to look into the organisational structure of Coal India Limited (CIL) and has suggested that it may be necessary to consider making a separate company of each of the subsidiaries of CIL and they should be enabled to function independently after the price de-regulation and other reforms are undertaken. The matter will therefore be submitted for consideration of the Cabinet later.

(c) Does not arise in view of answer to parts (a) and (b) above.

[English]

Policy of Liberalisation

3197. SHRI BHAKTA CHARAN DAS: Will the Minister of Finance be pleased to state:

(a) whether the Government have decided to go ahead with the policy of liberalisation;

(b) if so, whether the Government have taken any important decisions in regard to the liberalisation policy; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) Since June 1, 1996 several measures have been taken by the Government in the areas of foreign investment and infrastructure development. The Foreign Investment Promotion Council (FIPC) has been set up, the Foreign Investment Promotion Board (FIPB) has been steamlined and made more transparent and the first ever guidelines for diret foreign investment have been announced in the areas which are not covered under the automatic route. The list of industries eligible for automatic approval of foreign equity upto 51 per cent has been expanded and a new list for automatic approval of foreign equity upto 74 per cent has been announced. Foreign Institutional Investors have been allowed to invest in unlisted companies and in corporate and Government securities, and guidelines for External Commercial Borrowings have been liberalised.

Other reforms include setting up of Disinvestment Commission, independent Tariff Commission, enhancing investment ceilings for small scale industries, delicensing of consumer electronics, changes in sugar policy, deregulation of prices and distribution of certain categories of coal and amendment of Coal Mines Act.

Since December, 1996 the Government has allowed automatic approval for foreign equity participation upto 74 per cent in key infrastructure industries such as electricity generation and transmission, non-conventional energy generation and distribution and construction activities in the area of roads, bridges, railbeds, ports and harbours. Sector specific reforms incorporating tax holidays and concessional import duty have been introduced for telecom and power sector. The Government has recently announced guidelines for private investment in highway development through Build Operate-Transfer (BOT) route.

Several measures have also been announced in the Central Budget for 1997-98.

Those include:

* 14 items dereserved from the existing list of 836 items reserved for exclusive manufacture of small scale sector. The dereserved items include rice milling, dal milling, poultry feed, vinegar, synthetic syrups, biscuits, ice cream, etc.
* Profit making PSUs can incur double their existing limit of capital expenditure without the prior approval of the Government.
* A second batch of PSUs has been referred to the Disinvestment Commission, subsequent to the submission of its first report.
* Announcement of New Exploration Licensing Policy (NELP) for the oil and Gas sector.
* Oil exploration and Industrial Parks designated as infrastructure.
* Refineries allowed to import capital goods during Ninth Plan at a concessional duty on par with fertiliser sector.
* Enhancing budget support for National Highways Authority of India (NHAI) to Rs. 500 crore from Rs. 200 crore.
* Limit of aggregate investment in a company by FIIs/NRIs/NRI-OCBs raised to 30 per cent from 24 per cent.
* Enhancement of equity investment limit for venture capital funds in any single company to 20 per cent from 5 per cent.
* Government promoted societies recognised by the Department of Scientific and Industrial Research and notified under the Income Tax Act, allowed to invest in equity of private sector companies.
* LIC to promote joint ventures in pension business.
* Selected Indian players (with majority of India ownership) allowed entry in health insurance business alongwith permission of joint ventures by GIC.
* System of ad-hoc treasury Bills to finance budget deficit to be discontinued and scheme of ways and Means Advance (WMA) being introduced.
* Concept of "Budget Deficit" being discontinued.
* Introduction of a capital indexed bond, with repayment of principal amounts being indexed to inflation.
* Acceptance of Tenth Finance Commission recommendation of single divisible pool of tax between Centre and States at the proportion of 29 per cent.

- Residents of large metro showning 4 wheel vehicle, unmovable property, telephone, foreign travel in previous year (any two) should voluntarily file tax returns.
- Reduction in personal Income Tax rates and increase in limit of standard deduction.
- MAT amended by exempting export profits and introduction of tax credit.
- Abolition of surcharge on corporate income tax, reduction in corporate tax rates and abolition of tax on dividends.
- Tax holidays, amortisation of licence fees and other fiscal incentives extended to Telecom Sector.
- Reduction of rate of custom duty and customs exemption on computer software, and reduction of duty on computer parts, etc.
- Service tax on transportation of goods by road, consulting engineers, custom house, air travel agents, cutdoor caterers etc.

[Translation]

Backlog of SC/ST Vacancies in PSUs

3198. Dr. BALIRAM : Will the Minister of INDUSTRY be pleased to state:

(a) the backlog of vacancies reserved for the Scheduled Castes and Scheduled Tribes in the Public Sector Undertakings during the last two years;

(b) the steps being taken to fill up these vacant posts;

(c) whether the Government propose to fix any target date for filling up these posts; and

(d) if so, the tentative date thereof ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) As per information available in 1995, PSEs were requested to identify backlog vacancies reserved for SCs and STs as on 1.4.1995 and launch special recruitment drive to fill up these vacancies. Accordingly, 6869 vacancies were identified in 79 PSEs out of which 3072 were filled by June, 1996.

In 1996, another special recruitment drive was launched. PSEs were advised to assess the backlog vacancies reserved for SCs and STs and complete the formalities regarding recruitment by end of March, 1997. As per information furnished by 92 PSEs, 5704 vacancies were identified out of which 556 were filled by January, 1997.

[English]

Export Garment Units in Tamil Nadu

3199. SHRI K. KANDASAMY: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to start any export oriented garment unit in Tamil Nadu;

(b) if so, the details thereof; and

(c) the time by which this out unit is likely to be set up ?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (c) No, Sir. Government do not propose to start any export oriented garment unit. However, entrepreneurs can set up 100% Export Oriented Units in all parts of the country, including Tamil Nadu, subject inter alia to the location policy of the Government.

Restructuring of UTI

3200. SHRI ANNASAHIB M.K. PATIL : Will the Minister of FINANCE be pleased to state:

(a) whether any proposal for restructuring of UTI is under the consideration of the Government for a long;

(b) if so, the details thereof;

(c) the present status of the proposal;

(d) the details of steps taken/proposed to be taken to ensure operation of UTI entirely on professional lines in terms of set targets;

(e) the details of major projects/Schemes finalised for launching during 1997-98 to protect the interests of small investors assuring them better returns;

(f) whether the performance review of schemes launched in operation has been taken up recently; and

(g) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (d) Unit Trust of India (UTI) has been brought under the Regulatory framework of Securities and Exchange Board of India (SEBI) since July, 1994. All schemes of UTI launched after 1st July, 94 require the approval of SEBI. In order to further segregate the Asset management functions from the Trust, SEBI has recommended constitution of 3 Asset Management Committees, one each for the growth schemes, fixed income schemes and the US-64. UTI has agreed with this recommendation and is considering ways of imiplementing it.

(e) SEBI has undertaken several measures for protecting the interest of investors in mutual funds including UTI. SEBI has notified the revised SEBI (Mutual Funds) Regulations, 1996 which would aim at improving service standards to the investors, help in ensuring more transparency and uniformity in the performance of mutual funds and offer greater degree of protection to the investors. Besides, SEBI has also undertaken inspection of 28 mutual funds including UTI for the year 1997-98.

(f) and (g) Analysis of performance of specific Mutual Fund Schemes does not fall within the Regulatory purview