

for eleven roads to be termed as national highways. I would like to ask the Hon. Minister whether any priority is being given to this and whether the Western Coastal Highway is being given priority number one due to the backwardness of this coastal region.

**SHRI JAGDISH TYTLER :** I have received 17 proposals from the Maharashtra Government of which eleven we are considering. But everything will depend—after the presentation of the Budget—as to how much money our Ministry receives. (*Interruptions*)

**MR. SPEAKER.** This a question relating to Maharashtra. So I would rather like Maharashtra Members to ask questions.

[*Translation*]

**SHRI RAM NAIK :** Mr. Speaker, Sir, it was earlier stated that among the 17 projects, estimates in respect of which have been submitted, was a proposal for widening Dahisar—Manore section on Bombay—Ahmedabad National Highway measuring 78 kms. into four tracks. I would like to know whether that proposal has been included in it? If so, what is the cost thereof?

[*English*]

**SHRI JAGDISH TYTLER :** I had just told you that I have received 17 proposals out of which 11 proposals as the national highways. I can only take a decision after I know what sort of money I am receiving.

**SHRI RAM NAIK :** Sir, please give me protection. I have asked in

the Bombay—Ahmedabad highway there was a proposal for widening 78 kms. into four tracks. I would like to know whether that has been included in the 11 projects he has referred.

**SHRI JAGDISH TYTLER :** There is a Bombay—Ahmedabad—Nanded—Jageshpur road—660 kms. I cannot tell you at this particular point whether the road you are referring to is included or not. If it is a part of this road, then it must be included in this.

**SHRI MUKUL BALKRISHNA WASNIK :** May I know from the Hon Minister as to what has been the contribution of Maharashtra during the last two years towards the Central Road Fund and out of that Central Road Fund what has been the total disbursement percentagewise during the last two years to Maharashtra for the improvement of roads in the State?

**MR. SPEAKER :** If the Minister has the statistics he can supply them later on.

**SHRI JAGDISH TYTLER :** I will supply him later on.

#### Balance of Trade

\*103. **SHRI SYED SHAHABUDDIN :**

**SHRI GOVINDRAO NIKAM :**

Will the Minister of COMMERCE be pleased to state :

(a) the actual balance of trade in rupees/SDRs during the last three financial years, year-wise;

(b) the estimated value of exports and imports during 1990-91 in rupees and SDRs separately and the percentage increase in each has compared to 1989-90,

(c) the reasons which led to the increase in the quantum and value of imports during 1990-91, and

(d) the steps proposed to control imports during 1991-92 in value and quantum ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P CHIDAMBARAM) (a) to (d) A statement is laid on the Table of the House

### STATEMENT

(a) The figures of balance of trade in rupees and SDRs during the last three financial years, year-wise, are as under —

BALANCE OF TRADE		
Year	Rs Crores	SDRs Million
1988-89	-8 003	-4,154
1989 90(P)	7,731	-3,618
1990 91(P)	- 10 644	4 283

(P . Provisional )

Source DGC&S, Calcutta

(b) The provisional figures of exports and imports during 1990-91, in rupees and SDRs, as compared to 1989-90 are given below —

(i) Rupee Terms

	(Rs Crores)		
	1989-90 (P)	1990 91 (P)	% increase
Exports	27,681	32,527	+ 17.5
Imports	35,412	43,171	+ 21.9
Balance of Trade	-7,731	-10,644	+ 37.7

(ii) SDR Terms

	(SDRs Million)		
	1989-90 (P)	1990-91 (P)	% increase
Exports	12,954	13,090	+1.0
Imports	16,572	17,373	+4.8
Balance of Trade	-3,618	-4,283	+18.4

(P . Provisional.)

(Conversion rates are Rs 21 368 per SDR during 1989-90 and Rs 24 849 per SDR during 1990-91)

Source DGC&S, Calcutta

(c) The increase in the import bill during 1990-91 was due to higher import of items like Petroleum and petroleum products, Edible oil, Pulses Pulp and waste paper, Project goods, Coal, Coke and briquettes, Metalliferous ores and metal scrap, Manufactures of metal, Paper board & manufactures, Crude rubber, etc.

(d) The steps taken by the Government to control imports during 1991-92 include far reaching changes in export-import policy linking all imports, barring essential imports like POL, Fertilizer, Edible oil, etc to exports, and abolition of supplementary licensing and residual OGL facility. In addition, the restrictions imposed by RBI on imports through enhanced cash margins and deposit requirement, and confining capital goods imports to available lines of credit would also compress imports. Moreover, the recent depreciation of the rupee *vis-a-vis* key currencies is also expected to reduce imports.

**SHRI SYED SHAHABUDDIN.**  
Mr. Speaker. Sir. I deliberated asked for the actual balance of trade in rupees/SDRs. I find that because of the floating exchange rate since 1970s, there has been a continuous downward adjustment. I would call it devaluation, but I do not wish to offend the Hon Finance Minister who is a good friend of mine. Every downward adjustment has helped the Minister of Commerce to claim a rise in exports. But, there has been no rise to that extent in real terms, in quantities and real earnings. Due to the downward adjustment of the rupee

value, he claims, for example, that there was an increase in exports in rupee terms, of 17.5 per cent. That to my mind is a statistical trick which has been played on the House. Therefore, my question is,—it is a very basic question—will the Hon. Minister of Commerce devise a system of presenting the relevant data on the export statistics in a manner so as to place the real picture before the nation and the House? Let him not give an fallacious picture so that we may know the reality perhaps in terms of quantities involved, in terms of unit earnings rather than just claim the credit for a 20 per cent increase or a 15 per cent increase, because of the downward devaluation of the rupee.

