

staffed by civil servants? If so, have Government examined this criticism?

Shri Manubhai Shah: This does not arise out of the question. We have had occasion to answer this question. We do not accept the charge. But we do want to make further improvement in the STC by making it one of the principal instrument of export promotion for this country by participating in international trade to the maximum extent we can.

Shri Nambiar: In view of the fact that the handloom industry in the south is facing a crisis, may I know whether the goods produced by that industry are included for export in preference to other goods.

Shri Manubhai Shah: There is no crisis in the industry in the south or north. As a matter of fact, in the handloom industry today, they have perhaps less stock than in the past, and we are trying to promote more exports as well as increase internal consumption.

Shri Kamalnayan Bajaj: In view of the fact that the cost of production in the small scale industry is comparatively higher, is there any scheme to pool it with the large scale industry, where the cost of production is lower, for export purposes so that subsidies from the pool could be given more to the cottage industries?

Shri Manubhai Shah: I am sorry I cannot accept the statement made in the first part of the question. There are industries in the small scale sector which have a cost of production less than that of the large scale sector and *vice versa* where are highly mechanised units in the large scale sector where the advantage of low cost is there. The idea of pool is excellent and we are going to introduce it in every industry. We have started five pools already.

Shri P. C. Borooah: I had asked whether aid from any international

agency or institution will be sought for export promotion.

Shri Manubhai Shah: Yes, I said every agency that could help export promotion and rationalise our foreign trade and boost it is welcome. If any agency feels, it could come to our assistance, we shall welcome it.

Indian Ambassador in Russia

*466. **Shri Kappen:** Will the Prime Minister be pleased to state:

(a) whether there is any restriction on the freedom of movement of our Ambassador in Russia;

(b) if so, the nature of the restriction; and

(c) whether there is any such restriction on the Russian Ambassador in India?

The Minister of State in the Ministry of External Affairs (Shrimati Lakshmi Menon): (a) and (b). It is understood that all Ambassadors, accredited to the Soviet Union, including the Indian Ambassador, proceeding beyond a radius of 40-kilometres from Moscow, are required to give 48 hours' notice to the Protocol Division of the Ministry of Foreign Affairs of the U.S.S.R.

(c) The Government of India impose no restrictions on foreign Ambassadors accredited to India, including the Soviet Ambassador.

Shri Kappen: May I know whether our Government took any steps to see that the restrictions on our ambassador are removed.

Mr. Speaker: If they apply to all, how can they be different for one?

श्री रघुनाथ सिंह : मैं यह जानना चाहता हूँ कि जैसा व्यवहार हमारे राजदूत के साथ रूस वाले करते हैं वैसा ही व्यवहार हिन्दुस्तान के भीतर हम लोग उन के साथ क्यों नहीं करते ?

अध्यक्ष महोदय : जवाब तो दे दिया उन्होंने ।

Shri Bhagwat Jha Azad: Have the Government of India written to the USSR Government as to why they should not reciprocate to the extent that we are giving freedom of movement to their Ambassador in our country; if so, with what result?

Shrimati Lakshmi Menon: It is the same question, Sir.

Mr. Speaker: That is another form of the same question.

Shri Bhagwat Jha Azad: Have they written, and what reply have they given?

Shrimati Lakshmi Menon: The Government of India have no intention of imposing any kind of reciprocal restrictions.

Shri Bhagwat Jha Azad: That is not the point. I asked whether the Government of India had written to the USSR Government that they should reciprocate and treat our Ambassador the same way as we are doing; if so, what reply have they given?

Shrimati Lakshmi Menon: We have no intention. Why should we write to the Government of USSR?

Shri Mohammad Tahir: May I know if there is any restriction imposed on Parliamentary delegations or other delegations that visit the USSR?

Mr. Speaker: We are concerned with Ambassadors here. Members of Parliament would come next time.

Shri Nath Pai: The Soviet Government's plea has been that these restrictions are imposed on the activities of diplomats belonging to countries which are not on the most friendly terms with the Soviet Union, to prevent them from carrying on activities which may not be in the interests of the Soviet Union. Certainly the Government of India does not come in this category. In the light of this, will the Government of India take up this question, that this kind of restriction placed on our Ambassador may be removed?

Shrimati Lakshmi Menon: As I have pointed out in the answer, this is a general restriction placed on all Ambassadors accredited to the Soviet Union. We have no reason to complain because our Ambassador is always being treated with the greatest consideration.

Mr. Speaker: Probably the hon. Member believes that it is not against all Ambassadors, but a particular class of Ambassadors of those countries which have not got friendly relations or something like that, and that India does not come in that class.

Shrimati Lakshmi Menon: The presumption is wrong, as I have already stated.

Shri Hari Vishnu Kamath: Irrespective of how the Soviet Union deals with other countries, is it a fact that even after the establishment of more cordial relations between India and the USSR on the basis of *panchsheel*, these restrictions still continue in force, and if so, why has this matter not been taken up with the Soviet Union? We are not concerned with other countries. There is *panchsheel* relation between India and the Soviet Union.

Mr. Speaker: All other countries will then make a grievance of it that they are being discriminated against, that India is getting preferential treatment.

Shri Hari Vishnu Kamath: No, Sir. I want to make a clarification. We have got special relations with the Soviet Union based on *panchsheel*, and in spite of that restrictions continue. Why so?

Mr. Speaker: It should be for the U.S.S.R. to say whether we have really special relations with them or not, whether they do want to treat us equally with all other countries or they want to show us special concessions. Their policy is that they include us in a class with the others, where these restrictions are placed against all these countries. We cannot decide it here that they should do this

or they should do that. That is a matter of policy with the U.S.S.R.

