

**2. Increase in FOREX Liquidity:**

- (i) RBIs assurance for continued selling of foreign exchange (US \$) through banks, to augment supply in the domestic foreign exchange market;
- (ii) Ceiling rates on export credit in foreign currency has been raised to LIBOR + 350 basis points subject to the condition that the banks will not levy any other charges, *i.e.*, service charge, management charge, etc. except for recovery towards out of pocket expenses incurred.
- (iii) RBI decided to provide FOREX liquidity to Indian Public and Private Sector Banks upto June 30, 2009, through forex swaps of tenure upto 3 months.

**3. Easing of Credit Terms:**

- (i) The period of pre-shipment and post-shipment Rupee Export Credit enhanced by 90 days each;
- (ii) Time period of export realization for non-status holder exporters increased to 12 months, at par with the Status holders. This facility which was available upto 3.6.09, has been extended for one more year.
- (iii) PSU Banks consequent to measures announced by RBI reduced the margin money on Guarantees for export units;

**Spices park in Kerala**

422. SHRI K.E. ISMAIL:

SHRI M.P. ACHUTHAN:

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

- (a) whether Spices Board has a plan to set up a spices park in Idukki district of Kerala; and
- (b) if so, at what stage is this proposal and by when it is expected to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA): (a) and (b) The Spices Board is setting up a Spice Park in Puttady, Idukki, which is expected to be operational by the end of this year.

**Measures to revive WTO negotiations**

423. SHRI VIJAY JAWAHARLAL DARDA:

SHRIMATI SYEDA ANWARA TAIMUR:

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

(a) whether during the G-20 summit held in London in April 2009, developing countries like India persuaded world powers to revive the stalled negotiations of World Trade Organization on terms favouring third world developing countries;

(b) if so, what was the result thereof; and

(c) what are the details of other measures adopted to build up international opinion to revive the WTO negotiations?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA): (a) to (c) At the G-20 Summit held in London on 2 April 2009, leaders committed to reaching an ambitious and balanced conclusion to the Doha Development Round of trade negotiations at the World Trade Organization (WTO), which is urgently needed. Leaders pledged to give renewed focus and political attention to this issue and to use all international meetings that were relevant to drive progress.

Subsequently, the Doha Round has been on the agenda of several major international meetings including a meeting of the Cairns Group alliance of agricultural exporting countries in Indonesia and meetings on the sidelines of the OECD Ministerial Council meeting in June 2009. At these meetings, India and other developing countries stressed, *inter alia*, that the development dimension of the Round had to be honoured.

#### Improving industrial output

424. SHRI GIREESH KUMAR SANGHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether industrial production dipped by 2.3% worst in 16 years in March this year while production of consumer durables had out shone giving ray of hope;

(b) whether Planning Commission estimates that stimulus would likely to add 0.5% to the gross domestic products in 2008-09;

(c) whether frozen financial markets abroad adversely affected big Indian companies and domestic credit squeeze dealt with major blow to small enterprises;

(d) if so, what is the latest position and what are the steps being considered to improve industrial output; and

(e) whether Government is hopeful that 2010 will be bright for industry as 2009 was year of uncertainty?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA): (a) As per the revised estimates released by Central Statistical Organisation, the industrial growth measures in terms of Index of Industrial Production (IIP) registered a growth of (-) 0.8% in March, 2009 compared to 5.5% in March, 2008. The Index of Industrial Production (IIP) registered a growth of 2.6% in 2008-09 (Apr-March) and Consumer durables segment registered a growth of 4.4%.

(b) No, Sir.

(c) to (e) The industrial growth measured in terms of Index of Industrial Production (IIP) declined to 2.6% in 2008-09 due to global economic slowdown. The global recession has affected some of the export oriented industries in India, such as textiles, handicrafts, leather, and gems and jewellery. Slowdown in the demand for automobiles and its ancillaries, steel etc. has also been seen.