

### Textile Museum

6611. SHRI NARAYAN ATHAWALAY : Will the Minister of TEXTILES be pleased to state :

- (a) whether the Government have decided to set up a Textile Museum at Mumbai; and
- (b) if so, the estimated cost of the project and the time schedule for completion ?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) :

(a) No, Sir.

(b) Does not arise.

### Financial Crisis in Newsprint Industries

6612. PROF. P.J. KURIEN :

SHRI RAMESH CHENNITHALA :

Will the Minister of INDUSTRY be pleased to state :

- (a) whether Hindustan Newsprint in Kottayam is facing financial crisis;
- (b) if so, details thereof and reasons therefor;
- (c) whether there is any proposal for its expansion;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to make the unit viable and profitable ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) No Sir. However, on account of the market conditions, the production and financial performance of Hindustan Newsprint Limited was affected in 1996-97.

(c) and (d) At present, Hindustan Newsprint, Limited is not considering any programme for its expansion.

(e) 10% customs duty has been levied on imported newsprint since October'96 and "Actual User Condition" has been imposed from January '97.

### Central Investment Subsidy

6613. SHRI P.C. CHACKO :

SHRI T. GOVINDAN :

Will the Minister of INDUSTRY be pleased to state :

- (a) whether the Government of Kerala has sent a memorandum to the Union Government for the Central Investment Subsidy Reimbursement claim;
- (b) if so, the details thereof;

(c) whether inspite of Supreme Court's decision for the grant of Central Investment Subsidy no action has been taken by the Union Government till date;

(d) if so, the reasons therefor;

(e) the total amount of Central Investment Subsidy outstanding for Kerala; and

(f) by when a final decision is likely to be taken ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (f) The Central Investment Subsidy Scheme which was introduced in August, 1971 for promoting industrialization of backward areas, ceased to exist on 30th September, 1988. As a sequel to Hon'ble Supreme Court's Order dated 5.12.1995 which laid down the principles for consideration of applications for Central Investment Subsidy, the Kerala Government had indicated their requirement of funds to the extent of Rs. 11 crores as against which they had submitted specific claims worth Rs. 14.37 crores for reimbursement. Subsidy to the extent of Rs. 11.11 crores has already been reimbursed to the Government of Kerala on 31st March, 1997. The balance subsidy will be reimbursed to the State Government on availability of funds.

### Imposition of Conditions on Indian Tea by Russia and E.C.

6614. SHRI ANNASAHIB M.K. PATIL :

PROF. JITENDRA NATH DAS :

Will the Minister of COMMERCE be pleased to state :

(a) whether tea export from India has received a severe set back during the recent months due to a number of restrictive regulations imposed by Russia, Germany and other European countries;

(b) if so, the details thereof;

(c) the actual export performance of tea for the last twelve months in comparison to the corresponding period of last year; and

(d) the steps taken/proposed to be taken by the Government in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) While export of Indian tea to countries like UK and Ireland have increased during 1996-97, exports have shown a slight decline to countries like Russia, Germany and the

Netherlands. This has, however not been on account of any restrictive regulation by these countries.

A major reason for the larger decline in exports to Russia has been problems relating to delayed allocation of funds under the debt repayment mechanism.

(c) Requisite information is given below :-

Year	Export of tea	
	Qty. Mn. Kg.	Value Rs. Crore
1995-96	163.65	1191.19
1996-97	162.86	1231.85

Source : Tea Board

(d) Government and the Tea Board have been analysing country-wise exports of tea giving special attention to areas offering potential. Tea Board also acts to remove bottlenecks in exports to individual markets whenever these are noticed.

Other steps taken to increase exports of Indian tea include (i) participation in major trade fairs/exhibitions abroad; (ii) media campaign to increase consumer awareness of speciality of Indian tea and campaign to popularise the Tea Board marketing symbol which stands for pure Indian tea.

#### Foreign Direct Investment

6615. SHRI BHAKTA CHARAN DAS : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Federation of Indian Chamber of Commerce and Industry has express concern over the growing mismatch between approvals and the actual flow of foreign direct investment into the country;

(b) if so, the details thereof;

(c) whether FICCI also felt that the target set for inflow of \$ 10 billion may not be achieved in view of the present level of investment inflow; and

(d) if so, the steps being taken by the Government to remove the errors likely to be occurred in the expectation of economic growth and the generation of employment and income ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. FICCI has issued a note

on 10th January, 1997 titled "Slow FDI Flow Cause of Concern".

(c) and (d) Sir, there are no targets fixed by the Government for foreign investment. However, in view of the fact that the Common Minimum Programme states that the nation needs and has the capacity to absorb at least US \$ 10 billion a year as Foreign Direct Investment, Government is committed to substantially increasing the inflows of Foreign Direct Investment into the country. The steps taken by the Government include revamping of Foreign Direct Investment Promotion Board (FIPB), Constitution of Foreign Investment Promotion Council (FIPC), organising global investment promotion summits like "Destination India", taking up country specific investment promotion initiatives, issue of guidelines for the purpose of bringing transparency in FIPB approval process, expansion of list of industries for automatic approval etc.

[Translation]

#### Industrial Licences

6616. SHRI N.J. RATHWA :

SHRI SANDIPAN THORAT :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have reviewed the position regarding issue of industrial licences as on 31st March, 1997;

(b) if so, the details thereof alongwith industrial licences cleared during 1996-97 and pending as on 31st March, 1997 Sector-wise and State-wise in general and Maharashtra State in particular;

(c) the reasons for delay in issuing industrial licences;

(d) whether the Government have worked out to simplify and streamline the licencing procedure; and

(e) if so, the details thereof ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The Government periodically reviews the position regarding issue of industrial licences.

(b) Statement I and II showing the Letters of Intent issued during 1996-97 (Industry-wise and State-wise) are enclosed. Statement III and IV showing the number of Industrial Licence applications (Industry-wise and State-wise) pending as on 31.03.97 are enclosed.

(c) to (e) All steps are taken for the speedy disposal