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<b>Bilateral</b>		
USA	-	70.00
Denmark	-	32.11
Netherlands	-	85.40
Germany	242.00	50.50
Japan	2703.30	100.00
Sweden	-	45.62
Swiss Gr (IDA)	-	10.00
Japanese Grant (IDA & IBRD)	-	5.00

\* Grants and Commodity Assistance from Friendly Foreign Countries and International Bodies.

Source : Receipts Budget 1998-99.

#### Opening of Unopen Sectors for Foreign Participation

2670. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have taken the initial steps to open the hitherto unopened economic sectors for foreign participation;

(b) if so, the details thereof and the reasons therefor; and

(c) the likely impact of opening these sectors for foreign investors?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The policy towards the foreign direct investment (FDI) is a dynamic policy aimed at progressively liberalising the FDI regime with a view to encouraging foreign investment in priority areas so as to make the Indian economy globally competitive. It is constantly reviewed taking into account the suggestions received from various quarters. The government has taken several initiatives in this direction, some of which are :

- (i) Mining sector opened for automatic approval by RBI up to 50%.
- (ii) Extension of list of industries for automatic approval upto 51% expanded and certain sectors opened for automatic approval upto 74% equity. Total No. of items for automatic approval enlarged from 35 to 60.
- (iii) Foreign equity participation in electric generation, transmission and its distribution from hydro-electric, coal/lignite based, oil based, gas based

thermal power plants has been allowed upto 100% under automatic approval provided the foreign equity in these projects does not exceed Rs. 1500 crores.

(iv) In the NBFC sector, FDI has been allowed in 15 activities at different levels.

(v) New guidelines have been issued on 11 June, 1998 by the Ministry of Civil Aviation about FDI in the civil aviation sector.

The policy is under constant review for further refining FDI prioritisation keeping the national priorities in mind. The liberalisation of the FDI policy is expected to diversify the FDI inflows. The reform process is also expected to compress the time lag between approval of FDI and actual inflows.

#### Transfer of HCL

2671. SHRI R.L.P. VERMA :  
SHRI K. YERRANNAIDU :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to transfer the administrative control of the Hindustan Cables Limited to the Ministry of Communications;

(b) if so, the details thereof;

(c) whether the employees of Hindustan Cables Limited, Rupnarainpur (West Bengal), have not been paid salary for the last three months;

(d) if so, the reasons therefor; and

(e) the steps taken by the Government to remedy the situation?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) and (b) Ministry of Communications have been requested to take over the administrative control of Hindustan Cables Limited. However, the proposal is still in the preliminary stage.

(c) and (d) Yes, Sir. Due to lack of adequate orders for its products and the resultant acute liquidity problems, Rupnarainpur Unit has not been able to generate adequate internal resources to meet the salary and wages of its employees.

(e) Ministry of Communications, which is the principal customer of HCL has been requested to place adequate orders for Jelly Filled Cables on HCL, alongwith necessary advances. The availability of adequate orders is expected to improve the liquidity position of the company.