

(c) to (e) There is no plan to allot quota and reserve items for the mills, powerloom and handloom sector except to the extent of existing reservation of 11 items for production under the handloom sector and annual quotas for exports of raw cotton and low count cotton yarn.

[Translation]

Protection to Domestic Industry

*153. SHRI RAMPAL SINGH :

SHRI V.V. RAGHAVAN :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are aware of the negative impact of the steep reduction in import tariff on project imports and finished products on the domestic industry;

(b) if so, the details thereof;

(c) whether the Government are considering a proposal to bring about a legislation to protect the domestic industry;

(d) if so, the details thereof?

(e) whether the Government have received representations from small scale industries in this regard; and

(f) If so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (f) There have been representations from the capital goods industry about an adverse impact of reduction in import duty rates. A number of policy initiatives have been proposed in the recent Budget including 8 per cent non-modvatable levy on imports of a wide range of goods.

[English]

L.C. Gupta Committee

*154. DR. RAMKRISHNA KUSMARIA :

DR. T. SUBBARAMI REDDY :

Will the Minister of FINANCE be pleased to state:

(a) whether L.C. Gupta Committee appointed by the Securities and Exchange Board of India (SEBI) has finalised and submitted its report on the introduc-

tion of equity based derivatives in the Indian capital market;

(b) if so, the details thereof;

(c) the action taken thereon; and

(d) the time by which the said derivations are likely to be introduced?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The L.C. Gupta Committee appointed by the Securities and Exchange Board of India (SEBI) to recommend an appropriate regulatory framework for the introduction of derivatives trading in India has submitted its report to SEBI.

(b) The report of the Committee consists of two parts. Part I of the Report focuses on the economic justification and regulatory structure for the introduction of derivatives trading in India and Part II is the suggested bye-laws for regulation and control of trading and settlement of derivatives contracts. The recommendations include phased introduction of equity derivatives, operation of derivatives exchanges as effective self-regulatory organizations under the overall supervision of SEBI, stringent entry requirements for brokers/dealers for derivatives market, improvements in underlying cash markets etc. Copies of the report are publicly available.

(c) The SEBI Board considered the report of the Committee as its meeting held on May 11, 1998 and accepted most of the recommendations.

(d) SEBI will take an appropriate decision when systemic, institutional and regulatory arrangements for derivatives trading are in place.

Patent of Various Products

*155. SHRI SUSHIL KUMAR SHINDE :

SHRI BRAJA KISHORE TRIPATHI :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government are aware that steps are being taken by the US and other European countries to have various vegetables and other botanical products like Neem, Turmeric and their formulations already in vogue in Ayurveda and other Indian Systems of Medicines patented through the World Trade Organisation (WTO);

(b) if so, the details thereof;

(c) whether Indian Scientists in large numbers are engaged in such patenting work abroad;

(d) if so, the details thereof;

(e) whether the Government are contemplating to take effective steps to free the patented products from American laws; and

(f) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Patents cannot be granted for plants like Neem and Turmeric nor can they be granted for substances which are already in the public domain. Patents are granted by countries under their respective laws. The rights granted to the patentees are restricted to the territory of that country.

(c) and (d) It is difficult to have precise information in this regard.

(e) and (f) Whenever information is received about patents being taken on certain products which are not considered patentable, steps are taken to assess whether the grant of patent can be challenged. When sufficient material is gathered, steps are taken for filing a petition for re-examination and ultimate revocation of patent in that country.

[Translation]

Closure of CCI Units

*156. SHRI BENI PRASAD VERMA :

SHRI BASWARAJ PATIL SEDAM :

Will the Minister of INDUSTRY be pleased to state:

(a) the total number of units of Cement Corporation of India functioning in the Country;

(b) the number of units out of these closed down during 1987 to 1997;

(c) the reasons for their closure; and

(d) the steps taken or proposed to be taken by the Government for their revival?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) 10

(b) None.

(c) Not Applicable.

(d) CCI was referred to Board for Industrial and Financial Reconstruction (BIFR) in 1996. BIFR appointed Industrial Finance Corporation of India (IFCI) as Operating Agency and directed it to prepare a revival package. The revival package prepared by Operating Agency is under the consideration of BIFR.

Profit earned by IDBI

*157. PROF. PREM SINGH CHANDUMAJRA :

SHRI CHINTA MOHAN :

Will the Minister of FINANCE be pleased to state:

(a) whether Industrial Development Bank of India (IDBI) has earned profit during 1997-98;

(b) if so, the details thereof;

(c) whether the non-performing assets of the Bank have also increased during that period;

(d) if so, the details thereof and the extent to which it was more than the previous year;

(e) the percentage of the total value of non-performing assets as compared to the total loan advanced during 1997-98; and

(f) the steps being taken to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANARTHANAN) : (a) Yes, Sir.

(b) The profit after tax of Industrial Development Bank of India (IDBI) for the year ended 31st March, 1998, was Rs. 1501.29 crore.

(c) to (e) Non-performing assets (NPAs) as a percentage of IDBI's loan and other assistance portfolio declined marginally from 10.3% in 1996-97 to 10.1% in 1997-98 but in absolute terms NPAs increased by Rs. 735.7 crore in 1997-98 over 1996-97 levels.

(f) IDBI has reported that concerted efforts were made during the year to recover its dues from assisted units. IDBI has set up special recovery cells both at Head Office and Zonal/Branch Offices. Recovery performance is also being closely monitored by Credit Committee at Head Office and Zonal Committees at Zonal Level. This has enabled IDBI to contain