

as applicable to domestically produced goods. The Government acts in case goods imported from any source are found to violate these regulations and threaten human, animal or plant life or health. Recently, based on recommendation from Food Safety and Standards Authority, the Government has prohibited import of milk and milk products including chocolates and chocolate products and candies/confectionary/food preparations with milk or milk solids as an ingredient, from China. The prohibition is for a period of six months from 24.6.2009, Further, import of toys has been made subject to meeting the specified standards and import of mobile handsets without International Mobile Equipment Identify (IMEI) number or with all zeroes IMEI has also been prohibited.

Allowing loans from foreign countries to SEZs

2735. SHRI RAVI SHANKAR PRASAD:

SHRI SHIVANAND TIWARI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that in order to fulfil the economic needs of Special Economic Zones (SEZs) of the country, Government has recently announced new facilities in the arrangement of getting trade loan from foreign countries;
- (b) if so, the facilities thereof; and
- (c) whether it is also a fact that in the era of international recession, getting loan at international level is comparatively difficult?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (c) According to recent revised guidelines issued by the Reserve Bank of India, SE2 developers can also avail of External Commercial Borrowing (ECB) under the Approval route for providing infrastructure facilities as defined in the ECB policy, within the SEZ.

Trade tensions between India and China

2736. SHRI JESUDASU SELAM: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether India and China have decided to discuss ways to defuse rising trade tensions between them in January, 2009 after a series of recent Government actions to impose restrictions on Chinese imports risking upsetting relations with the country's largest trading partner;
- (b) if so, what were outcome of the discussions held between the two countries and whether any concrete steps in this regard has been taken;
- (c) if so, the details thereof; and
- (d) to what extent both India and China have discussed to improve Indian trade, its growth and steps to be taken by both countries to normalize trade relations?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (d) India has several bilateral dialogue mechanism with China, such as Joint Group on Economic Relations, Trade, Science and Technology (JEG) at Ministerial Level and Joint Working Group on Trade at Joint Secretary Level. China has become the largest trading partner of India. Both India and China have regular dialogue to discuss trade related issues. The Chinese Vice-Minister of Commerce Mr. Gao Hucheng visited India in October 2008 and

Original notice of the question was received in Hindi.

another Chinese Vice-Minister of Commerce Mr. Zhong Shan visited India in March 2009. The first meeting of India-China Trade Remedies Cooperation Mechanism was held on 19th June, 2009 in Beijing. The purpose of the meeting was to have an exchange of views and to better understand each other's practices including investigation procedures. Government of India is also in touch with the Chinese Government through our Embassy in Beijing to discuss trade related issues.

Clearance of FDI proposals

2737. MS. MABEL REBELLO:

DR. T. SUBBARAMI REDDY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government has cleared FDIs worth Rs. 565 crores but has deferred 13 plans;
- (b) if so, whether the deferred proposals include United Breweries plans to raise Rs. 708 crores by issuing fully convertible equity warrants; and
- (c) if so, what are the details of proposals that have been cleared and by what time 13 plans which have been deferred will be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) On the recommendations of FIPB Meeting held on May 22, 2009, Government approved 23 proposals for a foreign investment of Rs. 563.90 crores. 13 proposals were deferred in the said meeting.

(b) The proposal from M/s United Breweries (Holdings) Limited, Bangalore was one of the 13 deferred proposals. Initially, the proposal was for conversion of 19,71,218 equity warrants (out of 63,87,117 equity warrants) into equity shares of Rs.10/- at a premium of Rs. 1110/-per equity share. The remaining 44,15,899 equity warrants were to be converted into equity shares within a period of 18 months from December 13, 2007. Subsequently, the applicant stated that since the investor did not bring the amount on or before June 12, 2009, the 10% upfront payment stood forfeited and the proposal is now confined only to conversion of 19,71,218 equity warrants into equity shares of Rs.10/- each at a premium of Rs. 1110/- amounting to Rs. 218.96 crore.

(c) Out of the 13 proposals deferred, the Board took a decision in respect of 9 proposals in the subsequent meeting. The remaining 4 proposals were considered in the FIPB meeting held on 24.07.09.

Measures against protectionist developed countries

2738. SHRIMATI JAYA BACHCHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Government is considering a proposal to take steps under WTO against protectionist measures being taken by developed countries in a range of sectors including steel;
- (b) whether it is a fact that world over protectionism has taken new forms that needs to be addressed; and
- (c) the details of steps being considered or taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA MADHAVRAO SCINDIA): (a) to (c) The Government examines the tariff and non tariff measures (NTMs) imposed by developed countries especially on products of export interest for