

1	2	3	4	5
20.	National Sericulture Project AP, WB, TN, Kamataka	Swiss Fran	40.000	17.120
21.	Road Infrastructure Dev. Tech. Asstt.	US Dollars	51.500	42.000
22.	Mixed Project	French Franc	125.000	125.000
23.	Family Welfare	US Dollars	87.102	61.320
24.	IInd Distt. Primary Education Proj.	US Dollars	403.820	379.220
25.	TB Contraol	US Dollars	136.105	131.140
26.	Social Marketing by PSS&PSI	Deutsche Mark	15.000	13.850
27.	Global Environ. Eco Development Proj.	US Dollars	20.000	18.060
28.	29302-IN District Poverty Initiatives	Japanese Yen	88.300	84.870
29.	India Eco Development Project	US Dollars	20.000	19.890
30.	Feasib. Study for solid waste treat.	French Franc	3.300	3.300

*Statewise allocation of Undrawn Balance for Multi-State Projects is not available.

[Translation]

Gauri Bazar/Cawnpore Sugar Mills

2589. SHRI HARI KEWAL PRASAD :
SHRI RAM NAGINA MISHRA :

Will the Minister of TEXTILES be pleased to state:

(a) Since when the Gauri Bazar Sugar Mill district Deoria, Uttar Pradesh and Mandora Sugar Mill of Bihar lying closed alongwith their present position;

(b) whether there is any proposal to revive these mills;

(c) if not, the reasons therefor;

(d) whether four sugar mills of Cawnpore Sugar Works Ltd. Uttar Pradesh are being operated under the Ministry of Textiles;

(e) if so, the expenditure incurred by the Government on these mills;

(f) whether the Government propose to close down the Padrona and Kathkuiya Sugar Mills also; and

(g) if so, the reasons therefor?

The MINISTER OF TEXTILES (SHRI KASHIRAM RANA) : (a) to (g) The Cawnpore Sugar Works Ltd. has 4 sugar mills at Gauri Bazar, Marhowrah, Padrauna and Kathkuiya. Out of these 4 sugar mills the Marhowrah Sugar Mills and the Gauri Bazar Sugar Mills have not been in operation for one and two crushing seasons respectively. The Cawnpore Sugar Works Ltd. is not a Public Sector Undertaking and the Government does not provide any budgetary support to the company. The Cawnpore Sugar

Works Ltd. is a sick industrial company whose rehabilitation is under consideration of the BIFR.

[English]

Trade Deficit

2590. SHRI GORDHANBHAI JADAVBHAI JAVIYA
Will the Minister of FINANCE be pleased to state:

(a) the impact of depreciation of the Indian Rupee on the exportable and importable items;

(b) the details of trade deficit at the end of 1997 as compared to the last three years;

(c) the increase registered in the trade deficit during April and May, 1998 due to decline in the value of Indian currency;

(d) the details of its likely impact on Indian economy;

(e) whether the exporters are discouraged due to rise in the value of foreign exchange as a result of which the export of the country has declined;

(f) if so, whether the Government have formulated any short term/long strategy to bridge the trade deficit in 1998; and

(g) if so, the details thereof and if not, the other steps proposed to be taken by the Government in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The impact of exchange rate movements on exports and imports depends upon the real effective exchange rate. The depreciation of the rupee in the later part of 1997-98, corrected for the appreciation of the rupee, that had occurred in real effective exchange rate terms.

during 1996-97. These movements during later part of 1997-98 therefore partially offset the adverse impact of appreciation during 1996-97 on our exports and imports.

(b) and (c) As per the DGCI&S data, the trade deficit in 1997-98 was US \$ 6799 million (provisional) as compared to US \$ 2324 million, US \$ 4881 million and US \$ 5663 million in 1994-95, 1995-96 and 1996-97 respectively. The trade deficit during April, 1998, upto which data is available, was US \$ 877 million as against US \$ 510 million in April, 1997.

(d) and (e) A rise/appreciation hurts exporters as it makes exports less competitive relative to other countries exports.

(f) and (g) The key to reducing trade deficit lies in accelerated export growth. Export promotion measures are continuously taken by the Government through policy initiatives and promotional schemes. Export promotion is a continuous process based on interaction with industry, trade and export promotion organisations.

Andhra Pradesh Tobacco Growers

2591. SHRI A. VENKATESH NAIK : Will the Minister of COMMERCE be pleased to state:

(a) whether the farmers' delegation from Andhra Pradesh has urged the Union Government for direct access to foreign tobacco buyers; and

(b) if so, the reaction of the Government thereto?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) Yes, Sir. Some representatives of growers have suggested permitting international merchants to participate in the auctions conducted by the Tobacco Board to create competition for tobacco produce and to augment the exports.

(b) Under the new Industrial Policy trading companies involved in exports are permitted foreign equity subject to dividend balancing. So far no new international tobacco trading company has approached the Tobacco Board to permit participation in purchases at the Tobacco Board's auction platforms.

[Translation]

Promotion of Export

2592. SHRI DADA BABURAO PARANJPE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government had invited suggestions from the industrial world to formulate a policy on the measures to promote exports and other matter related to W.T.O.; and

(b) if so, the details of suggestions given by the different organisations of the industrial world?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) and (b) The Ministry of Commerce has been holding periodical meetings with industry associations academic institutions professional institutes and experts in the field, on various WTO related issues. Consultation Groups have also been constituted involving representatives of various Ministries, industry associations and experts. Six WTO Awareness Seminars will be held jointly with industry associations in Delhi, Mumbai, Calcutta, Chennai, Bangalore and Ahmedabad during the current year. Industry associations and professional institutes are consulted on major issues under negotiation, from time to time, and their inputs are conveyed to the negotiating team at Geneva for use during negotiations.

[English]

Drug Smuggling

2593. SHRI RANJIB BISWAL :
SHRI P. UPENDRA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that the smugglers and drug traffickers using India as a transit point to the United States and European countries for smuggling of illicit drugs;

(b) if so, whether the attention of the Government has also been drawn towards the news item captioned "India, now a transit point for drug smugglers" appearing in the Hindu (Delhi Edition) dated May 11, 1998;

(c) if so, the matter of the facts reported therein; and

(d) the details of the steps taken by the Government to stop the smuggling of drugs and also to stop using India as a transit point?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCE AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) to (d) Yes, Sir. Drugs in small quantities continue to be smuggled into India.

India's borders with her neighbouring countries are vulnerable to narcotics drugs, smuggling/trafficking. However, a strict vigil is maintained by the Government to keep a tab on the activities of the drug smugglers. Enforcement agencies are being strengthened. Major part of the Indo-Pak border has been fenced.