

SHRI E. AHAMED: All exercise of the Government is to promote more export and generate more foreign exchange. But, as a matter of fact, there were several exporters who have been earning the foreign exchange for this country especially in rupee payment area. After the devaluation process of the Government, they have to suffer a heavy loss because those agencies in the foreign countries with whom they have had trade agreement, was not prepared to honour the pre-devaluation rate for the payment. Those exporters who have been doing very good work in export are now suffering very heavy losses due to the Government's new policy especially in the textile sector. I would like to know from the hon. Minister whether the Government will consider their case sympathetically and give them..

MR. SPEAKER: That was the question asked by Shri Digvijaya Singh already and replied to also. Now please come out with your question quickly.

SHRI E. AHAMED: May I submit that it is one of the reasons why these exporters to rupee payment areas have to suffer? My question is in relation to that aspect.

SHRI SALMAN KHURSHEED: My reply to the hon. Member would be, this Government is not lacking in sympathy for any honest effort made by any section.

[*Translation*]

SHRI CHHEDI PASWAN: Mr. Speaker, Sir, I would like to know from the hon. Minister the real income in rupees through the export after devaluation and the amount in rupees which will have to be paid in terms of loans, interest and the principal amount?

MR. SPEAKER: It has also been replied by him. If he wants to reply, he can do so.

SHRI SALMAN KHURSHEED: The exact figures are not available on this because the exact figures will be available only at the end of the year. As I said earlier, after devaluation and in addition to devaluation other policy measures that have been taken have stopped the de-acceleration

of exports and acceleration has just begun to take place.

SHRI SOBHANADREESWARA RAO VADDE: Mr. Speaker, Sir, through you, I would like to know from the hon. Minister with the devaluation of the rupee and with the good production of cotton crop in the country - whether the Government was able to export more of cotton and cotton yarn, especially long the extra long staple cotton; and whether it was able to earn more foreign exchange. If so, what is the result and what are the steps that are being taken by the Government to earn more foreign exchange by exporting more of long staple and extra long staple cotton and cotton yarn

MR. SPEAKER: This is the question about the impact of the devaluation of rupee on exports; and not on cotton export. anyway, the Minister is replying.

SHRI SALMAN KHURSHEED: From the figures that are available with me, I could say that the percentage by which cotton fabrics and yarn made up, etc. have gone up during April-September 1991, is 58.9 per cent.

The figures that are available with me are for cotton fabrics and yarn made up. If the hon. Member wants specifically for cotton and cotton yarn, I will give it later.

• **MR. SPEAKER:** You can reply in writing.

Projects in Backward States

*327. **SHRIMATI VASUNDHARA RAJE:** Will the Minister of FINANCE be pleased to state:

(a) whether priority is being given by the Government to the implementation of such projects in the backward States as are getting foreign aid;

(b) if so, the number of these projects taken up in different States during each of the last three years, State-wise; and

(c) the details of such projects proposed to be implemented in different State during the Eighth plan period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c). A statement is laid on the Table of the House.

STATEMENT

(a) The external assistance received by the Government enter the central pool of

resources available for the entire Economy and are allocated among States and Union territories according to our Plan priorities. It is, however, ensured at the time of formulation of plan that due share is given to each state/union territory.

(b) Information is given below:-

<i>Name of State</i>	<i>Number of projects in</i>		
	<i>1988-89</i>	<i>1989-90</i>	<i>1990-91</i>
Andhra Pradesh	1	3	4
Gujarat	-	1	-
Karnataka	4	5	-
Kerala	1	-	-
Madhya Pradesh	3	-	-
Maharashtra	1	1	1
Orissa	2	1	-
Punjab	-	2	-
Rajasthan	1	3	-
Tamil Nadu	3	5	3
Uttar Pradesh	2	1	4
West Bengal	2	-	3
Multistates	2	-	8
Total	22	22	23

(c) External resources are mobilised to bridge the gap between total investment outlays and internal resources available during the Plan period. The amount of assistance would depend on our year to year aid requirements and international aid climate. The Eighth Plan scheduled to commence from 1st April, 1992 has not been finalised and as such it is not possible at this stage to indicate the projected quantum and the nature of external aid required

during the Eighth Plan period.

SHRIMATIVASUNDHARA RAJE: With the new international economic climate in which the donees - whether countries or institution - wish to exercise their own authority in determining the areas of their investment and also since we now have a new fiscal policy which aspires towards liberalisation, deregulation, etc., does the Ministry of Finance have any say now in

controlling or directing foreign grants, aid, assistance to chosen areas requiring special assistance?

SHRI RAMESHWAR THAKUR: The policy of the Government is this. We have foreign assistance in certain specific areas in regard to capital goods, machinery, parts, certain essential raw materials as well as essential commodities like petroleum products, fertilisers and so on.

In the aid Programme, we have in many cases - programmes given by the foreign countries, in the areas of agriculture, industry, energy, telecommunication, etc. So, the choice is not of the particular condition given by the foreign donors. They have to identify, in fact, the areas in which the particular country or the aid-granting country is willing to undertake such assistance in our country and normal conditions prevail. It is not that we have lifted all the condition. It is not so. Only in some cases relaxations have been given. In the case of equity investment, separate details have already been laid on the Table of the House.

