

Slowing down of FDI

3909. SHRIMATI MALTI SHARMA: Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to a newsitem captioned "FDI in India may slow down, says David Bell" which appeared in the Hindustan Times dated 20th March, 1995;

(b) if so, the reaction of Government thereto; and

(c) whether Government propose to adopt Australian or Canadian model, whereby 25 percent cap on foreign ownership had been imposed in respect of foreign media entering India as suggested by Mr. David Bell?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) and (b) Yes, Sir. The foreign investment policy have evoked considerable and sustained interest among foreign investors as evident from the buoyancy in foreign investment approvals shown below:—

Year	No. of proposals involving foreign investment received and approved	Foreign investment envisaged
1991	289	534.11
1992	692	3887.54
1993	785	8859.33
1994	1062	14187.19 (including approvals for Euro Issues)

(c) No such proposal is under consideration of the Government.

Losses suffered by HMT

3910. SHRIMATI MALTI SHARMA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that HMT, once a premier public undertaking, suffered huge losses due to Goods held in Trust Scheme and if so, the details of the scheme including the losses suffered therefrom during the last three years;

(b) whether Government have since withdrawn the said Scheme; and

(c) whether the World Bank has submitted a study containing ways and means to revive the HMT and if so, by when it is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) HMT decided some years ago that instead of giving clean credit on watch sales to dealers, the goods be kept in its custody as Goods held in Trust (GHIT). These type of transactions are considered as sales under the provisions of the Sales of Goods Act. However, the volume of such sales increased rapidly and since the goods continue to be in HMT's possession till the payment is received, their carrying cost has to be borne by HMT, which could have been saved if these had been produced only when required for actual sale. The carrying cost of GHIT for the years 1991-92 to 1993-94 including interest on sales tax and insurance premium works out to about Rs. 21.9 crores.

(b) The GHIT sales has been completely stopped since 1993-94.

(c) A study conducted by Japan International Cooperation Agency under the auspices of the World Bank recommended reorganisa-

tion of HMT into different business groups and investment of Rs. 1425 crores till the turn of the century to finance modernisation and expansion. However, the company could not investment on modernisation and replacement due to resource constraints. Govt. has, therefore, approved 'in principle' the company's proposal to convert its individual business groups into joint venture companies with international partners who will arrange the necessary technology and investments and who may be allowed to have majority equity shareholding if it is in the interest of HMT.

Approval for setting up Pepsi Co. India Holdings

3911, SHRI V. NARAYANASAMY: Will the PRIME MINISTER be pleased to state:

(a) whether Pepsi Co. Inc. has communicated acceptance of the terms and conditions of the approval for setting up of a holding company in India and if so, the date thereof;

(b) whether the approval granted to Pepsi Co. Inc. for setting up of a holding company in India has been transferred to Pepsi Co. India Holdings and if so, the date of such transfer;

(c) whether Pepsi Co. Inc. has intimated to Government the incorporation of Pepsi Co. India Holdings and if so, the date of such intimation;

(d) whether Pepsi Co. Inc. or Pepsi Co. India Holdings has intimated to Government the incorporation of further subsidiaries, viz. Aradhana Soft Drinks Co., Aradhana Snack Foods Co., and Aradhana Fruit and Food Products Co., and if so, the date of such intimation; and

(e) whether Papsi Co Inc. or Pepsi Co. India Holding has intimated to

Government the investments made by the above-mentioned companies and if so, the date of such intimation?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI-MATI KRISHNA SAHI): (a) Yes, Sir. The company has communicated acceptance of the terms and conditions of the approval letter on 6.3.95.

(b) No, Sir.

(c) Yes, Sir. The company has intimated on 6.3.95 as also on 28.3.95, the incorporation of M/s. Pepsi Co. India Holdings.

(d) The company has informed on 24.4.95, the incorporation of the following subsidiary companies:—

Name of the Subsidiary company	Date of incorporation
Aradhna Soft Drinks Company	18-3-94
Aradhana Snack Foods Company	18-3-94
Aradhana Fruit & Food Products Co.	18-3-94

(e) No, Sir.

पश्चिम बंगाल में उद्योगों को लग्न घोषित करके उनके मामले औद्योगिक तथा वित्तीय पुनर्निर्माण बोर्ड की सौंपने पर चिन्ता व्यक्त करना

3912. श्रीमती सराभा माहेश्वरी :
श्री मोहम्मद सलीम :

क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार को इस बात की जानकारी है कि पश्चिम बंगाल विधान सभा में इस वर्ष के बजट अधिवेशन के दौरान सर्वसम्मति से एक प्रस्ताव पारित किया गया है जिसमें पश्चिम बंगाल में स्थित केन्द्रीय