

Trade Deficit with U.K.

4606. SHRI P. M. SAYEED: Will the Minister of COMMERCE be pleased to state:

(a) whether the British Trade Minister visited India during January 1983 in connection with Indo-British Trade deficit;

(b) if so, whether balance of trade was in favour of India upto 1977 and has since been titled heavily in favour of Britain;

(c) whether according to the estimates, India will log this year a deficit of about \$400 million in the first nine months of this year;

(d) whether deficit is to go up further; and

(e) to what extent British Minister's visit helped to correct the trade deficit with U.K.?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRIMATI RAM DULARI SINHA): (a) The British Trade Minister visited India for a review of trade & economic relations between our two countries.

(b) India's trade which was in our favour till 1977 but has turned adverse since then.

(c) According to British Statistics, our exports to UK during 1982 were valued at £ 379.2 million while our imports from UK were of the order of £ 805.3 million.

(d) The deficit may go up if our exports do not keep pace with our imports.

(e) During the year 1982 India's exports have shown a better performance than in the previous years. However, it is not our objective to strike an arithmetical balance in our bilateral trade with each and every country. Our strategy is to strive for narrowing down our global

trade deficit through larger exports to the best available markets. The U.K. government have responded favourably to our suggestions for expanding our exports and have earmarked a sum of £ 250,000 to assist India in her export promotion efforts aimed at the U.K. market.

Japanese Aid to India

4607. SHRIMATI MADHURI SINGH: Will the Minister of FINANCE be pleased to state:

(a) the details of the total Japanese aid to India for various projects in the nature of grants and loans;

(b) the specific projects and schemes for which the aid would be utilised; and

(c) the terms and conditions of the aid?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) and (b). The Government of Japan have since 1958 extended a total assistance of Yen 596.30 Billion (equivalent to Rs. 2506 crores approximately) in the nature of loans and grants. The loan assistance from Japan works out to Yen 574.63 Billion (equivalent to Rs. 2415 crores approximately) of which Yen 217.26 Billion (equivalent to Rs. 913 crores approximately) has been extended for specific projects and schemes. The quantum of grant assistance which started in 1978-79 works out to Yen 21.67 Billion (equivalent to Rs. 91 crores approximately) out of which Yen 10.36 Billion (equivalent to Rs. 43.5 crores approximately) has been extended for specific projects and schemes. The loan assistance is available for specific projects in certain selected sectors like power, fertilizers, oil exploration, telecommunications and rail transport while the grant aid is available for sectors like increasing food production, culture, health and social environment improvement. The list of projects and schemes for which the Government of Japan have extended loans/grants

assistance during the last three years (1980-81 to 1982-83) is enclosed.

(c) The current loans from Japan are repayable over a period of 30

years including a grace period of 10 years carrying an interest rate of 2.75 per cent per annum.

Statement

List of projects/Scheme of which the Government of Japan have extended Loan/Grant assistance during the last three years (1980-81 to 1982-83)

Amount in yen Million

S.No.	Name of Project/Scheme	Amount of Loan/Grant
(1)	(2)	(3)
LOANS		
(1)	Telecommunication Projects (Nos. II, III, IV and V)	23,100
(2)	Platforms Project of Oil and Natural Gas Commission	8,600
(3)	Western Yamuna Canal Hydro Electric Project of Haryana State Electricity Board	4,000
(4)	Hazira Fertilizer Project of Krishak Bharati Cooperative Limited	20,000
(5)	Chandrapur Thermal Power Project of Assam State Electricity Board	1,420
(6)	Thal Vaishet Fertilizer Project of Rashtriya Chemicals and Fertilizers Limited	20,000
(7)	Nagarjunasagar Hydro Electric Power Station Expansion Project (Stage II) of Andhra Pradesh State Electricity Board	7,000
(8)	Lower Mettur Hydro Electric Project of Tamil Nadu Electricity Board	7,600
(9)	Lower Borpani Hydro Electric Project of Assam State Electricity Board	1,700
(10)	Hirakud Hydro Electric Project of Orissa State Electricity Board	1,500
(11)	Indian Railways Development Project	2,680
(12)	Bombay Suburban Railways Modernisation Project	1,800
(13)	Offshore Supply Vessel Project of Oil and Natural Gas Commission	2,100
(14)	Calcutta Metro Railways (Phase II) Construction Project	4,800
(15)	Tamil Nadu State Micro Hydro Power Stations Construction Projects	2,000
GRANTS		
(16)	Cultural Grant to Archaeological Survey of India for import of Science Laboratory Equipment from Japan	

(1)	(2)	(3)
(17)	Social Environment Improvement Project – import of small size steel bars from Japan for construction of hospitals, nurses hostels at New Delhi and Varanasi, Low Income Group houses under a Crash Programme, schools, colleges, hospitals, foodgrain godowns etc.	4,500
(18)	Cultural Grant for import of language laboratory equipment from Japan by Delhi University and Jawaharlal Nehru University.	29
(19)	Cultural Grant for import of sports equipment from Japan by the National Institute of Sport, Patiala.	50
(20)	Food Production Grant Aid for import of fertilizer from Japan	1,000
(21)	Grant Aid for import of machinery and equipment for production of Encephalitis Vaccine at the Central Research Institute, Kasauli.	300
(22)	Cultural Grant for import of Audio Visual and Photographic equipment from Japan by the Centre for Cultural Resources and Training, New Delhi	46
Total		114,275
(equivalent to Rs. 480.34 crores approximately)		

Direct AIR Service between India and China

4608. SHRIMATI MADHURI SINGH;
SHRI CHIRANJILAL SHARMA:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Air India had held talks recently with the Civil Aviation Administration of China for opening direct air services between the two countries;

(b) if so, the outcome thereof; and

(c) how soon the agreement, if any, to facilitate air services between the two neighbours will be translated?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KHUR-SHEED ALAM KHAN): (a) No Sir. Recently, Air India and Civil Aviation Administration of China have not held any talks for opening direct services. In 1980, it was however agreed between Air India and Civil Aviation Administration of China

that they will honour each other's tickets and documents.

(b) and (c) do not arise.

Income Tax Deductions from NREP Funds

4609. SHRI A. C. DAS;
SHRI NARAYAN SAHU:

Will the Minister of FINANCE be Union Territories?

(a) Whether it is a fact that Income-tax is being deducted from the funds allocated under the National Rural Employment Programme in the State of Orissa;

(b) have Government examined that such Income-tax deductions are permissible under the law;

(c) if not permissible, the reasons for such deductions; and

(d) the amount deducted as Income-tax block-wise from the State of Orissa out of National Rural Employment Programme during the period from 1 March, 1982 to 28th February, 1983?