

Pradesh is a very backward state and its own resources are meagre. It is also very backward in the area of health and industry. I would like to ask the Hon'ble Minister how much amount was given to Uttar Pradesh under Advance Funds for Externally Aided Projects?

[English]

How many Projects are pending.

[Translation]

By when their balance money will be given so that there is no cost over run in these projects and these projects whether they are in the field of power or any other field, could be started at the earliest?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, according to the information available with me, Rs. 1.20 crore and 35 lakh was made available to Uttar Pradesh in the beginning of this year as advance additional central assistance. As far as the question of the schemes of Uttar Pradesh is concerned, I would like to say that in Uttar Pradesh also like other states, amount is being made available by various countries and multinational institutions for approved schemes. I am having the long list with me. With the progress in the implementation of the schemes we provide funds to Uttar Pradesh. There is no difficulty in this regard.

[English]

SHRI P.C. THOMAS : Sir, it is a fact that the Central Assistance as well as the Advance ACA which has been mentioned, reach the State Governments very late. We are told that there are several schemes for which ACA and Advance ACA are expected from the Central Government by the State of Kerala. We also are told that there has been a long delay and because of the delay, many of the schemes are pending.

MR. SPEAKER : Shri Thomas, please ask your pointed question. We are already running short of time.

SHRI P.C. THOMAS : This is my pointed question, Sir.

There is one major irrigation project called Muvattupuzha Valley Irrigation Project. Work on this project is long pending because the Central Assistance and the Advance Assistance have not reached in time. Will the Minister be pleased to highlight these issues and also address these issues, so that the Kerala State and the people of Kerala will not be deprived of the Central Assistance in time?

SHRI YASHWANT SINHA : I am afraid, the impression that the hon. Member has is unfortunately not correct. This year we have released 15 per cent of the total amount as Advance Additional Central Assistance. This amount was released on 13th of May 1998. So, there has been absolutely no delay on our part in the release of this Central Assistance.

The other point which I would like to make is, the hon. Member would recall that when I had made my interim Budget speech in this House, I had said that I was making available an amount of Rs. 1000 crore by way of additional Central Assistance only in order to settle the outstanding bills of the State Governments. I would like to inform the hon. Member that compared to the arrears of previous years - in 1996-97 the arrear was Rs. 1105 crore, in 1997-98 the arrear was Rs. 1204 crore - fortunately in 1998-99, in the current year, the arrear is only Rs. 315 crore. It is as a result of the action that this Government took immediately after coming into office by making a special provision that the States' bills could be settled and the amount of the pending bills could be brought down to this level. This is unprecedented in the last few years. I would like to say that as far as Kerala is concerned, the amount of money which has been released this year by way of Advance Additional Central Assistance on the 13th of May is Rs. 22.45 crore. So, in the light of this, I do not think there is any special problem. If Kerala has any special problem in regard to any other project or any specific project, I will invite the Member to come and discuss it with me.

[Translation]

SHRI ANANT GANGARAM GEETE : Mr. Speaker, Sir, the Finance Minister in his reply has stated that during 1998-99 amount of Rs. 750 crore has been released in the form of advance additional central assistance to 18 states including Rajasthan and Karnataka. I would like to know from Hon'ble Minister through you whether Maharashtra is also included in this and if so, how much amount has been given to Maharashtra?

SHRI YASHWANT SINHA : Maharashtra was also included in these 18 states and an amount of Rs. 104 crore and 76 lakh has been given to it.

[English]

#### Export Performance

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\*143. SHRI VILAS MUTTEMWAR :

SHRI R. SAMBASIVA RAO :

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have taken any fresh initiatives and worked out new strategies to boost the export performance;

(b) if so, the details thereof;

(c) the export performance during 1997-98 in terms of target fixed with reasons for sluggish growth; and

(d) the details of revised target fixed for the current year with item-wise break-up?

THE MINISTER OF COMMERCE (SHRI RAMKRISHNA HEGDE) : (a) to (d) A Statement is laid on the table of the House.

#### Statement

(a) and (b) Monitoring and Review of Trade policy is a continuous process. This Government has initiated a number of policy initiatives to boost export performance during 1998-99. The external trade sector of India has been further liberalised with the changes introduced in the New Exim Policy. The existing export incentive schemes have been strengthened while an effort is being made to evolve new strategies for accelerated growth of exports. Procedures are simplified and sector specific issues are being addressed vigorously to deal with sectoral constraints. The threshold limit under the export promotion goods scheme has been reduced to Rs. 1 crore on the request of the small scale sector. The setting up of private bonded warehouses have been allowed to facilitate supply of imported raw materials to exporters, especially the small scale units, and bulk imports from India by large overseas buyers like departmental stores abroad. Through these efforts, the Government is trying to move towards a system based on mutual trust.

