

SHRI SAUGATA ROY : In view of the acute scarcity conditions existing in Mizoram and it is only the bureaucracy which is doing the relief work, does the Government have any intention of having a popular set up in Mizoram at the earliest, so that they can tackle the famine situation in Mizoram in a better way ?

SHRI SURJIT SINGH BARNALA : So far we have not received any complaints about the distribution of foodgrains there.

WRITTEN ANSWERS TO QUESTIONS

Scaling down of Iron Ore Export Target

*536. **SHRI M. RAM GOPAL REDDY :** Will the Minister of COMMERCE AND CIVIL SUPPLIES AND CO-OPERATION be pleased to state :

- (a) whether iron ore export target has been scaled down; and
- (b) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEG) : (a) Yes, Sir.

(b) The main reason for scaling down the export target has been the severe recession in the world steel industry.

Imposition of Ban of Auction of Indian Tea to London

*537. **SHRI SHANKERSINHJI VAGHELA :**

SHRI ANANT DAVE :

Will the Minister of COMMERCE AND CIVIL SUPPLIES AND CO-OPERATION be pleased to state :

(a) whether there is a proposal under consideration of Government to bring tea within the ambit of the Foreign Exchange Regulation Act ;

(b) whether Government have also been considering a question of allowing the auction of tea only in India and imposing a ban on the auction of Indian tea at London; and

(c) if so, the particulars thereof and the measures adopted to implement these proposals ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEG) : (a) to (c) . Presumably the Hon'ble Member has in

mind the recommendation made by the Public Accounts Committee in its 15th Report on Customs and Receipts 77-78 in which on para 1-95 the Committee has recommended to the Ministry "to examine the question of bringing tea within the ambit of the Foreign Exchange Regulation Act so as to plug the loophole for any loss of foreign exchange." This report has been received only very recently and is being examined in consultation with the concerned Ministries. The report, has, among other matters, recommended a ban on the sale of Indian tea through London Auction. A committee is very shortly being appointed by Government to examine the various recommendations concerning the marketing of tea and other related issues.

Central Assistance to State Governments for putting up Pavilions in Agri Expo-77

*538. **SHRI DURGA CHAND :** Will the Minister of COMMERCE AND CIVIL SUPPLIES AND COOPERATION be pleased to state :

(a) the names of States which have put their Pavilions in the Agri Expo-77;

(b) the names of the States which have not put their pavilions and the reasons given by each State Government ;

(c) whether the Central Government consulted the state Governments in putting up their pavilions; if so what were their response; and

(d) what financial assistance was given to each State by the Central Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEG) : (a) and (b) : A statement is laid on the Table of House.

(c) Yes, Sir. Accordingly 16 states and 5 Union Territories participated in the Fair.

(d) No financial assistance was provided by the Central Government to either the States or the Union Territories.

Statement

(a) Out of the 22 States and 9 Union Territories, 16 States namely, Andhra Pradesh, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Meghalaya, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tamil Nadu, Uttar Pradesh, West

Bengal and 5 Union Territories, namely, Andaman and Nicobar Island, Goa, Diu and Daman, Lakshadweep, Mizoram, Pondicherry participated in AGRI EXPO-77

(b) The 6 non-participating States were Assam, Bihar, Himachal Pradesh, Manipur, Jammu and Kashmir and Tripura and the 4 Union Territories that did not participate were Arunachal Pradesh, Delhi, Chandigarh, Dadra and Nagar Haveli.

The Governments of Bihar, Manipur, Tripura and Arunachal Pradesh attributed their inability to participate due to financial and budgetary constraints. The Delhi Administration stated that it could not participate as it had diverted all resources towards mitigating the situation created by floods. The Chandigarh Administration expressed its inability to participate on account of its very limited involvement in the field of agriculture. The Administration of Dadra & Nagar Haveli stated that they could not participate as they were a small territory. The Governments of Assam, Himachal Pradesh and Jammu & Kashmir did not intimate any specific reasons for their inability to participate.

Investment made by Foreign Companies in Industrial Units in India

*530. SHRI K. MALLANNA : Will the Minister of FINANCE be pleased to state:

(a) whether any statement was recently made by the Home Minister that foreign companies have invested 1800 crores of

rupees in the Industrial units in India and have been remitting rupees ninety crores and profits in foreign exchange every year; and

(b) whether Government have any proposal under consideration to restrict the activities of these foreign companies and if so, the time by which a final decision of Government in this regard is likely to be announced ?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL) : (a) Yes, Sir. The outstanding private investment in the private sector in the country was of the order of Rs. 1800 crores as at 31st March 1973 and the remittances made by the foreign companies during each year from 1970-71 to 1974-75 were of the order as shown in the statement laid on the Table of the House. The remittances include not only profits and dividends but also royalties and technical know-how fees under collaboration agreements and interest on foreign borrowings.

(b) In regard to existing companies (i.e. as on 31-12-1973) directives have been issued requiring dilution of foreign shareholding to levels not exceeding 40% or 51% or 74% depending on the nature and character of their activities under the guidelines issued for administration of Section 29 of the Foreign Exchange Regulation Act, 1973. This process of dilution is under progress. As far new investment by foreign companies, Government's policy is selective and it is permitted keeping in view the national interest. Such investment is permitted only in areas where sophisticated technology is needed or in predominantly export-oriented ventures.

Statement

Statement showing remittances made abroad on account of profits, Dividends, Royalties, Technical Know-how and Interest Payments by Private Sector during the period 1970-71 to 1974-75

(Rs. in lakhs)

	1970-71	1971-72	1972-73	1973-74	1974-75
Profits*	1312	994	1554	2191	719
Dividends*	4348	3887	3908	3751	1846
Royalties	523	586	733	621	846
Technical know-how	2063	1390	1133	1408	1256
Interest Payment by Private Sector.	1280	1213	1560	1627	3670

*In case of oil companies the figures included relate to remittable liabilities and not actual remittances.