

Export Marketing of Non-traditional Items

1258. SHRI ASHWANI KUMAR: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are examining policy recommendations made by a researcher at Department of Commerce, Delhi School of Economics in a doctoral thesis on "Export Marketing of Non-traditional Items" which were made available to the Ministry of Commerce by the Indian Council of Social Science Research vide their letter No. F. 6/6/78-IC, dated 7th April, 1980; and

(b) whether the policy recommendations relating to export promotion of non-traditional items contained in this study have been referred to Export Promotion Councils and other concerned bodies for the views of the trade industry?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). Indian Council of Social Science Research is being advised to send their recommendations of the thesis to the concerned Export Promotion Councils/Commodity Boards, etc. for their study and suggestions to the Government.

Amendment of Income Tax Act

1259. SHRI PYARELAL KHANDELWAL:
SHRI ASHWANI KUMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news item captioned "Export Promotion: Amendment of Section 35-B of Income Tax Act published in the 'Economics Times' dated July 21, 1980 regarding misuse of the provisions of Export Market Development Allowance by companies; and

(b) if so, whether Government have considered the suggestion emerging from the Delhi School of Economic

Study quoted in this news article for the purpose of designing the provisions of Section 35-B of the Income Tax Act?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) Yes, Sir.

(b) It has not considered necessary to make any modification in the amendment proposed by the Finance (No. 2) Bill, 1980, to Section 35B of the Income-tax Act, 1961.

Details Regarding India's Balance of Payments

1260. SHRI PYARELAL KHANDELWAL: Will the Minister of FINANCE be pleased to refer to table 6.4 "India's Balance of Payments" given in the Economic Survey, 1979-80 and state:

(a) the details of the items regarding the receipts and payments under the headings (i) Foreign travels (ii) Transportation (iii) Insurance (iv) Investment Income (v) Government not included elsewhere (vi) Miscellaneous (vii) Transfer payments official (viii) Transfer payments private.

(b) the components of receipts and payments pertaining to the headings mentioned above during the years 1975-76, 1976-77 and 1977-78; and

(c) the comparable figures for developed countries like U.K., USA, West Germany etc. to the extent available during the last three years.

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) and (b). The details and components of items covered under the major headings of invisible transactions referred to in the question, are given in the supplement to the Reserve Bank of India Bulletin for the month of October, 1978 (pages 48 to 50).

(c) The details of receipts and payments under the major heads of in-

visible transactions in respect of UK, USA and West Germany etc. for the Calendar Years 1976 to 1978 are available in the 'Balance of Payments Year Book' (Volume 30, Number 12, December, 1979) which is a standard source of international statistics on Balance of Payments published by the International Monetary Fund. These are given in the attached statement. [See Appendix CXV. annexure No. 118] For further details in this regard, reference may be made to the above document of the International Monetary Fund.

Details of India's Balance of Payment

1261. SHRI PYARELAL, KHANDELWAL: Will the Minister of FINANCE be pleased to refer to the table 6.5 "India's Balance of Payments" selected item of capital Account on page 127 of Economic Survey 1979-80 and state:

(a) the details of individual items regarding receipts and payments under the entries relating to (1) private (Non-banking)—long-term, short-term (2) Banking (excluding R.B.I.) (3) Government Miscellaneous;

(b) the standard procedure/convention followed by Government in respect to individual items of receipts and payments in maintaining its balance of payments account; and

(c) the reasons for which the figures given in tables 6.4 and 6.5 in the Economic Survey from 1973-74, 1977-78 continue to be 'preliminary' and the figures with respect to 1978-79 are still not available?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) The details of individual items covered under the major heads of capital account in the Balance of Payments are as follows:—

1. Private (Non-Banking) Capital

The private long-term capital in table 6.5 both on receipts and payments side reflects capital transactions of entities other than govern-

ment and government undertakings and covers items relating to:

(i) Investment in shares of companies, (ii) repatriation of shares and other investments, (iii) Loans with original maturities of over one year and their amortization, (iv) Remittances in respect of accumulated profits, and (v) Residual capital transactions.

The short-term private capital in the Balance of Payments comprises receipts and payments of loans with an original maturity of one year or less and movements of funds by tea companies.

2. Banking Capital (excluding R. B. I.)

This item relates to movements in the authorised dealers' assets and liabilities *vis-a-vis* their correspondents/agents abroad and to movements in the non-resident government and semi-government balances with authorised dealers in India.

3. Government—Miscellaneous Capital

The transactions under this head relate to (i) Changes in the Reserve Bank's liabilities to foreign official and semi-official institutions including the rupee balances maintained by the East European countries under various payments agreements and extension towards repayment of technical credits by these countries, (ii) Reserve Bank's rupee liabilities to international institutions, and (iii) Receipts and payments on external loans extended by Government of India to other Governments.

(b) The Balance of Payments for India are compiled by the Reserve Bank in conformity with the guidelines framed by the International Monetary Fund in this regard and embodied in the Fund's Balance of Payments Manual.

(c) The figures for the years 1973-74—1977-78 are preliminary as