The Ministry of Commerce prepared a Medium Term Strategy covering sectoral and regional aspects for achieving the targeted export level of US \$ 90 billion by the year 2002 and to achieve 1% share in world exports. The sectoral strategy discusses sector specific issues and suggests measures to improve trade in these sectors. The regional strategy suggests a special focus on the emerging markets in Africa, Latin America and CIS countries.

(c) As against a target growth rate of 18% fixed for 1997-98, the growth rate achieved was 2.64% in US \$ terms. The factors contributing to the sluggish

growth of exports at the macro level include—slow growth in world trade (the world trade grew by 3% in value terms in 1997); the South East Asian currency crisis which affected India's exports to this region as well as the competitiveness in items of common interest; high cost of export credit; supply constraint faced on account of slow industrial growth and infrastructural inadequacies.

Sectorally, factors affecting the growth performance of the commodity groups with high weightage in India's export basket include - slow growth of demand in the importing countries for the gems and jewellery sector, short term ban imposed by EU on the marine product sector, closure of tanneries in Tamil Nadu and West Bengal on account of stringent pollution control measures for the leather sector, trade barriers in the form of anti-dumping duties and plant inspection for the chemical and allied products, demand recession in the importing countries faced by the textile sector and supply constraints faced in respect of agro products.

(d) The revised target fixed for the current year is 20% above the previous year's performance. Export in value terms of US \$ 41 billion is being targeted. The itemwise break up is being finalised in consultation with Trade Promotion Organisations and the Trading Community.

[Translation]

SHRI VILAS MUTTEMWAR : Mr. Speaker, Sir, the reply of Hon'ble Minister is a routine one. Since Shri Hegde is our Commerce Minister, it was expected that he should have given a good and clear reply. I am saying this because keeping in view the discussion which is going on about our relations with other countries due to recent nuclear explosion and the hindrance which will occur in future in our export promotion, he has not mentioned these things in his reply. As far as the question of export is concerned, if it increases, it is a symbol of our self-dependence. Our export should always be more than our imports. I would like to ask Hon'ble Minister as to why he has not mentioned anywhere the problems which have arisen due to this nuclear explosion. Will this nuclear explosion not affect our trade policy and export promotion?

SHRI RAMKRISHNA HEGDE : The reply to Hon'ble Member's Question is this. He has not mentioned anything about nuclear device explosion in his question. No question was asked about its impact, therefore, I replied to the question which was asked. The

question which he has asked just now, I would like to give its reply in this way. After nuclear explosion, some countries have threatened that they will impose economic sanctions but till now no country including America has imposed economic sanctions against our country. USA had tried its best, it even influenced England and other countries so that they could support them in imposing economic sanction but no country has agreed. Therefore, we should not worry about that, but even then if any sanction is imposed, we are ready to face it.

[English]

MR. SPEAKER : Please ask your supplementary question.

[Translation]

SHRI VILAS MUTTEMWAR : Mr. Speaker, Sir, my second question is that our Ministry aims at achieving the targetted export level of \$ 90 billion by the year 2002 and to achieve 1% share in world export, but keeping in view our performance, how can we achieve this target? Moreover, no provision of any sound policy is mentioned in this reply. Previous year, the export target was 20% but we could achieve only its 2.6%. It seems to me that there is lack of necessary atmosphere which is required for export promotion. I am saying this because in the recent budget presented by the Finance Minister, excise duty was imposed on many such items, as a result of which cost of raw material, will increase. Due to increase in the cost of raw material the goods which are exported, in international market....(Interruptions) I would like to ask Hon'ble Minister whether he has paid his attention towards this point? My second question is that World Trade Organisation has refused to accept our products due to our social conditions like child labour, by taking the issue of those people who are engaged in leather industry and that this industry causes pollution and similar other interference by WTO, that there is no international secretarial assistance to face them... (Interruptions) Mr. Speaker, Sir, that is what I am asking. We have not been given any secretarial assistance by the Commerce Ministry. We do not have any lawyer at international level. I would like to ask the Hon'ble Minister as to what is his opinion in this direction and whether his Ministry in association with Finance Ministry is trying to create such an atmosphere?

