

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:4743  
ANSWERED ON:26.04.2005  
ENGINEERING EXPORT PROMOTION COUNCIL  
Vallabbhaneni Shri Balashowry

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether Engineering Export Promotion Council is running in huge losses and intends to introduce VRS;
- (b) if so, the details thereof;
- (c) whether a delegation from Engineering Export Promotion Council visited China recently;
- (d) if so, whether any MoU was signed by the said delegation for import and export of machinery and electronic products;
- (e) if so, the details thereof alongwith main items of exports; and
- (f) the other steps taken by the Government to exchange trade related information with China?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY( SHRI E.V.K.S. ELANGO VAN)

(a) and (b) : Engineering Export Promotion Council is not running into losses. However, the Council has implemented Voluntary Retirement Scheme (VRS) with a view to restructuring the entire organisation from a quasi-Government functional office to an active service provider for the exporters. According to the VRS, the options available to the employees are (i) one and half month's salary for each completed year of service with a ceiling of Rs.10 lakhs or

- (ii) two month's salary for each completed year of service with a ceiling of Rs.6.5 lakhs or
- (iii) three month's salary for each completed year of service with a ceiling of Rs.3.00 lakhs. The amount derived as above would, however, be limited to the salary of the unexpired period of service till the date of normal retirement computed on the basis of present salary.

(c) to (e) : Yes, Sir. An EEPC delegation, led by Shri Rakesh Shah, Chairman, Engineering Export Promotion Council (EEPC) visited China during 14-20th March, 2005. A Memorandum of Understanding (MOU) was signed between Engineering Export Promotion Council and India & China Chamber of Commerce for Import and Export of Machinery and Electronic Products. The main items of exports are Iron & Steel, Copper and Copper Articles, Nickel & Nickel Articles, Aluminum, Tin and Tin Articles, Other base metal, Tools, Cutlery of base metal, Miscellaneous articles of base metal, Machine, Electrical Machinery, Railway Traffic Signal equipments and Optical N. The basic objective of the MOU is to establish and develop commercial link between the business communities of both the countries in general and their respective members in particular. The salient features of the MOU are

- (i) to promote trade and investment relation between India and China and to constantly endeavour to improve cooperation between the two organisations
- (ii) to assist in organising trade and market research missions, conferences, symposia and methods of trade promotional activity in each other country

- (iii) to create and maintain a continuing exchange of information about economic developments and other matters affecting the business interests of their members

- (iv) to identify and establish contacts between organisations and encourage reciprocal visit of official business persons and technical specialists with a view to foster cooperation for improved business relations and rendering better services to their respective members.

- (f) Trade related information is exchanged with China on an ongoing basis through discussions between various delegations at both governmental and business levels and participation in trade fairs/ exhibitions etc.