

this House should know that the Government in power from January-December went to the IMF twice and they took large amounts of money from the IMF. In spite of that, the things they have done weakened our credit-worthiness abroad. Now, it is our responsibility.

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Election

Countermanding of Elections due to certain Irregularities

*4. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) The number of Lok Sabha constituencies where elections were countermanded due to irregularities committed in the elections; and

(b) the steps proposed to be taken to prevent such occurrences in future?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI VIJAYA BHASKARA REDDY): (a) Five.

(b) Election Commission takes all possible steps to prevent electoral malpractices and irregularities. It is, however, for the concerned State Government to make arrangement for law and order and to ensure that incidents of booth capturing etc., do not take place. The Representation of the People (Amendment) Bill, 1990 introduced in Rajya Sabha in May, 1990 by the previous government seeks to make the offence of booth capturing a cognizable one and to enhance the punishment for the offence where such offence is committed by a person in the service of Government. The Bill also provides for strengthening of section 58A of the Representation of the People Act, 1951 so that Election Commission

could take a decision to countermand the poll on a Report from the Returning Officer or otherwise. However, in view of the incidents in the last General Elections, the Government, being committed to bringing in electoral reforms, feels that the matter requires further indepth study before any concrete steps are proposed.

[English] 32

Textile

Reduction in prices of Cotton Sarees and Dhotis

*5. SHRI GEORGE FERNANDES: Will the Minister of TEXTILES be pleased to state:

(a) Whether the Government have fixed any time limit for reducing the prices of cotton sarees and dhotis of 40s count or below to those obtaining in July 1990;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) to (c) In an economy like ours, the price levels are determined by a number of factors. The price level of any single commodity cannot be viewed in isolation. Government are constantly reviewing the price levels of sarees and dhotis of 40s counts and below. Government will take appropriate measures in this regard keeping in view the overall economic policies of the Government and also the critical economic situation the country is facing

Indian Econ
32 **Economic Situation**

*6. SHRI PAWAN KUMAR BANSAL:

SHRI V. SREENIVASA PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the Indian economy has suffered badly during the last one and a half years;

(b) if so, the reasons therefor;

(c) whether the Government propose to bring out a White Paper on the State of economy; and

(d) the steps being taken to remedy the situation?

THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE
(SHRI RAMESHWAR THAKUR):

(a) and (b) The trends of some important economic indicators during the last three years are given in the following table:

<i>Economic Indicators</i>	1988-89	1989-90	1990-91 (Provisional)
1. Growth of Gross Domestic Product at factor cost at 1980-81 prices (%)	10.4	5.2	5.0*
2. Growth of Agricultural Production (%)	21.0	1.7	4.5*
3. Growth of Industrial Production (%)	8.7	8.6	8.4
4. Growth of Exports (%)	29.1	36.8	17.5
5. Growth of Imports (%)	26.9	25.4	21.9
6. Rate of Inflation			
(a) WPI (1981-82=100)	5.7	9.1	12.1
(b) CPI (1982=100)	8.5	6.6	13.6
7. Gross Fiscal Deficit as per cent of GDP at Current market prices	7.8	8.0	8.4
8. Foreign Currency Reserve at end of the year (Rs. Crores)	6605	5787	4388

*Estimated.

Economic performance during 1990-91 has been characterised by considerable growth in agricultural output and industrial production. However, taking into account the growth of fiscal imbalances and the balance of payments deficit, the sustainability of growth was seriously in doubt. There was a sharp deterioration in terms of price inflation. The consumers faced a double digit inflation and the economy faced a serious balance of payments crisis. The situation was further aggravated by the Gulf crisis and the consequent constraints on the supply of petroleum products and infrastructural facilities.

(c) Economic Survey for 1990-91 will be presented to the Parliament on July 22, 1991.

(d) Steps being taken by the Government to correct the basic macro-economic imbalances include a strict fiscal and monetary discipline and certain other measures to modernize import growth, to promote exports and to protect foreign exchange reserves. In order to improve the international competitiveness of our exports and to restrain demand for imports and to check capital flight, the value of rupee was adjusted in relation to the major international currencies on July 1 and July 3, 1991. In a bid to curb imports and domestic demand, the RBI also raised the bank rate from 10 to 11 per cent alongwith increase in banks deposit and lending rates. The Government also announced major structural reforms in the area of trade policy on July 4, 1991 under which REP rates were increased, CCS was

suspended and supplementary and additional licenses were abolished. Some other policy measures including industrial policy reforms are expected to be announced during the current session of the Parliament.

Unemployment
Loans to Unemployed Youth

*7. DR. A. K. PATEL:

SHRI SHANKERSINH VAGHELA:

Will the Minister of FINANCE be pleased to state:

(a) The number of persons who were sanctioned loans by commercial banks under the Self-Employment to Educated Unemployed Youth Scheme during the last three years, year-wise;

(b) the rate of interest charged on such loans;

(c) the present financial limit upto which loans can be sanctioned for different sectors under this scheme and when this limit was fixed last;

(d) whether the Union Government have any proposal for upward revision of this limit; and

(e) if so, the details thereof and the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The commercial banks sanctioned loans to 1.20 lakhs, 1.92 lakhs and 1.08 lakhs beneficiaries during the years 1987-88, 1988-89 and 1989-90 under the scheme.

(b) The rates of interest with effect from September, 1991 will range from 10 per cent to 14 per cent per annum depending upon the size of the loans. Prior to that date, the rate was 10 per cent in backward areas and 12 per cent in other areas.

(c) The ceiling on loans for industrial ventures is Rs. 35,000/-, for service ventures Rs. 25,000/- and for

business ventures Rs. 15,000/-. These limits are in force from the year 1986-87.

(d) and (e) No change is contemplated at present.

36 Export of Jute Goods

*8. SHRI AMAR ROYPRADHAN:

SHRI CHITTA BASU:

Will the Minister of TEXTILES be pleased to state:

(a) whether the export earnings from jute goods have been on the decline since early eighties;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps proposed to be taken to step up the export of jute goods?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT): (a) and (b) Exports of jute goods declined from the level of Rs. 327.4 crore in 1980-81 to the level of Rs. 298.8 crore in 1990-91 due to a variety of reasons including, inter-alia, high cost of production due to low productivity of both machine and labour, lack of modernisation, increased usage of synthetic substitutes and competition from Bangladesh.

(c) Government have initiated several measures to promote modernisation and diversification of the jute industry with a view to increasing exports. These measures include setting up of a Jute Modernisation Fund, import of specified items of jute machinery on concessional rates of duty, waiver of excise duty on the manufacture of diversified jute products, marketing assistance for export of diversified jute products, introduction of export obligation on mills given DGS & D orders, implementation of Export Price Stabilisation Fund Scheme for securing global tenders for supply of jute bags, etc.