Shri Hari Vishnu Kamath: With your permission, Sir, has the Government taken up this matter with the Soviet Union because of relations between India and USSR on the basis of *panchsheel*? Has this matter been taken up at all?

Shrimati Lakshmi Menon: I have already stated the answer.

Shri Hari Vishnu Kamath: On a point of order, Sir. She has evaded the question. Has the matter been taken up at all?

Mr. Speaker: Order, order.

Shrimati Lakshmi Menon: I have stated that these restrictions apply to all Embassies.

Mr. Speaker: The question is whether this has been taken up on the ground of *panchsheel* relationship with the USSR?

Shrimati Lakshmi Menon: No, Sir.

Shri Hari Vishnu Kamath: No?

Mr. Speaker: That was what she said.

Shri Hari Vishnu Kamath: Yes. *Panchsheel* is a most friendly relation. You cannot imagine more friendly relations.

Shri Indrajit Gupta: May I know whether our Ambassador in the Soviet Union has ever had any difficulty in getting permission to go beyond that 40 mile limit?

Shrimati Lakshmi Menon: I have already stated that our Ambassadors are treated with the greatest consideration in the Soviet Union.

Shri P. R. Chakraverti: Have the Government made sure that the restrictions on the freedom of movement have not been relaxed in the case of others?

Mr. Speaker: The information that was with the Minister has been given. What else does he want?

Shri P. R. Chakraverti: I want to know whether the restrictions on the freedom of movement have been relaxed in the case of any other country. Have the Government made sure?

Mr. Speaker: Shri Nath Pai.

Shri Nath Pai: She says that the restrictions are general to all the Ambassadors. Does it apply to the countries which the Soviet Union calls and describe as Socialist allies? The hon. Minister made a statement that these restrictions are applicable to all the Embassies and all the envoys. Does this include the Ambassadors of what the Soviet Union regards as socialist countries?

Shrimati Lakshmi Menon: This question should be addressed to the Soviet Union.

Several Hon. Members rose—

Mr. Speaker: Order, order. This question has been agitating the minds of hon. Members that there is a class of countries or a group of countries against whom these restrictions are being applied. The hon. Minister had said that this was applicable to all the countries. Now, the particular question is whether these restrictions apply to those countries which the USSR classes as socialist countries.

Shri Raghunath Singh: The Soviet bloc of countries.

Mr. Speaker: Order, order.

Shrimati Lakshmi Menon: I might point out that anybody can go beyond this radius of 40 kilo metres if 48 hours' advance notice is given to the Soviet Ministry of Foreign Affairs.

Mr. Speaker: But, does this apply even to those countries?

Shrimati Lakshmi Menon: I am not aware of that whether it applies to them or not.

Shri Hari Vishnu Kamath: On a point of order, Sir. The Prime Minister is here. He can say whether it applies.

Mr. Speaker: Order, order. A question was put and the Minister answering said that she does not know it. Then I have to pass on to the next question.

Shri Hari Vishnu Kamath: The Prime Minister is here. (*Interruptions*).

Shri Nath Pai: Will not the Prime Minister make the information available?

Mr. Speaker: Order, order. This is not the manner in which to ask. Is the hon. Prime Minister in a position to answer?

The Prime Minister and Minister of External Affairs and Minister of Atomic Energy (Shri Jawaharlal Nehru): So far as I know this is a general rule applicable to all. But I am not absolutely positive. Anyhow, our Ambassadors have no difficulty to going anywhere with information. (*Interruptions*):

Mr. Speaker: Next question.

Lac Industry

*467. **Shri Indrajit Gupta:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether a buffer stock scheme for the Lac industry has been undertaken;

(b) whether the scheme will apply only to certain varieties of seed lac and if so, why;

(c) the floor prices below which buffer stock operations will take place; and

(d) the arrangements made for purchase and storage in Purulia, West Bengal?

The Minister of International Trade in the Ministry of Commerce and Industry (Shri Manubhai Shah): (a) Yes, Sir. Buffer stock operation have started.

(b) Yes, Sir. The limitation to a few principal varieties is due to practical needs; but the effect of buffer

stock operations even if such operations are limited to some varieties will extend to all lac.

(c) The purchase for the buffer stock will continue until a floor level is reached which has relationship to floor prices fixed for export from time to time.

(d) For Purulia District, a centre has been opened at Balrampur. Seed-lac is first received in a transit godown. After analysis, the supplier is paid the full value. The stock is thereafter moved to Calcutta for storage.

Shri Indrajit Gupta: Is the hon. Minister aware that there is a large number of factories which have had to close down because of the gap in prices between the internal prices and the export prices? How far will this buffer stock operations close that gap and enable these factories to re-open?

Shri Manubhai Shah: Our intention is to hold a buffer of about 25 to 30 per cent of the national production. That comes to about 1½ to 2 lakhs mds. Once we withdraw that much from the market, naturally, the factories will find it easy to market the rest of the produce.

Shri Indrajit Gupta: The demand for the Purulia lac is much more than for lac of any other place. Therefore, would Government consider the establishment of more procurement centres for Purulia lac?

Shri Manubhai Shah: We will get more centres opened.

Dr. P. S. Deshmukh: What is the agency that is being used for procuring this buffer stock and what is the quantity so far procured?

Shri Manubhai Shah: The State Trading Corporation is the present agency and the stock will extend to 1½ to 2 lakh mds. of shellac.

Dr. P. S. Deshmukh: I wanted to know the quantity procured so far.