

Trade Policy Reforms

1655. DR. SHRIKANT RAMACHANDRA JICHKAR :

SHRI V. RAJESHWAR RAO :

Will the PRIME MINISTER be pleased to state :

(a) the number of proposals pertaining to trade policy reforms which are pending before the Cabinet Committee on Economic Affairs;

(b) whether the New Trade Policy has been slow in implementation for want of clearance for such proposals; and

(c) by when these proposals are likely to be cleared ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) At present, no such proposal is pending.

(b) and (c) Do not arise.

Report of Trade Development Authority about TTCI

1656 DR. SHRIKANT RAMACHANDRA JICHKAR :

SHRI V. RAJESHWAR RAO :

Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that Trade Development Authority in its report about the Tea Trading Corporation of India (TTCI) had suggested for opening of joint venture company abroad;

(b) whether it is a fact that such joint venture company set up by the TTCI had gone into losses; and

(c) whether any responsibility has been fixed on some persons for these avoidable losses

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) In order to expand activities of Tea Trading Corporation of India in the South East Asian region, the erstwhile Trade Development Authority, during 1978-79, prepared a feasibility report for establishing a joint venture project in Singapore.

(b) Yes, Sir.

(c) Responsibility in the matter was fixed on the then Chief Executive of the Tea Trading Corporation of India Ltd., who has since resigned.

Trade with Neighbouring Countries

1657. DR. SHRIKANT RAMACHANDRA JICHKAR :
SHRI V. RAJESHWAR RAO :

Will the PRIME MINISTER be pleased to state :

(a) the quantum of import and export with Nepal, Bhutan, Bangladesh, Sri Lanka and Pakistan during the last three years;

(b) what steps are being taken to augment the border trade with these countries; and

(c) the exchange rate of the rupee with the currencies of these countries during the said three years ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) The quantum of import and export with Nepal, Bhutan, Bangladesh, Sri Lanka and Pakistan during the last three years is given below :

(Value in Rs. Crore)

Countries	1989-90		1990-91		1991-92	
	Export	Import	Export	Import	Export	Import
Nepal	83.32	0.56	86.62	81.49	196.55	70.11
Bhutan	—	—	3.91	1.45	2.96	1.16
Bangladesh	458.04	24.30	547.44	31.29	809.44	14.16
Sri Lanka	97.38	23.40	234.90	36.72	429.08	28.06
Pakistan	51.39	53.79	73.60	84.49	98.61	149.98
Total	690.13	102.05	946.47	235.44	1536.64	263.47

(b) There are no formal arrangement for conducting border trade between India and any of these countries. However, all possible steps are taken to promote bilateral trade between India and these countries through exchange of delegations -at official/business levels, participation in trade fairs and operating bilateral trade Agreement/Treaties, except in the case of Pakistan, to facilitate smooth flow of

goods between India- and these countries. It is as a result of trade promotion measures that bilateral trade with these countries has been on the increase during the last three years.

(c) The exchange rate of rupee with the currencies of these countries as on the last day of the years 1989 to 1991 and on 2nd, December, 1992 are as under :

(Indian Rs. 100 equal to)

Effective Date	Bangladesh (Taka) (*)	Pakistan (Pakistani Rupee) (*)	Sri Lanka (Sri Lankan Rupee) (*)	Nepal (Nepalese Rupee) (**)	Bhutan (Ngultrum) (**)
31-12-89	189.4325	126.0525	234.8075	167.56	100
31-12-90	198.03	121.3650	222.65	167.79	100
31-12-91	148.3325	95.2825	163.52	163.827	100
02-12-92	150.6375	99.0125	172.185	154.178	100

(*) These are Asian Clearing Union (ACU) countries. The rate quoted is middle of the buying and selling rates of RBI.

(**) Since they are not member of ACU, RBI are not quoting any rates. However, the rates arrived at by RBI through the rates of these currencies against the dollar are furnished above.

Fall in Export to erstwhile U.S.S.R.

1658. DR. YELAMANCHILI SHIVAJI : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that our exports to erstwhile U.S.S.R, are getting down; and

(b) if so, the reasons therefor and steps taken in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) Yes, Sir.

(b) The principal, reasons for the decline are (i) ongoing political and economic changes taking place in the erstwhile USSR/CIS (ii) the shortage of hard currency available with them for imports in general and including from India, (iii) the declining production across various sectors of the economy resulting in shortfalls in their exports including to India and the consequent non-generation of resources for exports of protocol items from India to Russia.

The steps taken to boost our exports to the countries of the erstwhile USSR include :—

- (i) Separate trade agreements and protocols have been signed with the majority of the republics of the erstwhile Soviet Union.
- (ii) Greater marketing thrust in the changed economic environment including more effective participation in Trade Fairs Exhibitions, Buyerseller Meets, etc.
- (iii) Promotion of direct contracts at the commercial enterprises level.
- (iv) Greater emphasis on new forms of cooperation, such as joint ventures.
- (v) A liberal counter-trade mechanism has been put into place by the Ministry of Commerce enabling importers/exporters to buy several essential commodities including fertilisers, non-ferrous metals, steel items, metal scrap and newsprint through the counter trade regime.