SHRIMATI VASUNDHARA RAJE: In that case, for Special Category State like the North-Eastern States and Special Areas like hill States, there are schemes for preferential development aid etc. You also have special interest rates for borrowing from special lending institution like IDBI, etc. Has the Government examined vital aspects of treating desert areas of Rajasthan and Kutch, as areas meriting, in every sense, for categorisation both as special areas and granting of status similar to that of hill areas, so that they receive the development funds, loans, etc. on concessional terms?

SHRI RAMESHWAR THAKUR: So far as the planning is concerned, we have modified the Gadgil formula on which assistance is given. (*Interruptions*) I am coming to the special hill areas and other areas. We have got basic criteria for the allocation of funds. So far as the foreign aids are concerned, they are given according to our total requirements in the Plan and the available resources within the country. The

balance gap is made out of the foreign assistance. They are of a different nature and I mentioned it earlier. We have special criteria for the hilly areas. Special assistance is being given particularly for those seven or nine States. For special category States, we are giving special consideration in relation to allocation as well as special assistance. General allocation, as I mentioned, is on population basis.

MR. SPEAKER: The question is whether you are going to help the projects in Rajasthan, in desert areas. If you have the information give it. Otherwise, send it in writing.

SHRI RAMESHWAR THAKUR: The Government of India have been giving special consideration, particularly to hill areas and the desert areas Rajasthan. The specific project, if any, mentioned by the Hon. Member will receive due consideration by the Government.

[*Translation*]

SHRI AYUB KHAN: Mr. Speaker, Sir, you know that this is related to the backward state but the Government of Rajasthan is not paying any attention towards planning. They themselves are not unanimous on any of the programmes of development. There are some out-standing projects of the State like Indra Gandhi Canal, Piani thermal power etc. I would like to know whether the Central Government will take up these projects or not in view of the severe problem of drinking water. I am very sorry to say that the state has not been included.

MR. SPEAKER: You, come to the question..

SHRI AYUB KHAN: I would like to know from the hon. Minister whether Rajasthan will get its share in these projects or not?

SHRI RAMESHWAR THAKUR: Out of the total foreign aid last year, Rs. 12.44 crores were allocated to Rajasthan. This year Rs. 26 crores have been allocated to it, out of which Rs. 11.76 crores have already

been paid. If the Rajasthan Government sends any new proposal to the Central Government whether it relates to irrigation or hill-area or desert area, for the eighth plan, the Planning commission will consider it. The due importance will be given to it on the priority basis.

SHRI SURYA NARAYAN YADAV: Mr. Speaker, Sir, this question has been raised in the context of the foreign aids to the backward states. Bihar is the most backward state of the country, where agriculture is frequently being affected from flood. In the tarai of Nepal...

MR. SPEAKER: You are deviating from the original question. The question relates to provide foreign aid to the backward states. You may ask directly as whether Bihar is being given foreign aid or not.

SHRI SURYA NARAYAN YADAV: I would like to know from the hon. Minister whether foreign aid is being provided to Bihar for its flood-affected areas and whether the Government would give any priority to Bihar in the 8th Plan in respect of electricity, education and industries under foreign aid.

SHRI RAMESHWAR THAKUR: Mr. Speaker, Sir, this year also the necessary amount of foreign aid has been allocated to Bihar for its several going on projects. As regard the flood affected areas and the electricity, the Central Government will definitely consider any such proposal submitted by the State Government under the 8th Five-year plan.

SHRI VISHWESHWAR BHAGAT: Mr. Speaker, Sir, Madhya Pradesh is a backward state where Adivasis and Harijans are in large number. For the last two years, no amount has been provided to it under the foreign aid. I would like to know from the hon. Minister whether he would like to give an assurance that the funds would be made available to the proposals approved by the Madhya Pradesh Government under the 8th Plan?

SHRI RAMESHWAR THAKUR: He has

stated two things. Firstly he said that nothing was given to Madhya Pradesh. According to the dates available with us there was a provision of Rs. 111 crores for M.P during 1990-91 under the head "Central Assistance for External Aided Projects". Out of which a total of Rs. 46 crores 13 lakhs have been utilized. In the current year of 1991-92 Rs. 21 crores 22 lakhs have already been allotted out of the total provision of Rs. 133 crores. As soon as the other proposals are received, they can be considered later on.

[English]

Export of Rice and other Cereals

*328. **SHRI GANGADHARA SANIPALLI:** Will the Minister of COMMERCE be pleased to state:

(a) whether the procedure for export of rice and other cereals has been streamlined recently;

(b) if so, the details thereof; and

(c) the names of the countries which are the major importers of rice and other cereals from our country?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) Yes, Sir.

(b) non-basmati rice and some other cereals have been brought under Open General Licence and their export is allowed against registration-cum-Allocation Certificate issued by the Agricultural and Processed Food Products Export Development Authority (APEDA). There is no need now for obtaining Export Licence.

(c) Countries which are major importers of cereals from India are the Middle East countries of Saudi Arabia, U.A.E., Kuwait, Bahrain and Jordan. Apart from this, USSR, EEC countries DPR Korea and Nepal also import substantial quantities of cereals.

SHRI GANGADHARA SANIPALLI: Mr. Speaker, Sir, India being a primarily