

(a) the total number of joint ventures approved by the Foreign Investment Promotion Board during 1995 to 1998;

(b) the total amount of equity participation by the foreign companies in these joint ventures; and

(c) the total amount of equity involved in these joint ventures and the areas in which these ventures have been approved?

**THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT):** (a) to (c) Sir, during the period 1995 to October, 1998, 4,236 financial collaborations with a total foreign equity of Rs. 134146.61 crore have been approved by Foreign Investment Promotion Board (FIPB). Details regarding the percentage of foreign equity and areas of investment are available in the SIA Newsletter brought out by this Department on monthly basis, which is widely circulated, including the Parliament Library.

#### Approval of FDIs by FIPB

1592. **SHRI RAJUBHAI A. PARMAR:** Will the Minister of INDUSTRY be pleased to state:

(a) the details of FDIs approved by the Foreign Investment Promotion Board during the last four months, month-wise;

(b) whether any Foreign Investment and Foreign Collaboration proposals had been withdrawn during the period, but for the inordinate delay and postponements by FIPB on various grounds, if so, the details thereof; and

(c) whether any of them belonged to infrastructure sector, if so, which ones?

**THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT):** (a) During the four months of June, 1998 to September, 1998, 394 financial collaborations with a total foreign equity of Rs. 12016.28 crore have been approved by FIPB.

The details of such proposals viz. name and country of foreign collaborator,

percentage of equity, item of manufacture/activity and location of the project are published on a monthly basis in SIA Newsletter which is widely circulated, including the Parliament Library.

(b) No, Sir.

(c) Does not arise.

#### Functioning of Hindustan Cables Ltd.

1593. **SHRI GURUDAS DASGUPTA:** Will the Minister of INDUSTRY be pleased to state:

(a) whether government have taken steps for the proper functioning of the Hindustan Cables units;

(b) whether the Ministry of Communications agreed to take over the Hindustan Cables under its control; and

(c) whether any financial assistance has been sanctioned to see that the existing capacity is utilized?

**THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL):** (a) to (c) A package of assistance together with financial restructuring proposing mainly reservation of orders alongwith advance, transfer of Hindustan Cables Limited (HCL) to Department of Telecommunications (DOT) and financial assistance is under consideration of the Government.

#### Non-Placing of orders with BHEL

1594. **SHRI YADLAPATI VENKAT RAO:** Will the Minister of INDUSTRY be pleased to state:

(a) whether BHEL has not received many orders for its survival; and

(b) if so, the reasons why the PSUs like Neyveli Lignite are giving orders to foreign multinationals instead of BHEL to save foreign exchange?

**THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL):** (a) During

1998-99 BHEL has received orders worth Rs. 3900 crore till November, 98 and as of now the outstanding orders are more than Rs. 10,000 crore.

(b) For Thermal Power Station I expansion project, Neyveli Lignite Corporation Ltd. (NLC) has given the supply order to M/s. Ansaldo (Italy) being the lowest bidder, as per guidelines on International Competitive Bidding.

#### Negative Growth in Core Sector

1595. SHRI C. RAMACHAN-DRAIAH: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the newsitem published in the Indian Express, dated 26th November, 1998 captioned "Core Sector growth negative";

(b) if so, the reaction of Government to this trend;

(c) whether Government are giving excessive emphasis to cosmetics, toilet articles, consumer goods and non-core sector items for foreign investment;

(d) whether it is a fact that the FIPB is under pressure from various quarters to give emphasis to non-core sectors only; and

(e) the steps proposed to give emphasis to core sector investments?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Yes, Sir.

(b) The factors that have been responsible for decline in industrial growth inter alia include inadequate investment in infrastructure sectors such as power and transport, low export growth mainly on account of slowdown in world trade and slowdown in growth in certain sectors such as crude petroleum and steel.

(c) No, Sir. Out of the total approvals given to FDI projects so far (August 1991 to October 1998), infrastructure, trans-

portation and services sectors alone account for nearly 70 per cent.

(d) No, Sir.

(e) Government has been encouraging FDI to supplement national efforts, particularly in the core sector, including infrastructure, and has put in place a liberal FDI policy with transparent guidelines for approval of FDI projects. In order to promote core sector investment the Government has deregulated coal and petroleum refinery sector; allowed 100% foreign equity in power sector under automatic approval route upto Rs. 1500 crore etc. Initiatives are underway to allow 100% FDI under automatic route in certain other areas of infrastructure such as roads & highways, vehicular tunnels, bridges, ports, etc.

#### Investment in the Core Sector

1596. SHRI C. RAMACHAN-DRAIAH: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the latest Index of Industrial Production (IIP) has shown the rate of growth of six core sector industries at only 1.7 per cent in the first half of this year;

(b) whether it is also a fact that for the same period last year the figure was 5.9 per cent;

(c) what factors have been judged to be the cause of this fall in investment in the six core sectors taken for the study;

(d) whether any urgent turnaround of the existing investment policy is planned;

(e) whether it is also a fact that Government have neglected such core sectors in foreign investment; and

(f) if so, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) The sector-wise and overall industrial growth of the six core sectors is as follows: