

Export of Crop Products

617. SHRI VIRENDRA KUMAR SINGH : Will the Minister of COMMERCE be pleased to state:

(a) whether there is any scheme under consideration of the Government for direct participation of farmers in the export of crop products; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) and (b) Export of agricultural and allied products can be undertaken by an exporter including farmers/farmer organisation subject to the provisions of the Export Import Policy. All Commodity Boards/Export Promotion Councils periodically interact with the farmers/farmer organisation to encourage them to undertake exports.

[English]

Import Duty on Capital Goods

618. SHRI MADAN PATIL :
SHRI ANANT GUDHE :
SHRI PRITHVIRAJ D. CHAVAN :
SHRI MANGAT RAM SHARMA :

Will the Minister of FINANCE be pleased to state :

(a) whether the country is facing a sharp industrial slowdown;

(b) if so, the steps taken to kick-start the economy;

(c) whether the government have set up any Expert Committee to look into the problems of Capital Goods Sector arising out of import duty structure;

(d) if so, the recommendations made and steps taken to shore up demand in the economy; and

(e) the steps taken to boost investment in areas like power, oil, coal, telecom, highways and roads?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) The industrial growth as measured by the Index of Industrial Production (IIP) decelerated to 6.8 per cent in 1996–97 from 12.1 per cent in 1995–96. However, the industrial growth of 5.4 per cent in the first quarter (April–June) of the current year is higher than the 2.1 per cent growth witnessed in the last quarter of the previous year. Growth

rate during July–August 1997, the latest period for which such data are available, is provisionally estimated at 4.5 per cent.

(b) Several measures have been taken by Government for faster industrial growth. Policies announced in the Union Budget, 1997–98 and credit policies announced by RBI in April 1997 and October 1997 contain several incentives for encouraging investment and industrial growth. The measures include reduction in personal and corporate taxes, rationalisation of excise duty and reservation of 14 items from the list of items reserved for small scale industry. The Government have carried the delicensing exercise further it deregulate 5 more industries, appointed a High Powered Export Promotion Board for facilitating export, constituted the Tariff commission for looking into tariff related issues and granted operational autonomy to 9 "Navaratna" and other PSUs.

(c) and (d) As a follow up to the Prime Minister's meeting with industrialists on 14.10.1997, a group under Dr. Arjun Sengupta, Member, Planning Commission has been requested to examine to what extent the domestic capital goods has been placed at a disadvantage by import of capital goods at zero duty and suggest measures thereon.

(e) In order to encourage investment in the "core" sector of the economy, foreign investment norms have been further liberalised. Regulatory authorities like TRAI and Tariff Authority for Major Ports have been set up. Guidelines have been issued for facilitating private investment in highway development and ports. Measures have been taken for bridging oil pool deficit and removing obstacles for greater private investment. The Union Budget 1997–98 has further broadened the investment opportunities by offering more fiscal incentives.

Cheque Books to Plantation Companies

619. SHRI RAMCHANDRA VEERAPPA : Will the Minister of FINANCE be pleased to state;

(a) whether the several banks are still issuing cheque books to plantation companies;

(b) if so, the action taken by the Government to stop such practice; and