SHRI RAMKRISHNA HEGDE : It is true that during last two years, the growth of our export had declined drastically. As compared to our target, our performance has been very low. There are many rea-

sons for this. If the Hon'ble Member wants to know in detail, I will explain it to him or could also table the details. Hon'ble Member has raised the issue of creating proper atmosphere. The atmosphere is not created by itself. We have tried to take all those concrete steps which should have been taken by Government. I had given one statement while announcing new Exim Policy and if you study that statement, then you will come to know about the steps we have taken to create atmosphere. As the Hon'ble Member has mentioned that some or the other excuse is made or false pretexts as the issue of child labour and environment pollution is raised. I want to tell that in whichever case such objections have been raised, we have countered it. There is one process in this regard and one dispute panel is there where we have raised this issue. It is not true that we do not have any lawyer there. We had sent one well-known lawyer there and he is again going there. I would like to assure the Hon'ble Member that this time we will certainly achieve success in increasing our export by 20%.

[English]

SHRI V. DHANANJAYA KUMAR : Sir, as the hon. Minister has been explaining a little while ago, there are a number of reasons for the failure in achieving the target of eighteen per cent for the year 1997-98. In spite of the failure, this year the Government has fixed a target of twenty per cent for exports.

I would like to know from the hon. Minister whether the Government is contemplating any long-term export policy so that this target can be achieved. I would also like to know from the hon. Minister whether efforts have been made to identify the product-specifics. It is because one of the reasons mentioned for not achieving the target in so far as agro-products are concerned, is the supply constraint; and so far as marine products are concerned the reason mentioned is the short-term ban imposed by the EU Community.

I would like to know from the hon. Minister what are the measures the Government is contemplating to overcome these constraints. Are the Government thinking of taking proper steps to develop new export promotion zones? I would like to know from the hon. Minister whether there is any thinking in the Government to develop the New Mangalore Port as a free port.

MR. SPEAKER : Shri Dhananjaya Kumar, the Question relates to export performance. Please come to the point.

SHRI V. DHANANJAYA KUMAR : I am asking this because this would enable the Government to achieve the export targets. So, I would like to know whether there is a proposal to develop this Mangalore Port as a free port.

SHRI RAMKRISHNA HEGDE : Sir, the hon. Member has put too many supplementaries in one supplementary.

It is true that in spite of the poor performance last year, the target which we fixed for the current year seems to be highly ambitious. I think it should be possible for us to achieve this target because of certain actions that we have taken in regard to promotion of exports.

Secondly, the hon. Member asked about free port. Developing a free port is a very difficult proposition. We have no port which is actually a free port. It requires a huge area. Whatever ports are there today, even though they are developed in other respects, they cannot be called as free ports because the approach to those ports is through cities and towns.

Thirdly, so far as the question of development of Mangalore Port is concerned, the matter comes under different Ministries.

SHRI PRITHVIRAJ D. CHAVAN : Mr. Speaker, Sir in answer to the first supplementary of the hon. Member, the hon. Minister of Commerce said that there are no economic sanctions as a result of Pokhran blasts. I think, it is a very bold statement. I wonder if it is an official stand of the Government that there are no economic sanctions. The Finance Minister is sitting here; perhaps he would like to clarify. I presume that the Commerce Minister perhaps meant there are no trade sanctions. But to say that there are no economic sanctions would be a very bold statement. Perhaps, it should be clarified.

My Question relates to one of the reasons given for low export growth, that is, the imposition of anti-dumping duties on our exports. Particularly, the EU has been very aggressive in slapping anti-dumping duties on Indian exports; and efforts at fighting these cases in the International courts are definitely lacking on our part. The entire Anti-Dumping Secretariat in the Government of India consists of two or three junior officers while the EU has a staff of about 200 international lawyers who are fighting these cases. We have engage foreign lawyers to fight these cases.

I would like to ask the hon. Commerce Minister whether there is a plan to set up a separate Directo-

rate or a large office or a large Secretariat for fighting anti-dumping cases both ways—the anti-dumping duties which are imposed on Indian exports and the dumping that is going on here.

SHRI RAMKRISHNA HEGDE : I would like to inform the hon. Member that our defence against anti-dumping duties imposed by other countries, particularly the European Union has not been very weak. Otherwise, we would not have won the case regarding a ban imposed by the European Union on the exports of Indian fish and fish products to Europe. We have fought the case.

SHRI PRITHVIRAJ D. CHAVAN : What about the nylon rope case? We have lost that case.

