste and defective tinplates are not permitted under FPO (Fruit Products Order).

#### Public Sector Commission for PSEs

\*376. SHRI AJAY CHAKRABORTY :

SHRI NARESH PUGLIA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the Standing Conference on Public Enterprises (SCOPE) has called for the setting up of a Public Sector Commission to analyse and evaluate the intrinsic strength of Public Sector Enterprises (PSEs);

(b) if so, whether the Government propose to formulate any long term policy/strategy for strengthening the Public Sector Enterprises in the country;

(c) if so, the details thereof and the reaction of the Government on the views expressed by SCOPE; and

(d) the other steps the Government propose to take to strengthen and make viable PSEs in the country?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) (a) Yes, Sir.

(b) and (c) The long term policy and strategy for strengthening the PSEs in the country are enshrined in the Industrial Policy Statement of July 1991 which are further supported by the National Agenda for Governance of the Government. The views expressed by the SCOPE have been noted.

(d) In pursuance of the announced policies, the Government are undertaking restructuring and revival measures to strengthen PSUs besides implementing revival packages sanctioned by BIFR for the sick enterprises registered with it.

[Translation]

#### Indo-Sri-Lanka Bilateral Trade Agreement

\*377. SHRI A. GANESHAMURTHI :

SHRI R. S. GAVAI :

Will the Minister of COMMERCE be pleased to state:

(a) the items included in Indo-Sri Lanka bilateral Trade Agreement signed in December, 1998;

(b) whether the duty free tea is permitted for import into India under the agreement;

(c) if so, the details thereof;

(d) whether tea imported from Sri Lanka would find its way for exports under rupee debt trade mechanism;

(e) if so, the details thereof;

(f) whether any steps have been taken to remove the anxieties expressed by the Indian Tea and rubber Industry; and

(g) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (g) Under the provisions of the Free Trade Agreement between India and Sri Lanka, both the countries are required to exchange the list of items on which tariff preferences shall be available as well as items on which no tariff preference shall be available. India has agreed to remove the tariffs on all items except items in the negative list in a span of 3 years whereas Sri Lanka will do so in a span of 8 years. The two sides have not finalized the lists yet, which are to be exchanged as per the Agreement. While preparing the lists from our side due importance has been given to the recommendations of administrative Ministries, State Governments and various Associations representing trade and industry. As regards Tea, duty free import is not contemplated at present under the FTA. There is little likelihood that tea imported from Sri Lanka would find its way for exports under rupee debt trade mechanism, as there is minimum value addition norm prescribed under the present Exim Policy for export of imported goods against payment in Indian rupees. Simi-

larly, the concerns of the rubber industry have been fully kept in mind while finalising the lists. The duty concessions under the Free Trade Agreement will be available only on basic customs duties and not on additional customs duty in lieu of central excise and special additional duty, which provides enough protection to the domestic industry.

[English]

#### Decrease in Bilateral Trade

\*378. SHRI BIJOY HANDIQUE : Will the Minister of COMMERCE be pleased to state :

(a) whether steady decrease in bilateral trade, aid combined with the sanctions imposed on India in the wake of the Nuclear tests are made it difficult for development agencies to undertake their programmes in India;

(b) if so, whether Government have pursued the matter with those countries and have held bilateral talks; and

(c) if so, the results thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) to (c) The United States has imposed certain restrictive economic measures under its Nuclear Proliferation Prevention Act of 1994. Measures announced by Canada, Japan, Germany, Norway, Sweden, Denmark, Netherlands, Sweden and Switzerland relate mostly to developmental assistance or concessional loans. However, most countries have exempted loans and financial aid, which is meant for meeting basic human needs. The Government is fully alive to the challenges posed by coercive economic measures and is taking necessary steps to safeguard the economic and national interests of the country.

The Government has been closely monitoring the economic measures announced against India and continuously assessing their likely impact, including impact on trade and commerce. Though any precise quantification of the impact of the economic measures may be difficult, so far the impact has been minimal. The fundamentals of the Indian economy are strong enough to be able to withstand any pressure arising out of the economic sanctions.

India has all along maintained that unilateral coercive measures are unjustified, counter productive and impede free flow of trade, technology and capital and have an adverse impact on mutually beneficial economic interaction. Major countries have themselves refrained from imposing bilateral sanctions and within the US itself there has been a substantial rethinking on the efficacy of unilateral measures. This is reflected in the recent authorisation by the US congress to the US President to waive bulk of the sanctions against India and in exercising that authority the US administration has recently decided to lift partially some of the financial sanctions.

#### Setting up of Silk Reeling Units

\*379. SHRI SURESH WARPUDKAR : Will the Minister of TEXTILES be pleased to state :

(a) whether Central Silk Board propose to set up 300 multi-end reeling units in the country during the Ninth Plan;

(b) if so, the details thereof, State-wise; and

(c) the steps taken by the Government to modernise the existing traditional reeling units and extending financial help to them for modernisation?

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) and (b) Yes, Sir. It is proposed to provide assistance for installation of 200 numbers of 6 basin and 100 numbers of 10 basin multiend units with the objective of improving the productivity and quality of raw silk. The assistance would be provided by way of 30% subsidy to be shared equally between the State Govt. and the Central Govt., 60% as interest free loan to be provided by the Central Govt. and 10% contribution from the entrepreneur.

The scheme has been offered to all the State Governments. On the basis of proposals received through the State Government, as on 31.3.99, the number of units covered State-wise is indicated below :

S.No.	State	Six-basin	Ten-basin	Total
1.	Karnataka	7	15	22
2.	Tamil Nadu	5	9	14
3.	Jammu & Kashmir	2	4	6
4.	Andhra Pradesh	4	4	8
5.	Uttar Pradesh	5	2	7
6.	Madhya Pradesh	-	1	1
Total		23	35	58

(c) The main objective of the above scheme is to encourage the existing reelers to modernise/upgrade their Charaka or Cottage Basin Units by switching over to multiend machine which is an advanced reeling device by providing financial support to the reelers. Around 80% of the total coverage of the scheme will be for the existing reelers. As such implementation of the above scheme is an important step in the direction of the modernising the existing traditional reeling units. In addition existing reeling units can avail of the concessional finance available for modernisation under the Technology Upgradation Fund Scheme introduced w.e.f. 1.4.99.

#### Private Participation in Coal Sector

\*380. DR. ULHAS VASUDEO PATIL :

SHRI PRASAD BABURAO TANPURE :

Will the Minister of COAL be pleased to state :