

COMMITTEE ON ABSENCE OF
MEMBERS FROM THE SITTINGS
OF THE HOUSE

SECOND REPORT

SHRI P.V.G. RAJU (Bobbili): I beg to present the Second Report of the Committee on Absence of Members from the Sittings of the House.

ANNOUNCEMENT RE: PRIME
MINISTER'S STATEMENT ON THE
VISIT OF MR. L. I. BREZHNEV

MR. SPEAKER: I have to inform the House that the Prime Minister will make a statement in the House today at 2.45 p.m. regarding the visit to India of Mr. L. I. Brezhnev, General Secretary of the Central Committee of the CPSU & Chairman of the Presidium of the Supreme Soviet of the USSR, from December 8 to 11, 1980.

DR. SUBRAMANIAM SWAMY: (Bombay North East) You should allow a discussion on it, Sir.

MR. SPEAKER: Calling Attention.

12.20 hrs.

CALLING ATTENTION TO MATTER
OF URGENT PUBLIC IMPORTANCE

INDIA'S TRADE DEFICIT DURING 1980-81

SHRI G. M. BANATWALLA: (Ponnani): Sir, I call the attention of the Minister of Commerce to the following matter of urgent public importance and I request that he may make a statement thereon:—

“Report that India's trade deficit may exceed Rs. 4,000 crores during the financial year 1980-81.”

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): Hon. Speaker, India's trade deficit has shown a worsening trend since 1977-78, as may be seen from the following table:—

| | (Rs. in Crores) | | | |
|----------------------------|-----------------|-------------------|-------------------|-------------------|
| | 1976-77 | 1977-78 | 1978-79 | 1979-80 |
| Exports | 5142.25 | 5404.26 (5.1) | 5726.26 (6.0) | 6426.86 (12.2) |
| Imports | 5073.79 | 6025.29 (18.7) | 6814.30 (13.1) | 8683.55 (27.4) |
| Balance of trade | +63.46 | -621.03 | -1088.04 | -2256.69 |

Note: Figures in brackets indicate percentage increase over the preceding year.

In 1979-80, while exports increased by 12.2 per cent, imports recorded an increase of 27.4 per cent, leading to a trade deficit of Rs. 2256.7 crores. During the first quarter of 1980-81, for which latest provisional data are available, exports are estimated to have recorded an increase of about 7 per cent whereas imports during the quarter were higher by about 63 per cent over the corresponding period last year.

The growth of exports in the first quarter of 1980-81 was slow because of the impact of drought and poor economic performance of the economy in 1979-80, when there was a decline in agricultural production, industrial production and GNP by 10 per cent, 1.5 per cent and 3 per cent respectively. Prospectus for

the latter period of 1980-81 are considered better in view of improvements in agricultural and industrial production supply of power and other infrastructure requirements of the economy combined with various measures taken by the Government to remove domestic constraints on export production and other export promotion measures. The export target for 1980-81 amounting to Rs. 7100 crores is expected to be achieved and, if possible even exceeded. This will not be a mean achievement when seen in the background of slow down in the tempo of world trade, economic recession and growth of protectionist tendencies abroad. Our optimism is based on the fact that many of the important sections have started