

(b) whether CBI has registered any case of corruption against certain officers of Cement Corporation of India;

(c) if so, the details thereof and the further action taken so far in this regard; and

(d) the details of the major charges on the officers against whom cases have been registered?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL): (a) Yes, Sir.

(b) and (c) Three regular cases have been registered by CBI against certain officers of CCI during the last two years from 1996 to 1998 (upto 31.5.98) details of which are as follows:—

Sl. No.	Case No. & date of registration with Section of Law	Present position
1.	RC2(A)97-ACU(VII) dated 25.11.97 u/s 120-B IPC & 13(2) r/w 13(1) (d) of P.C. Act, 1988.	The case is under investigation.
2.	RC 4 (A)97-Bhopal dated 4.2.97 u/s 120 B, 420, 468, 471 IPC & 13(2) r/w 13(1) (d) of P.C. Act, 1988.	-do-
3.	RC 15(A)97-H dated 29.8.97 u/s 13(2) r/w 13(1) (c) of P.C. Act, 1988.	-do-

(d) The major charges against the accused officials of CCI are: awarding of contracts to private parties causing pecuniary advantages to themselves and to the private parties and thereby causing loss to the Corporation.

Policies on FDI

2805. DR. B.B. DUTTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to have transparent, non-discriminatory and non-discretionary policies for FDI;

(b) if so, the details thereof;

(c) what has been Government's policy for FDI, so far;

(d) what are the reasons for the widening gap between approvals and actual realisations; and

(e) the manner in which Government propose to wipe out this gap?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (c)

With a view to making the Indian economy globally competitive and creating an investor friendly environment, a dynamic policy for encouraging FDI is

already in place. Further, a comprehensive set of guidelines have been issued by Government in January, 1997 for the consideration of FDI proposals by the FIPB which provides for a time-bound, transparent, non-discriminatory and non-discretionary approval mechanism. Foreign investments are approved through two routes, namely, automatic and Government. Proposals that can be considered under the automatic route are contained in Annexures 'A', 'B' and 'C' of the Manual of Policy and Procedures governing Industrial Approvals. All other proposals for foreign investment that are not covered under the automatic route, are considered for approval, on merits, by the Government.

(d) and (e) The realisation (inflows to approval ratio) in FDI varies from sector to sector. Whereas in certain sectors such as electronics (including computer software), transportation and services the realisation rates have been around 30 to 40 per cent, the same has been below 10 per cent in certain other sectors like power and telecommunications, which account for nearly 50% of the total approved amount. The time lag in inflows against mega projects is usually longer

because of several factors that are external to the basic FDI regime such as acquisition of land, obtaining various statutory clearances, tying up funding arrangements etc. which are time consuming.

Besides international factors such as global market conditions and trade fundamentals, which determine major investment decisions, are also responsible to some extent. With a view to facilitating FDI inflows, prior approval of RBI for FDI proposals under automatic/FIPB route has been dispensed with and Indian companies have been given general permission under FERA to receive inward remittance of foreign exchange, subject to the condition that they file the required documents with RBI within 30 days of issue of the shares.

Diversion of Funds

2806. SHRI C.O. POULOSE: Will the Minister of INDUSTRY be pleased to state:

(a) whether during the years of New Economic Policy, capital investment for promotion of Industries has been negligible;

(b) whether the budget allotment for Industrial Promotion was diverted for National Renewal Fund and this National renewal fund was spent for Voluntary Retirement Schemes; and

(c) what are the year-wise budget provisions for Industry, the money spent for Capital Development of Industry and the amount spent for Voluntary Retirement of workmen?

THE MINISTER OF INDUSTRY
(SHRI SIKANDER BAKHT): (a) No, Sir.

(b) National Renewal Fund started as a new scheme in the year 1992 and additional budget allocations were made for it.

(c) During the years 1996-97 to 1998-99, the information relating to Budget Provisions for Departments of Industrial Development, Industrial Policy & Promotion and Small Scale Industries & Agro & Rural Industries, and for National Renewal Fund alongwith Amount spent on Voluntary Retirement Scheme (VRS) and Capital Expenditure on Industry is furnished as a Statement.

Statement

(Rs. in crores)

Year	Budget Allocations		Amount	
	Deptt. of ID&IPP & SSI&ARI	Out of (2) Allocation of NRF	Spent on VRS	Capital Expenditure in Industry
1996-97	1130.94	150.00	188.00	277.04
1997-98	1529.77	306.91	326.67*	290.84
1998-99	1598.53	300.00	**	289.03£

* Provisional

** Not yet available

£ Budget Provision