

*[Translation]***Industrial Policy**

3291. SHRI HARIBHAI CHAUDHARY: Will the Minister of INDUSTRY be pleased to state:

(a) whether the desired results are not being achieved in industrial sector after starting the process of liberalization in the country;

(b) whether the Government have identified the bottlenecks in the implementation of industrial policies framed by the Union and State Governments;

(c) if so, the details thereof; and

(d) the action proposed to be taken by the Government to remove the bottlenecks so that more and more industries could be set up?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (d) The Government is committed to a policy of promoting investment and industrial growth. The Industrial Policy of the Government is aimed towards building on the gains already made, maintaining sustained growth in production and gainful employment.

The number of industrial investment intentions recorded between August 1991 and October 1998 exceeds 37 thousand, with proposed investment of approximately Rs. 745 thousand crores, and proposed employment of about 67 lakh persons. In the same period, the amount of foreign direct investment which has been approved was approximately Rs. 175 thousand crores.

Review of the industrial policy, procedures and their implementation is an on-going process. The recent measures include de-licensing of industries including coal, lignite, petroleum (other than crude) and its distillation products and sugar, expansion of the list of the high priority industries for automatic approval for foreign equity, expansion of activities for non banking financial services, allowing multilateral financial institutions to contribute upto 40% equity in private sector banks and various other measures for simplification of procedures etc.

*[English]***Export of Flowers**

3292. SHRI ANANT KUMAR HEGDE: Will the Minister of COMMERCE be pleased to state the quantity

and value of flowers exported during each of the last three years?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): The value of flowers exported during the last three years are as follows:—

	Value (Rs. Crores)
1995-96	46.49
1996-97	50.43
1997-98	75.17

(Source : APEDA)

The details of quantity of flowers exported are not available.

Procedure Followed in FIPB

3293. SHRI GIRAJALA VENKAT SWAMY NAIDU: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Foreign Investment Promotion Board takes note of views of various Ministries on every application;

(b) if not, the system of deliberation in FIPB;

(c) the details of various Ministries which find a place on the Foreign Investment Promotion Board;

(d) the criterion fix for inclusion of various Ministries in FIPB;

(e) whether the Government have received any protests on employment curtailing in foreign investment proposals; and

(f) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Yes, Sir. Views of the Ministry(ies) that are administratively concerned are taken note of by the Foreign Investment Promotion Board (FIPB) while considering Foreign Direct Investment (FDI) proposals.

(b) does not arise.

(c) and (d) The Secretaries of the following Ministries/ Departments are permanent members on the Board:

(i) Department of Industrial Policy & Promotion-Chairman.

(ii) Ministry of Finance

(iii) Ministry of Commerce

(iv) Ministry of External Affairs
(External Relations)

(v) Department of Revenue

(vi) Central Board of Excise & Customs
(Chairman)

(vii) Department of Small Scale Industries & Agro
and Rural Industries.

In addition to the above. Secretaries of Ministries/ Departments to which the proposal relates are specially invited to participate in the deliberations.

(e) and (f) No, Sir. No specific protest of this nature has been received.

Non-Banking Financial Companies

3294. SHRI MADHAV RAO PATIL:
SHRI D.S. AHIRE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to amend the RBI Act, 1934 to regulate the Non-Banking Financial Companies;

(b) if so, the details of proposed amendments;

(c) by when the Act is likely to be amended; and

(d) the extent to which the amended Act likely to help the investors?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (d) The Task Force on Non-Banking Financial Companies (NBFCs), which has recently submitted its report, has suggested a number of legislative measures to improve the regulatory framework for NBFCs. These, *inter-alia*, include appointment of depositors' grievance redressal committees, giving the status of a court decree to the orders of such authorities and statutorily creating a first charge on liquid assets of NBFCs in favour of depositors. These recommendations have been accepted by Government. Reserve Bank of India has been requested to furnish detailed legislative proposals in this regard.

Trade Deficit

3295. DR. ULHAS VASUDEO PATIL:
SHRI JAYARAMA I.M. SHETTY:
DR. BIZAY SONKAR SHASTRI:

Will the Minister of COMMERCE be pleased to state:

(a) whether the trade deficit from April to September this year have doubled as compared to the corresponding period during the previous year;

(b) if so, the reasons therefor;

(c) whether the target of exports of various items could not be achieved during the same period; and

(d) if so, the factors responsible for such a shortfall in exports and steps taken to bridge the gap of trade deficit?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) As per the provisional data from Directorate General Commercial Intelligence & Statistics (DGCI&S), trade deficit during April-September, 1998-99, has increased to US\$ 4991 million as compared to US\$ 2496 million during the same period last year.

(b) The trade deficit has increased both due to a slowdown in export growth and to increase in imports especially that of gold & silver.

(c) and (d) Yes, Sir. The exports were affected due to a general slow down in World trade and especially recession in many countries in south East Asia and Japan, domestic supply constraints in some sectors such as agricultural commodities and barriers in markets of European Union (EU). A number of steps have been taken to promote exports which include lowering of interest rates on export credit, reduction in transaction cost through decentralisation and simplification of procedures and various other measures as enumerated in the Exim Policy. Steps have also been taken to promote exports through multilateral and bilateral initiatives, identification of thrust sectors and focus regions.

Voluntary Disclosure of Income Scheme

3296. SHRI K.H. MUNIYAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have any proposal to introduce Voluntary Disclosure of Income Scheme (VDIS) again to unearth huge black money in the country; and