

Issue of Licences for Opium Cultivation

5567. SHRI JANG BAHADUR SINGH PATEL: Will the Minister of FINANCE be pleased to state:

- (a) whether there has been an increase in the issue of licences while the cultivation of opium was being decreased;
- (b) if so, the reasons for issuing more number of licences;
- (c) whether any memorandum has been received by the Government from the farmers of Barabanki district of Uttar Pradesh in this regard;
- (d) if so, the details thereof; and
- (e) the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) No Sir, except in the last year.

(b) The increase in the last year was due to significantly less sowing by cultivators and as such more licences were required to be issued to meet annual domestic and International requirements.

(c) No, Sir.

(d) and (e) Do not arise.

[Translation]

Equity in Foreign Investment

5568. SHRIMATI SHEELA GAUTAM:

SHRI SHIVRAJ SINGH CHOUHAN:

Will the Minister of INDUSTRY be pleased to state:

- (a) whether Union Government have selected those industries wherein foreign companies are proposed to be allowed to make investment of equity capital upto 40%;
- (b) if so, the details thereof;
- (c) whether industries in non-priority areas and consumer goods sector are excluded in this list; and
- (d) if so, the details thereof and the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) No, Sir. There is no list for automatic approval for foreign equity participation upto 40%. There are 4 separate lists for automatic approval upto 50%, 51%, 74% and 100%. However, there is a 40% scheme for NRIs and Overseas Corporate Body (OCBs) under which automatic approvals are granted by RBI with full repatriation benefits. Under the scheme investment upto 40% is permitted in specified sectors.

(b) to (d) Does not arise.

[English]

Funding for Infrastructure Projects

5569. SHRI H. G. RAMULU: Will the Minister of FINANCE be pleased to state:

- (a) the amount set aside by the Canara Bank for funding infrastructure projects during the last three years;
- (b) the details of the projects taken up by the Canara Bank in Karnataka for funding these projects during the above period;
- (c) the amount earmarked for the above projects in Karnataka and the amount so far released;
- (d) the terms and conditions stipulated for funding these projects; and
- (e) the number of such projects which have been taken up in Bellary, Raichur and Koppal Districts in Karnataka by the Canara Bank?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE AND INSURANCE) (SHRI KADAMBUR, M.R. JANARTHANAN): (a) Canara Bank has reported that no separate funds are set apart for funding infrastructure projects. Credit facilities are extended to such projects on merits. However, for the period 1997-2000 the bank has prescribed an exposure limit of Rs. 1250 crores for financing infrastructure projects.

(b) and (c) No separate region-wise earmarking of funds is done by the Canara Bank. However, the Bank has financed four such projects in Karnataka in the form of loans or investment in bonds. In accordance with the practices and usages customary among banks and in conformity with the provisions of statutes governing public sector banks and financial institutions as also the provisions of Public Financial Institutions (Obligations as to Fidelity and Secrecy) Act, 1983, the unit-wise details cannot be divulged.

(d) The general terms and conditions stipulated by the Canara Bank for funding such projects inter-alia include debt/equity ratio ranging from 2.55:1 to 4:1 promoters contribution of not less than 11% of project cost, repayment period upto 12 years including moratorium and debt service coverage ratio of not less than 1.50.

(e) Canara Bank has reported that it has financed one project in Raichur district.