

[Translation]

### Subsidy to DIC

538. SHRI LALIT ORAON : Will the Minister of INDUSTRY be pleased to state :

(a) the amount of subsidy/fund allocated by the Government for the year 1996-97 for running the District Industry Centres, State-wise

(b) whether the Government have received representations from the Heads of District Industry Centres/State Governments for enhancing this allocation; and

(c) if so, the reaction of the Government thereto?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) In terms of the decision of the National Development Council, the District Industries Centres Scheme was transferred to the States in the year 1993-94, prior to which this was a Centrally Sponsored Scheme. The funds were to be transferred at 1991-92 levels for the VIII Plan, on the pattern followed before transfer of scheme. Funds are now released by the Ministry of Finance from 1993-94 onwards. A budget provision of Rs. 225 crores has been made in the budget of Ministry of Finance during 1996-97 for States for all the transferred Centrally Sponsored Schemes, including DICs. Separate provisions scheme-wise are not made. The releases are made on the basis of expenditure on these schemes reported by the State Governments. During 1996-97, no funds have been released so far.

Scheme specific funds e.g. PMRY, computerisation of DICs etc. are also released by the Central Government from time to time.

(b) and (c). No specific representations have been received from the Heads of District Industries Centres/State Governments for enhancing the allocation under the D.I.C. Scheme.

### Export Commitments

539. SHRI N.J. RATHWA : Will the Minister of COMMERCE be pleased to state :

(a) whether any export oriented units have been set up in Gujarat so far;

(b) if so, the details thereof, unit-wise and location-wise alongwith their export commitments;

(c) the details of those units which have been able to fulfil the export commitment alongwith their earning from export;

(d) the details of those units which have not been able to fulfil their export commitments alongwith the reasons therefor; and

(e) the steps taken by the Government to keep a watch on the performance of these units and make them able to fulfil their export commitments?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e). Information is being collected and will be laid on the Table of the House.

[English]

### Privatisation of Coal Sector

540. SHRI TARIQ ANWAR :  
KUMARI SUSHILA TIRIYA :  
SHRI SANAT KUMAR MANDAL :

Will the Minister of COAL be pleased to state :

(a) whether the Union Government have received any representation for privatisation of the coal sector;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c). A Committee on Integrated Coal Policy was set up by the Planning Commission on 27th July, 1995 under the Chairmanship of Shri K.S.R. Chari, former Secretary (Coal) to address the issues for Integrated Coal Policy for adoption by the Government in the Ninth and Tenth Plan periods. The Chari Committee submitted its report to the Government on 13.5.1996. One of the recommendations made by the Chari Committee is that all new coal blocks with a minimum annual production capacity of 0.5 million tonnes for underground mines and 2.0 million tonnes for opencast mines may be ferred to the private and public sector coal companies on the basis of competitive bids. The Chari Committee has also recommended that the bidders so selected or the developers of the coal mines, may be given the freedom to charge any price from the consumers without any reference to the administered prices. Under the Existing legal framework, private sector companies allotted coal blocks for captive consumption in power generation, iron and steel production and cement production are not allowed to sell coal in the open market.

It has been decided to examine the legal implications of the above mentioned recommendations of the Chari Committee in consultation with the Ministry of Mines and the Ministry of Law, Justice and Company Affairs

### PSU Disinvestment Scheme

541. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) the details of the PSU disinvestment scheme finalised to meet the budget deficit of the current financial year;

(b) the extent of funds to be realised thereby. RSU-wise: and

(c) the steps taken in pursuance thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Videsh Sanchar Nigam Limited (VSNL) and Indian Oil Corporation Ltd. (IOCL) have been selected for the first two rounds of disinvestment in the current financial year. The third round is expected to be undertaken after receipt of advice from the Disinvestment Commission.

(b) The extent of realisation from disinvestment will depend on market response both in India and abroad.

(c) (1) Action has been initiated to select merchant bankers as global coordinators and lead managers to manage the issues of VSNL and IOCL for the international as well as the domestic segments.

(2) Forty companies have been referred to the Disinvestment Commission for advice on sale and modalities.

#### Imported Machinery in CIL

542. SHRI NAMDEO DIWATHE : Will the Minister of COAL be pleased to state :

(a) whether a large number of machines imported by Coal India Limited and its subsidiaries during the last three years are either laying idle or being underutilised/utilised below rated capacity;

(b) if so, the subsidiary-wise details of machinery/parts imported thereof during each of the last three years and their utilisation status;

(c) the details of major machinery not being put to use or underutilised and the reasons therefor; and

(d) the steps taken by the Government to make full use of the installed capacity of these machines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) No, Sir.

(b) to (d). Does not arise in view of reply at (a) above.

#### Loss of Hard Currency due to Misuse by Russian Importers

543. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "India losing \$ 400 m to Russia under debt repayment scheme" as reported in the Statesman dated September 23, 1996.

(b) if so, whether the Government are losing millions of dollars in hard currency yearly due to reported misuse by Russian importers of a scheme for repayment of outstanding debt of the former Soviet Union.

(c) if so, the facts and details thereof; and

(d) the corrective steps the Government propose to take in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) and (c). Under the Inter-Governmental arrangements between India and Russia in 1993, the rupee debt owed by India to Russia is to be used exclusively for India's exports of goods and services to Russia. Some allegations of diversion of exports consignments to third country destinations through production of fake landing certificates, switching of cargoes on high seas, etc. have come to light. These would constitute violations of the Inter-Governmental arrangements agreed between India and Russia in 1993 and of the relevant customs procedures and adversely affect our exports to hard currency markets.

(d) Government take a serious view of such irregularities and are committed to check any illegal diversion of export consignments meant for Russia under the debt repayment route, to third countries. Apart from greater vigilance by the Governments enforcement agencies, such diversion is proposed to be prevented through the following additional measures under consideration :

- (i) Exports through consignment sales by way of customs bonded warehouses in Russia.
- (ii) Conclusion of a bilateral Customs Cooperation Agreement with the Govt. of Russia to facilitate better monitoring of export consignments by customs authorities of the two countries.
- (iii) Insistence upon the Russian side to provide satisfactory proof of landing for export consignments.

#### Expenditure Management and Reforms Commission

544. SHRI K.P. SINGH DEO :

SHRI KRISHAN LAL SHARMA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Non-plan expenditure of the Government has increased considerably during the last three years;

(b) if so, the details thereof;

(c) whether the Government have set up an expenditure management and reforms commission;

(d) if so, the main objectives and composition of the Commission;

(e) whether the Commission has submitted any report to the Government; and

(f) if so, the main recommendations thereof?