

Foreign Exchange Reserves

*282. SHRI J. CHOKKA RAO :
SHRI K. MURALEE DHARAN :

Will the Minister of FINANCE be pleased to state :

(a) the foreign exchange reserves in the country together with its various components as on October 31, 1995;

(b) whether there is any deficit in the balance of payments as at the end of October, 1995; and

(c) if so, the details of both visible and non visible deficits?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) India's foreign exchange reserves and their components as on October 31, 1995 are as under;

	US \$ million
Foreign Currency Assets	17,753
Gold	4,408
Special Drawing Rights	39
Total	22,200

(b) and (c). Detailed balance of payments data for April-October, 1995 are not yet available. However, the movement in the country's foreign exchange reserves, which broadly reflects the developments in the external trade and payments situation, shows that the foreign exchange reserves have declined by US \$ 2986 million during April-October, 95. Trade deficit, as per DGCI & S data, during April-October, 1995 was US \$ 2701 million. The size of the current account deficit during 1995-96 is expected to be at a sustainable level of around 1.5 per cent of GDP.

ILO Reports

*283. SHRI SHRAVAN KUMAR PATEL : Will the Minister of LABOUR be pleased to state :

(a) whether the International Labour Organisation (ILO) in the latest report has censured India for its failure to adequately impose rules to eliminate bonded and child labour and for lack of follow-up to ILO recommendations aimed at ending these practices;

(b) if so, the main charges levelled by ILO against India and other developing countries; and

(c) the reaction of the Union Government thereon?

THE MINISTER OF LABOUR (SHRI G. VENKAT SWAMY) : (a) to (c). The Report of the LIO Committee on Experts on Application of Conventions and Recommendations, 1995, in its observation on India's implementation of ratifying ILO Convention No. 29 concerning Forced Labour, 1930, has suggested special

efforts for the identification, liberation and rehabilitation of bonded labour and children in bondage. The Committee of Experts has also observed that situation in practice in India did not appear to have improved very much. The Report of the Committee of Experts was discussed at the ILO's International Labour Conference Committee on Application of Standards in June, 1995. The Government representative of India had assured the Committee on Application of Standards that well funded critical concern expressed by the Committee of Experts would only spur the Government of India to intensify its efforts in the application of this Convention more effectively. He also elaborated the various measures being taken by the Government on a continuous basis to identify, liberate and rehabilitate bonded labour including children in bondage. However, in the Plenary of the International Labour Conference (ILC) India expressed its reservations on the Conference Committee's conclusions that all types of child labour is forced labour under ILO Convention No.29 and submitted that the ILO Committee on Experts should review this issue. The Committee took note of the comprehensive oral and written report of Indian Government and recognised the fact that the Government of India had prevented its cooperation with the ILO by providing the Committee with information. The Committee also urged the Government to improve and strengthen all possible efforts to eliminate all forms of bonded labour and to ensure that Government authorities were more active at the local level. The Committee also requested the Government to adopt measures and use all the resources available to them so that very soon and certainly well before the year 2000 A.D., a true degree of progress could be registered. The Report of the Committee on Application of Standards did not make any special or adverse mention against India.

Implementation of Convention No.29 in several countries, including many developing countries, was reviewed by the Committee of Experts and its observations in respect of some of those countries were also similarly discussed in the Committee on Application of Standards.

Export of Agricultural and Farm Products

*284. SHRI K.T. VANDAYAR : Will the Minister of COMMERCE be pleased to state :

(a) the total percentage of agricultural products exported both value-wise and item-wise;

(b) whether any proposal is being considered to boost the farm products exports;

(c) the incentives provided by the Government for the export of agricultural and farm products;

(d) whether the Government have decided to provide extra benefits incentives to boost the export of farm products;

(e) if so, the details thereof;

(f) if not, the reasons therefor;

(g) whether certain agricultural products are restricted for export; and

(h) if so, the details thereof, item-wise alongwith the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) The value of export of agricultural products (including tea, coffee & raw cotton but excluding marine products) during 1994-95 was Rs. 9183.37 crores which constituted 11.1% of India's total exports. The details of the agricultural commodities exported are available in the Foreign Trade Statistics published by DGCI & S Calcutta, copies of which are available in the Parliament Library.

(b) to (f). Steps taken to enhance export of agricultural products include simplification of inspection procedures, removal of Minimum Export Price and quantity restrictions on selected items, provisions of concessional credit, product development to meet international needs, extension of benefits available under the scheme of EOUs/EPZs to agriculture sector and permitting 50% sale in the domestic tariff area, free import of raw cashewnuts for augmenting domestic supply, suspension of 2% export cess upto 31.3.96 on export of pepper, support @ Rs.20/ per kg. for meeting cost of export of 600 MTs of cardamom exported by air in consumer packs to Middle East destinations between 1.12.95 to 31.12.95 to meet the export development cost, suspension of 2% export cess on cardmomo upto 31.3.96, air freight subsidy on export of specified perishable products to specified destinations, provision of cold stores at airports.

(g) and (h). All agricultural products may be exported without any restrictions except to the extent such exports are regulated by Para 123 read with Chapter XVI Part I, II & III of the Export and Import Policy, 1 April 1992 - 31 March 1997, publication of Ministry of Commerce, copies of which are available in the Parliament Library. It is the policy of the Government to allow the exports of items of mass consumption in such a manner that it does not compromise the food security system. It is with this objective in mind that Government prescribes restrictions like licensing, quantitative ceilings and minimum export price on items such as pulses, cereals, oil seeds, milk, milk products and sugar. At the same time, Government's objective is to maximise foreign exchange earnings from the agricultural sector to the benefit of the farmers.

[Translation]

Smuggling of Cosmetics and Electronics Items

*285. SHRI MOHAN SINGH (DEORIA) : Will the Minister of FINANCE be pleased to state :

(a) whether the smuggling of cosmetics and electronics items are on increase after the charges made in the Customs and Excise Rules in 1991;

(b) if so, the details thereof;

(c) the number of cases registered by the Department of Customs and Excise regarding smuggling of cosmetics and electronics items during the last three years; and

(d) the steps taken by the Government to curb the smuggling of these items?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) to (c). Government policy of lowering rates of Customs duties on various items including cosmetics and electronics has led to decline in smuggling. Available intelligence reports and seizure statistics indicate a decline in trend to smuggle cosmetics and electronics items. The number of seizure cases registered in respect of smuggling of cosmetics and electronics items during last three years are given below:-

	1993-94	1994-95	1995-96
Cosmetics	52	59	35*
Electronics	2075	2000	1228*

*(upto October, 1995 only)

(d) Field formations are alert to detect and prevent smuggling including smuggling of cosmetics and electronics items.

[English]

Development of Woollen Industry

*286. SHRI M.V.V.S. MURTHY :
SHRI BOLLA BULLI RAMAIAH :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to develop the woollen industry;

(b) if so, the details of areas identified for this sector including the technological upgradation; and

(c) the time by which the execution on these areas are likely to be implemented?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAMAL NATH) : (a) and (b). Yes, Sir. Inter-alia, it has been decided to focus upon increasing of productivity per sheep; technological upgradation of machinery; improvement of designs and craftsmen skill; and adopting an aggressive marketing strategy to exploit untapped export potential outside the traditional market.

(c) Adopting various measures to develop the Woollen Industry is a continuous process.