

Setting up of concord

*287. SHRI G. Y. KRISHNAN: Will the Minister of COMMERCE be pleased to state:

(a) whether seven North Indian States have joined hands to set up an economic zone, including a common market;

(b) whether these States decided to set up a council of North Indian States for Cooperation and Regional Development (CONCORD);

(c) the broad features of the aims of CONCORD and how far it would prove fruitful in uplifting the rural economy and ensuring economic and industrial development of the region;

(d) how will this CONCORD transcend competition for investment among States and counter the industrial supremacy achieved by Western India, when earlier four South Indian States and Union Territory of Pondicherry had attempted a similar union without success; and

(e) Government's reaction to this common market idea?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) and (b) In a meeting organised by Confederation of Indian Industry (CII) the State Governments of Northern India have agreed to consider the idea of setting-up a Council of North Indian States for Co-operation and Regional Development (CONCORD).

(c) The broad objectives of CONCORD are to coordinate efforts of the member states to improve the quality of life in the region equally for all sections of society by creating employment and promoting sustainable development. It is expected that such cooperation will prove to be fruitful in uplifting the rural economy and ensuring economic and industrial development of the region.

(d) According to the Confederation of Indian Industry (CII), the idea behind CONCORD is not for taking away the competitiveness for investments among

the States or to compete with other regions. In the interest of the Northern Region itself it is essential for the States to work together.

(e) No such reference has been made to the Central Government.

Transferring of Advance Licence/goods by Exporters availing MODVAS

*288. SHRI G. G. SWELL:

SHRI CHIMANBHAI MEHTA:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that exporters are not allowed to transfer their advance licence or transfer the goods imported duty free if they have availed MODVAT in respect of items permitted to be imported duty free.

(b) whether it is a fact that 60 per cent of the exports are done by merchant exporters;

(c) if so, whether merchant exporters have availed MODVAT which is available only to the manufacturers;

(d) whether it is a fact that merchant exporters buy finished goods from the competitive market and they never avail MODVAT;

(e) if so, the reasons for not giving them advance duty exemption on their imports against the exports they have already made according to export-import policy, and

(f) whether it is a fact that merchant exporters are taking double advantage if they have bought finished goods for export and get duty free imports?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (f) Merchant Exporters are permitted to get the goods processed from any indigenous manufactured for purposes of export. Such indigenous manufacturers may have availed