

in the reserves held by the Reserve Bank of India by over Rs. 1600 crore. Improvement in the reserves would certainly increase international confidence in our currency. It would also enable us to raise loans, if we want to raise such loans in any eventuality, at lower cost. Overall improved reserves position certainly will help our balance of payment position in a much better way than is otherwise possible.

[Translation]

EXPORT PROCESSING ZONES

*162. DR. MAHADEEPAK SINGH SHAKYA :

DR. CHINTA MOHAN :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Export Processing Zones are functioning satisfactorily in the Country;

(b) the total expenditure incurred on setting up of these zones, zone-wise:

(e) the details of production made and the percentage of the total production exported by these zones during each of the last three years, zone-wise;

(d) whether the targets fixed for exports from these zones have been achieved during the above period;

(e) if so, the details thereof;

(f) if not, the reasons therefor; and

(g) the steps being taken by the Government to boost the export from these zones ?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED) : (a) Yes, Sir.

(b) to (g) A Statement is laid on the Table of the House.

Statement

(b) Total expenditure incurred on setting up of the six functional Export Processing Zones is as under :

Name of the Zone	Expenditure as on 31-3-1993 (Rs. Crores)
Kandla Free Trade Zone (KAFTZ)	13.24
Santacruz Electronics Export Processing Zone (SEEPZ)	26.89
Noida Export Processing Zone (NEPZ)	25.86
Madras Export Processing Zone (MEPZ)	21.38
Cochin Export Processing Zone (CEPZ)	18.56
Falga Export Processing Zone (FEPZ)	17.77
Total	123.70

(c) The export performance of EPZs during the last three years is indicated below :-

Name of the Zone	Exports (Rs. Crores)		
	1990-91	1991-92	1992-93
Kandla FTZ	456.55	427.18	167.21
Santacruz Electronics EPZ	389.86	500.17	806.24
Noida EPZ	44.58	70.84	145.23
Madras EPZ	61.32	122.47	177.13
Cochin FPZ	5.46	28.58	62.25
Falga EPZ	25.02	27.90	18.25
	982.79	1177.14	1376.31

(d) to (f) : The export target and the achievement in regard to EPZs during the last three years are indicated below :

	(Rs. Crores)		
	1990-91	1991-92	1992-93
Target	850.00	1188.00	1330.00
Achievement	982.79	1177.14	1376.31

The marginal shortfall in achievement of export target during 1991-92 was mainly on account of dislocation of exports to Rupee Payment Areas.

(g) Steps taken by the Government to make the EPZ Scheme more attractive and improve the performance of units in the Zones, inter alia, include speedier approval procedures, simplification of policy framework, easier DTA access with reduced rate of duty, concessional lease rent for plots/sheds and delegation of powers to Development Commissioners of EPZs.

[Translation]

DR. MAHADEEPAK SINGH SHAKYA : Mr. Speaker, Sir, my question is related to Export Processing Zones. This scheme was started by the Government 8-10 years ago and at that time the industrialists involved in the scheme were allowed to export their entire production and the Government had also given them permission to make imports. I would like to say that my question has three parts. In the first part of my question I have asked whether these export processing zones were functioning satisfactorily, for which your answer was in the affirmative. I have nothing to say in this regard. In the second part of my question I have asked about the expenditure incurred setting up of such zones. I have nothing to say about this also. In the third part of my question I have asked the zone-wise percentage of total production exported to foreign countries. The hon. Minister has given figures about the target fixed for profit and actual profit made. There was a provision of making 100 per cent export. I would like to know the total production made, zone-wise, and the percentage thereof exported.

[English]

SHRI KAMALUDDIN AHMED : The production of these zones is supposed to be exported hundred per cent plus 25 per cent, which is allowed for DTA, that is Domestic Tariff Area. What we have shown is the amount of export that has taken place in each of these zones. If the hon. Member wants to know the production level zone-wise, I will collect the information and give it to him.