SHRI RAMKRISHNA HEGDE : One after the other, it will come. We have won the case. I am very happy to announce here that we have won that case and today our exports of marine products have started again.

We have established an Anti-Dumping Directorate in the Commerce Ministry. It has a Director-General and it has full staff. We do not lack competent lawyers. Indian lawyers are as competent, if not more, as European lawyers or English lawyers. Therefore, I do not think that there is any need to engage foreign lawyers. Our lawyers are quite capable; we have recently won that case and I think, we are going to win other cases also ...*(Interruptions)*

SHRI P.M. SAYEED : The hon. Member has asked a question about the economic sanctions which he has not answered. It is a very important question...*(Interruptions)*

SHRI PRITHVIRAJ D. CHAVAN : Sir, I want to know about the economic sanctions....*(Interruptions)*

SHRI RAMKRISHNA HEGDE : Actually, I referred to economic sanctions and I also had to refer to trade sanctions. They have started to impose and enforce economic sanctions. I do not think that economic sanctions will be there for a long time....*(Interruptions)*

*[Translation]*

SHRI RAJVEER SINGH : Mr. Speaker, Sir, Hon'ble Minister is worried that export should increase, but in Uttar Pradesh facilities for export are not sufficient. Brassware is exported from Moradabad, Sarees from Banaras and carpets are exported from Bhadohi. I would like to tell the Hon'ble Minister that Bareilly is famous for world renowned embroidery work, Karchobhi and Zardozi and goods worth crores of rupees are exported from that place, but there is no export House

to export goods from there. Due to this reason, people of Bareilly are not directly benefited. I would like to know from the Hon'ble Minister whether on the lines of Moradabad, an Export House will be set up in Bareilly for Karchobhi and Zardozi so that craftmen could be directly benefited, more export could be made and India could earn foreign exchange?

SHRI RAMKRISHNA HEGDE : I will consider the suggestion given by the Hon'ble Member.

#### Coal Reserves

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\*144. SHRI VIJAY GOEL :

SHRI MOHAN SINGH :

Will the Minister of COAL be pleased to state:

(a) the quantum of coal reserves in the country at present and the time upto which it is sufficient to meet the domestic requirement;

(b) whether the coal reserves have decreased due to fire in some coal mines including Jharia area during the last two years;

(c) if so, the details thereof; and

(d) the names of coal mines where coal mining is not being undertaken at present?

[English]

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI DILIP RAY) : (a) to (d) A Statement is laid on the table of the House.

#### Statement

(a) Coal reserves in the country as assessed by the Geological Survey of India (GSI) (down to a depth of 1200m), as on 01.1.1998 are 206,239.50 million tonnes. Though exploration of coal is an on-going exercise for finding new deposits, the coal reserves established till date are likely to last over 100 years even at an enhanced rate of production.

(b) and (c) Yes, Sir. Due to fires, which predominantly occur in Jharia Coalfields and to some extent in Raniganj Coalfields, the estimated quantity of about 42 m.t. of coal reserves have been lost due to fires in these two coalfields.

(d) Since nationalisation of coal mines, coal mining operation was suspended in 139 mines of Coal India Limited and 5 mines in Singareni Collieries Company Limited. The names of the mines where mining operations have been suspended are given in the Annexure.

#### Annexure

*Names of the mines in Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) where mining operations have been suspended.*

#### EASTERN COALFIELDS LIMITED

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|----------------------|---------------------------|-------------------------|
| 1. Sanctoria         | 12. Gogla/Adjoy Bank      | 23. Purusottampur OC    |
| 2. East Jamehari     | 13. Manderboni 1, 2 & 4   | 24. Nimcha OC           |
| 3. Ratibati 5 & 6    | 14. Deoli                 | 25. Sheebpur OC         |
| 4. KLS Chalbalpur    | 15. B. Dhemu/Ramjibanpur  | 26. Mahabir OC          |
| 5. Chalbalpur Khas   | 16. Banksimulia 7 & 8     | 27. New/Central Satgram |
| 6. New Jamehari Khas | 17. Brights Rana          | 28. Alkusha Gopalpur OC |
| 7. Pure Searsole     | 18. Madhusudanpur 1 & 2   | 29. Benalee             |
| 8. Damoda            | 19. Central Jamuria       | 30. Kenda/Dobrana OC    |
| 9. Seetalidas        | 20. Nabakajora/Ghanasya M | 31. Darula              |
| 10. Belruidisergarh  | 21. Jote Janki            | 32. Krishanagar         |
| 11. North Brock      | 22. Ratibati OC           |                         |