

**Revival of plywood industries in North-East**

2495. SHRI DRUPAD BORGHAIN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) how do Government propose to revive the plywood industries of North-East, which faced closure after the prohibition of cutting wood in the region;

(b) the details of the plan; and

(c) in case there is no plan, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) There is no prohibition on cutting of wood in the North Eastern Region.

(b) and (c) Does not arise.

**Closure of small pesticides manufacturing units**

2496. SHRI K. KALAVENKATA RAO : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) Whether small pesticides manufacturing units are facing closure on account of excise duty; and

(b) if so, the measures taken to assist them to compete in foreign market with their export ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) and (b) The earlier excise duty structure of 18% on technical grade pesticides and 8% on pesticide formulation which had placed small scale pesticides manufacturing units in a disadvantageous position has been rationalised in the recent budget (2000-01) and will now be levied @ 16% on both technical grade pesticides as well as formulation. This is in response to the problems projected by small scale pesticides manufacturing units. The Government is also extending Market Development Assistance through various Export Promotion Councils to assist small scale manufacturers and exporters to compete in foreign markets.

**Coconut as a cash crop**

2497. SHRI H. K. JAVARE GOWDA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether Government is proposing to include coconut as a cash crop as the coconut water has the bearing of tasty drink for domestic and foreign market; and

(b) if so, the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) :** (a) and (b) Coconut is a perennial crop. The Coconut Development Board, Kochi, in collaboration with the Defence Food Research Laboratory, Mysore has developed the technology for preserving and packing tender coconut water. According to a study, conducted by the Coconut Development Board in some major cities, the product received fairly good response. The Board has since transferred the aforesaid technology to three entrepreneurs. It is believed that the product, being a natural soft drink, could make inroads to the domestic and foreign markets.

#### **Privatisation of Indian Airlines and Air India**

2498. **DR. Y. LAKSHMI PRASAD :** Will the Minister of DISINVESTMENT be pleased to state :

(a) whether Government propose to privatise Indian Airlines and Air India by selling 51 per cent of their equity;

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

(c) the methodology proposed for this purpose;

(d) the objection raised by the employees' union in this regard; and

(e) Government's reaction thereto ?

**THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY) :** (a) to (c) The recommendations of the Disinvestment Commission of India to disinvest Government's equity in Air India are under consideration. As regards, Indian Airlines, Government has decided to disinvest fifty one percent of equity of Indian Airlines out of which 26% of the equity would be given to a strategic partner who would be given a free hand in the management under the supervision of Board of directors. Remaining 25% of the equity would be offered to the employees, financial institutions and public. The disinvestment of Indian Airlines is expected to result in improved Air-services, efficiency and financial performance, as also higher financial returns to Government.