

Growth in Export

494. SHRI SUDHIR GIRI : Will the Minister of COMMERCE be pleased to state:

(a) whether there has been a dismal growth in the export during 1997-98 despite the fact that the volume of world exports grew by 9.5 percent during 1997;

(b) whether the Government are apprehending uncertainty over the impact of Asian financial crisis as 31.5 percent of India's exports and 24.1 percent of import depend on Asian region; and

(c) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) As per the DGCI&S's provisional figures exports grew by 2.64% in dollar terms and 7.45% in rupee terms during 1997-98. The world trade grew only by 3% in value terms during 1997, though in volume terms the growth rate was 9.5%.

(b) and (c) The South East Asian financial crisis has partially affected and is likely to affect India's competitiveness in those items which are of common export interest for South East Asia and India. These include agro products, textiles, iron & steel, gems and jewellery, plastic products, automotive parts, chemical, machinery and transport equipment.

Inflation Rate

495. SHRI K.H. MUNIYAPPA : Will the Minister of FINANCE be pleased to state:

(a) whether there is steep increase in the inflation rate in the recent times particularly during the month of May, 1998;

(b) if so, the reasons therefor;

(c) whether the Government have taken/propose to contemplate any concrete measures to check this increase; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) and (b) The annual inflation rate has increased by one percentage point from 5% to 6% in the month of May, due mainly to an unusually large seasonal rise in the price of vegetables, especially potato and onion, fruit, tea and to some extent edible oils. The prolonged wet spell in November-December 1997 caused decline in the output of vegetables and fruits. Output of sugar, oilseeds, pulses and coarse cereals was lower in Kharif 1997 compared to preceding kharif season. Hence there is some inflationary undercurrent in the prices of primary articles.

(c) and (d) The government keeps a constant watch on the price situation specially with regard to essential commodities such as rice, wheat, sugar, edible oils and pulses. Public Distribution System/Targeted Public Distribution System is the principal price stabilising system operated by the central and state governments. The government ensures the availability through movement of stocks so as to check sudden supply shortfalls. It also builds up public stocks and imports whenever stocks fall or are likely to fall below the minimum buffer stock norms. Private trade is free to import pulses, edible oils, sugar and also broken rice to supplement domestic availability.

Setting up of Hotel Institute at Shillong

496. SHRI P.R. KYNDIAH : Will the Minister of TOURISM be pleased to state :

(a) whether any proposal has been received by the Union Government from the Government of Meghalaya for setting up of an Institute for Hotel Management at Shillong;

(b) if so, the salient features of the project;

(c) whether the Union Government have initiated any action for the implementation of the project; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI OMAK APANG) : (a) Yes Sir.

(b) The proposed Institute will impart training in a three year diploma course in hotel management and catering technology.

(c) and (d) The Ministry of Tourism has already initiated action by preparing a feasibility report and consulting related Departments.

Restructuring of FSUs

497. DR. Y. S. RAJASEKARA REDDY : Will the Minister of INDUSTRY be pleased to state the measures the Government propose to adopt in Public Sector Undertakings for restructuring, disinvestment and reduce losses?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : National Agenda for Governance adopted by the Government has emphasised restructuring, rehabilitation and disinvestment in the PSUs. The specific measures for restructuring would vary from unit to unit and would be undertaken by the administrative Ministries concerned after considering all possible options. As far as disinvestment in PSUs is concerned this is done taking into consideration the recommendations of the Disinvestment Commission and subject to market conditions.