**SHRI P. CHIDAMBARAM:** I do not agree that the figures that have been given are fallacious. This is the practice which has been followed by successive Governments, that is giving the figures in Indian rupees, because the people of India understand these figures. I think the Hon. Members also like the figures in Indian rupees. But since I assumed Office in the last three weeks, on every occasion, I have taken pains to emphasise that I would like these figures to be given in hard currencies. Therefore, when I set the targets for this year—when I give the figures for this year—I will set the targets not only in Indian currencies, but also in hard currencies.

I agree with what the Hon. Member says that we should also know the figures in hard currencies; but to dismiss the figures in Indian currencies as fallacious, I am sorry, I cannot agree.

**SHRI SYED SHAHABUDDIN :** I said that you were misleading and giving a wrong picture to the country. (Interruptions)

Sir, my second supplementary is this : We speak of essential imports. Some examples are given like POL, Fertilizer, edible oil. Now, I would like to know as to what the hon. Minister considers to be non-essential imports and what is the contribution of these non-essential imports to the import figures that have been given to us, let us say, in rupee terms.

And arising out of that, another question arises that there was a report in the papers that we have committed funds available abroad, perhaps as a result of institutional and commercial lending which are tied down to specific projects, but we have not been able to utilise and so our imports have been held up, although the money has been available. I would like to know from the hon. Minister the reasons as to why this is so.

**SHRI P. CHIDAMBARAM :** What is the second part of your question ?

**SHRI SYED SHAHABUDDIN :** The second part of my question is this. We have been arguing that we are not in a position to pay our import bills and we make distinction between essential and non-essential imports. As far as the essential imports are concerned, there was a report that some institutional funds which have been committed in the past are available; we are not able to utilise them and in fact we have been paying an interest on that standing credit. Perhaps it was because they have been tied

down to a specific project or to capital goods supply from a specific country. I would like to know from the hon. Minister, the specific reason as to why that fund has not been utilised for imports.

**SHRI P. CHIDAMBARAM :** Sir, the second part of the question does not pertain to the Ministry of Commerce. I think, it should be addressed to the Finance Minister; he will be able to tell us whether there has been any credit which has been tied down or not tied down. As far as the first part of the question is concerned, there are non-essential imports taking place in this country.

**SHRI SYED SHAHABUDDIN :** I am happy that you have admitted that.

**SHRI P. CHIDAMBARAM :** Therefore, the previous Government did take a number of measures on import compression and that has resulted in import compression. This year we hope to achieve an import compression of about Rs. 3000 crores. In non-essential imports, there are two kinds and I will be very brief. One is that it can be a commodity which we do not require to import at all because there is a commodity in India which is competitive both in price and quality. That should not be imported.

Another kind of non-essential import is that if you are importing at a particular level and because of conspicuous consumption, the level goes up from 'X' to 'Y' the difference between 'X' and 'Y', according to me, is not essential. We must curb conspicuous consumption and bring down

the level of import of a commodity which is otherwise essential because the level of import is not essential.

*(Interruptions)*

**SHRI SYED SHAHABUDDIN:** What about luxury items? *(Interruptions)*

**SHRI NANI BHATTACHARYA:** In his reply, the Minister had said that confining the capital goods imports to available lines of credit would also compress imports.

May I request the Minister to answer about compressed imports in respect of other items which are supposed to be essential. I do not think that you are contemplating to compress the non-essential imports. Would you kindly say what is the result?

**SHRI NIRMAL KANTI CHATTERJEE:** During the last three months.

**SHRI NANI BHATTACHARYA:** During the last three months, what is the result?

**MR. SPEAKER:** Only one question please.

**SHRI NANI BHATTACHARYA:** And how much are the compressed imports due to price rise and foreign exchange also?

**SHRI P. CHIDAMBARAM:** Sir, as a result of import compression measures taken by the previous Government, actual user licensees in 1990-91 over the corresponding period 1989-90 reduced by 24 per cent, registered exporters reduced by 1 per cent and

other categories reduced by 11 per cent.

I do not believe that there has been any import compression in essential items. It is not our intention to do any import compression in essential items. The measure that we have taken for import compression this year, I believe, will lead to import compression of approximately Rs. 3,000 crore. I think, the Indian economy particularly in manufacturing sector, can live with compression of about Rs. 3,000 crore.

I think, Mr. Nirmal Kanti Chatterjee has prompted him about the last three months. The result is that in rupee terms, in April, total imports went down by 11.6 per cent, non-oil imports went down by 15 per cent.

In May, as compared to previous May, the total imports went up by only 1.2 per cent which means that there has been an effective import compression. Non-oil imports went down by 13.7 per cent. Import compression has taken place. *(Interruptions)*

#### **Development of Minor Ports**

\*104. **SHRI ARJUN CHARAN SETHI:** Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) the details of the minor ports in the various States proposed to be developed during the Eighth Five Year Plan period;

(b) the total amount proposed to be spent thereon, State-wise;