

The imports are effected to meet the essential requirements of domestic consumption, export production and technological upgradation. The increase in imports during 1988-89 was on account of increase imports of foodgrains due to depleted stocks in the past years, the strong revival of economy which necessitated additional imports of machinery, raw materials, components, consumables, etc. to sustain high levels of industrial growth and unusually high international prices of metals, fertilizers, etc.

A number of steps have been taken for export promotion and import substitution to reduce the deficit in the balance of trade which include measures designed to generate surpluses for export, to induce the production of goods contemporary in technology and competitive in prices and to make the export profitable. Simultaneously, initiatives have also been taken to effect efficient import substitution, particularly in the area of bulk imports. Non-essential imports are also being restricted.

[English]

### Free Trade Zones

\*383. SHRI MOHANBHAI PATEL: Will the Minister of COMMERCE be pleased to state:

(a) the details of the Free Trade Zones set up in the country;

(b) the main object of setting up Free Trade Zones and the achievements made by these zones.

(c) whether there is any proposal to set up more such zones;

(d) whether any requests have been received from the State Governments to set up Free Trade Zones in their States; and

(e) if so, the names of States and action taken by Government thereon?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Six Export Processing Zones (EPZs) have been set up in the country. These are at Kandla (Gujarat), Santacruz (Bombay), Madras (Tamil Nadu), Falta (West Bengal), Noida (Uttar Pradesh) and Cochin (Kerala).

A seventh EPZ at Visakhapatnam has been sanctioned on 8.3.1989.

(b) Objectives of Export Processing Zones include earning foreign exchange, attracting foreign investments and technology, development of ancillary and feeder industries in the domestic tariff area, employment generation, upgradation of skills, etc.

The export performance of the zones during the last three years is indicated below:-

(Rs. in crores)

	1986-87	1987-88	1988-89
Kandla Free Trade Zone	236.26	185.05	271.59
Santacruz Electronics EPZ	102.36	110.14	185.19
Falta Export Processing Zone	3.18	1.86	8.11
Madras Export Processing Zone	10.04	16.45	24.04
Cochin Export Processing Zone	0.94	3.94	6.25
Noida Export Processing Zone	7.01	16.05	21.34

(c) to (e). At present there is no proposal for setting up more zones. Requests have been received recently from the Governments of Karnataka, Madhya Pradesh, Assam, Orissa and Goa for setting up EPZs. These requests can be considered only when their need is felt and when it becomes possible for the Government to locate additional resources.

### **Irrigation Projects Pending for Approval**

3458. SHRI K. S. RAO: Will the Minister of WATER RESOURCES be pleased to state:

(a) the details of major, medium and minor irrigation projects pending for approval by Union Government till the end of June, 1989, State-wise;

(b) the reasons for delay in giving clearance for these projects; and

(c) when these projects are likely to be cleared by Union Government, project-wise?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M. M. JACOB): (a) to (c). Only 14 major and 12 medium irrigation projects are under examination with the Central Water Commission. States have to comply with the comments of the appraisal agencies on 57 major and 62 medium irrigation projects. Further processing of these projects will depend upon the speed with which the State Governments comply with the requirements. After appraisal, seven major and seven medium irrigation projects are under consideration of the Planning Commission.

### **[Translation]**

### **Supply of Sub-Standard Coal to Railways**

3459. SHRI VILAS MUTTEMWAR: Will the Minister of RAILWAYS be pleased to state:

(a) whether the coal being supplied to the Railways is of sub-standard quality resulting in more consumption of coal and defects in steam engines;

(b) if so, the reasons therefor; and

(c) the corrective measures taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). No, Sir. A proper machinery is already in existence on Railways through which it is ensured that coal of requisite grade/quality is procured for use in steam locomotives. However, when, sometimes, sub-grade coal is detected during inspection/sampling, memos for deduction of money from the bills are issued and the amount is accordingly deducted as per terms of agreement with Coal India Limited. Where, however, complaints persist, the erring colliery is deleted from the loco coal programme.

### **[English]**

### **Violation of FERA by Leading Industrialists/Companies**

3460. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) the details of the leading industrialists/companies prosecuted for violation of FERA, evasion of Excise and Income tax during the last three years; and