

LOK SABHA

Monday, 17th November, 1958.

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS
Delegation to East European Countries

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- *1. { Shri V. C. Shukla:
Shri D. C. Sharma:
Shri Bahadur Singh:
Shri Damani:
Shri Vajpayee:

Will the Minister of Commerce and Industry be pleased to state:

(a) the result of the survey conducted by the delegation comprising representatives of the Tea, Jute and Coir Industries and the State Trading Corporation which recently visited the East European countries to survey the export markets there;

(b) whether the delegation has submitted its report to Government;

(c) if so, what are its salient features; and

(d) the action Government propose to take to implement the recommendations of the delegation?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): (a) to (d). The delegation submitted its report soon after return to India in August, 1958. A statement detail-

ing the salient features of the Report and the action taken or proposed to be taken is laid on the Table of the House. [See Appendix I, annexure No. 1].

Shri V. C. Shukla: From the statement it appears that an agreement has already been reached with East Germany regarding this trade. May I know if any arrangements have been made for the swing balance and cash credit in rupee accounts for this particular trade agreement and what are the salient features of this arrangement?

Shri Satish Chandra: The Director-General of Foreign Trade who had gone to negotiate these agreements is still abroad. He has now gone to other countries, and whatever information we have received in that connection has been released through a press note.

Shri V. C. Shukla: It is seen from the statement that before any such trade agreement can be entered into, the rupee accounts will have to be made flexible, and for making them flexible they will have to make cash credit arrangement and this swing balances arrangement. I want to know whether these arrangements have been made before reaching the agreement or they will be made afterwards?

Shri Satish Chandra: They will form part of the agreement. The Director-General of Foreign Trade has gone from India with suggestions about swing balances, and according to information which is available up till now there have been talks about it and I think some arrangement has been made in that regard. We shall be able to furnish the details shortly.

Shri D. C. Sharma: It is seen from the statement that the activities of the State Trading Corporation will be extended. May I know if any tentative decision has been taken as to how much of this trade will be carried by the State Trading Corporation and how much by private trade?

Shri Satish Chandra: The recommendation is that the State Trading Corporation should be made more useful to the customer and this matter should be studied in greater detail. It does not say exactly what the hon. Member is saying referring to.

Shri Bahadur Singh: From the statement I find that we do not have Commercial Representatives in Poland, Yugoslavia, Bulgaria and Hungary. May I know the reason for not sending any Commercial Representatives so far to these countries?

Shri Satish Chandra: The hon. Member will find from the statement that a Trade Representative has already been appointed to Poland; he has taken over his duties at Warsaw. Another is being posted to Belgrade shortly.

Shri Vajpayee: The statement says that some countries have shown their interest in the non-traditional items provided rupee funds are available. May I know if there is any likelihood of rupee funds being available in those countries?

Shri Satish Chandra: All these negotiations are being conducted with a view to making rupee funds available in India. But that is possible only by our importing commodities from these countries, the negotiations which are now taking place are based on the principle of balanced payments and almost equal imports and exports.

Shri Panigrahi: The statement reveals that there is a great demand for iron and manganese ores in East European countries. In view of the closure of large number of iron and manganese ore mines in this country

may I know whether we are exploring the possibilities of exporting these iron and manganese ores?

Shri Satish Chandra: We are already exporting iron and manganese ores to some of these countries. If it is possible to export more and there is greater demand there, we shall certainly look into it provided the exports are not a mere diversion of trade and we are able to do so in addition to what we are already exporting to other countries.

Shri B. K. Galkwad: May I know the personnel of the delegation and how much Government has spent on their tour?

Shri Satish Chandra: The delegation consisted of four representatives of tea industry, two representatives of the jute industry, one representative of the coir industry and a representative of the State Trading Corporation; and I went along with this delegation. The figures of the actual expenditure are not available just now, but total figure is less than a lakh.

Shri V. C. Shukla: The statement says that Government is examining the role and the possibilities of increasing the usefulness of the State Trading Corporation to the customers—the role and the usefulness. May I know in which direction Government is examining it?

Shri Satish Chandra: Many things were suggested to us, for instance, that the State Trading Corporation as an exporter should take responsibility for the quality of the goods and for their inspection and so on. That is normally being done by the agents of the S.T.C. at present. We shall look into these matters in detail in due course of time.

Indian Toys

*2. **Shri A. M. Tariq:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether there is any demand for Indian toys in foreign countries;