

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Implementation of FDI proposals

776. SHRI R.P. GOENKA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that only 25 percent of the foreign direct investment proposals approved are finally implemented;

(b) if so, what are the reasons for this abnormal short-fall; and

(c) what Government propose to do to improve the implementation rate?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) to (c) The data on implementation rate vis-a-vis FDI projects approved is not centrally maintained. However, in the year 1998, the realisation rate between FDI amount approved vis-a-vis inflow has been 43.29% which has gone up to 59.46% in 1999 and further during Jan-May, 2000, the same has gone up to 86.91%.

With a view to improve the implementation rate, the FDI policy is reviewed continuously to make it more investor-friendly. For facilitating speedy implementation of projects, Government has also set up Foreign Investment Implementation Authority (FIIA), which addresses the problems faced by entrepreneurs.

Outcome of EU India Summit

777. SHRI R.P. GOENKA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that India is the most targetted country by EU in respect of anti-dumping and antisubsidy action;

(b) how has this affected our exports of textiles, steel and pharmaceuticals; and

(c) what is the outcome of the discussions between India and EU at the EU-India Summit held recently?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) India along with China, Taiwan, South Korea and Thailand are the countries facing trade defence instruments like anti-dumping and anti-subsidy actions initiated by EU.

(b) At present, definitive anti-dumping/anti-subsidy duties are in force in European Union in respect of 14 products exported from India in the sectors of chemicals/pharmaceuticals, steel and textiles. In addition, provisional anti-dumping/anti-subsidy duties are in force on 5 products. The competitiveness of our exportable products are affected by the anti-dumping/anti-subsidy duties.

(c) During the Indo-EU Summit meetings, both sides expressed the view that it is necessary to raise the level of bilateral trade and investment to its full potential. The Joint Declaration issued at the end of the Summit makes specific reference to the need to consult each other on anticipated regulatory and other measures affecting the flow of trade with a view to resolving problems at an early stage.

Limestone mining in Andhra Pradesh

778. SHRI YADLAPATI VENKAT RAO:
DR. ALLADI P. RAJKUMAR:

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

(a) whether it is a fact that the Cement Corporation of India has not paid the royalty for grant of permission for limestone mining in Andhra Pradesh; and

(b) if so, the action taken to clear the dues early?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) and (b) Yes, Sir. Cement Corporation of India could not pay royalty for grant of permission for limestone mining in respect of units located in Andhra Pradesh on account of liquidity problems. The dues of royalty in respect of units located in Andhra Pradesh are proposed to be cleared after revival package from Bureau of Industrial and Financial Reconstruction (BIFR).