[Translation]

DR. MAHADEEPAK SINGH SHAKYA : Mr. Speaker, Sir, in reply to to my second question the hon. Minister has admitted that they had not been able to achieve the targets that were fixed for 1991-92. He has given certain reasons for it. He has also given the steps for making these centres more attractive which include simplification of procedure etc. I would like to say that the hon. Minister has given reasons for which this scheme could not work as efficiently as was expected. Another scheme is to be launched on the same line under the name of 'Spot Market'. So, I would like to know whether the Government has been able to sort out the problem experienced in the earlier scheme and if not, the time it will take to remove them so that the second scheme under consideration of the Government could function efficiently.

[English]

SHRI KAMALUDDIN AHMED : Sir, my submission is that, only in the year 1991-92, there was a slight difference in the achievement of the target. The target to be achieved was Rs. 1188 crore but we achieved Rs. 1177.14 crore. The slight difference was mainly because we failed due to reduction in rupee payment area exports.

That was the main reason. Otherwise, there was nothing. I can only assure the hon. Member that our exports to the GCAs have improved and we have almost filled up that gap.

[Translation]

SHRI RAJVEER SINGH : Mr. Speaker, Sir, through you, I would like to say that Department of Food Processing was set up 7-8 years ago to encourage export. Pepsi Cola was given licence on the condition of exporting fruit and vegetables. So, I would like to know the quantity of fruit and vegetables exported by it so far... (Interruptions)

MR. SPEAKER : No, Export Processing Zone and the Department of Food Processing are two different things. Even then if the hon. Minister wants to share the information, he can do so.

[English]

SHRI KAMALUDDIN AHMED : Sir, I need a separate notice because it pertains to the Food Processing Ministry.

SHRI RAMESH CHENNITHALA : Sir, the Export Processing Zones are set up for boosting exports. In order to make EPZ more attractive and also in order to improve the performance of the Units in the Zones, certain measures are to be taken. As the hon. Minister has explained in the statement, the measures taken are not satisfactory. The Units in those Zones are facing lot of difficulties even though, the Government had delegated certain powers to the Development Commissioners. There are lot of bottlenecks. Actually, when these Units approach, at that time, these bottlenecks are quite evident.

So, I would like to know from the hon. Minister, in order to avert these bottlenecks, whether he will streamline the activities of the Export Processing Zones so that these Units can get more liberal facilities for their exports.

SHRI KAMALUDDIN AHMED : Sir, I can assure the hon. Member that whatever bottlenecks are coming up, we are

trying to solve them out. In fact, I have started visiting these Zones also. I had gone to NOIDA; I had gone to Madras and I intend visiting all the Zones. I will personally get information about the bottlenecks and I will try to solve them out. I do not think, there will be any grievance for the Members.

SHRI SOBHANADREESWARA RAO YADDE : The Government of Andhra Pradesh has made available more than 1000 acres of land for setting up an Export Processing Zone at Vishakhapatnam. I would like to know from the hon. Minister what steps he had taken to see that the Export Processing Zone functions at Vishakhapatnam because it is a certainly located place along the East Coast. Here, there is a tremendous progress in respect of brackish water plant culture and pisciculture.

I want to know whether the Vishakhapatnam EPZ will be developed as Marine Products Export Processing Zone just like Santa Cruz, by installing electronic equipment.

SHRI KAMALUDDIN AHMED : It is very good suggestion. We can think over that. I can assure that Vishakhapatnam EPZ is coming up. It is in the process because, the infrastructural facilities have to be provided there.

Sir, the State Government is also helping in that matter.

NATIONAL INVESTMENT LAW

*163. SHRI TARA CHAND KHANDELWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Dr. Ranga Rajan Committee on "Balance of Payments" has recommended the introduction of a National Investment Law for codifying the existing policy and practices relating to dividend repatriation, disinvestment etc;

(b) if so, the action being taken by the Government in this regard; and

(c) the time by which it is likely to be implemented?