

The Minister of Commerce (Shri Manubhai Shah): (a) There was a delegation which went from here to Belgrade. No trade delegation has come this year from Yugoslavia to India.

(b) to (d). Do not arise.

Shri Himatsingka: What was the decision arrived at when the delegation from here went to Belgrade?

Mr. Speaker: The question is about some delegation from Yugoslavia to India.

Shri Manubhai Shah: Therefore, I corrected in my main answer that no such delegation from Yugoslavia was here. If you allow the supplementary, I will answer it.

Mr. Speaker: No. Dr. Sen.

Dr. Ranen Sen: Is it a fact that during the recent trade talks which the delegation from India to Yugoslavia had with them...

Mr. Speaker: I just disallowed that question.

Dr. Ranen Sen: In the course of any trade negotiations with Yugoslavia, is it a fact that the Government of India wanted the cooperation of the Yugoslav government or any institution there to set up a wagon factory in Yugoslavia and if so, what is the reason for that?

Shri Manubhai Shah: We did negotiate and have agreed to set up a wagon assembling factory. Wagons will be manufactured entirely in India, but as hon. members appreciate, the whole wagon cannot be put into a ship. It has to be knocked down into components which have to be re-formed in the importing countries in the form of wagons. What is proposed to be set up in Rijeka or Tuna in Yugoslavia is an assembling plant to assemble wagons manufactured in India so that they may be re-exported to East European and West European countries.

Trade with African Countries

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*365. **Shri Himatsingka:**
Shri Rameshwar Tantia:
Shrimati Vimla Devi:
Shri Warrior:
Shri Vasudevan Nair:
Shri Indrajit Gupta:
Shri Prabhat Kar:
Shri P. R. Chakraverti:
Shri K. N. Tiwary:
Shrimati Jyotsna Chanda:
Shri P. C. Borooah:

Will the Minister of Commerce be pleased to state:

(a) whether it is a fact that the Board of Trade met on December 28, 1965 to consider measures to step up India's exports to African countries;

(b) if so, the decisions arrived at in this regard; and

(c) how far their decisions have been implemented by Government?

The Minister of Commerce (Shri Manubhai Shah): (a) Yes, Sir.

(b) The following decisions were taken:

(i) Development of trade with African countries not only by exporting traditional items but also by exporting engineering as well as chemical products.

(ii) Development of a new concept of trade by importing such goods from some of the developing countries of Africa with a view to enlarging the market for Indian products in those countries. The Board suggested that Type Studies should be undertaken in respect of Ethiopia and Nigeria.

(iii) Working out of the Economic norms regarding importation of low priority items from the developing countries with a view to processing and eventual re-export.

(iv) Establishment of a direct shipping service between India and Africa.

(v) More attention to be paid to trade with French speaking African countries.

(c) Action on the recommendations made by the Board of Trade, has since been initiated. It will, however, be too early to indicate the results of the recommendations.

Shri Himatsingka: May I know the volume of exports in engineering goods to these countries?

Shri Manubhai Shah: Exports of engineering goods have gone up with African countries by Rs. 3.2 crores in the last one year.

Shri Himatsingka: There was a trade delegation from Tanzania. May I know what were the decisions arrived at?

Shri Manubhai Shah: With Tanzania, which is an important African country, we have concluded a long-term trade pact of convertible currency as a member of the ICM and GATT. Along with that we have a shopping list exchange which will increase trade between India and Tanzania by 60 per cent.

Shrimati Vimla Devi: May I know whether the Government is aware that most of the things that are exported to African countries, those countries with whom we are having trade, are being re-sold by those countries to South Africa; if so, it is a fact may I know what action the Government is going to take about it?

Shri Manubhai Shah: All the African countries, as the hon. House is aware, are opposed to South Africa. They themselves have taken such strong measures that, apart from Indian goods, their own goods, goods of those countries own origin, are not allowed to go to Africa. Therefore, the apprehensions of the hon. Member are not very correct.

Shri Vasudevan Nair: Is it a fact that the Government is encouraging the export of capital to some of these African countries; and, if that is so, may I know what is the logic in doing

that when there is such an outcry in this country that there is a glut in the capital market and there is difficulty in internal resources? Is it because they think they can have fabulous profits in Africa?

Shri Manubhai Shah: No. It is a form of export of the goods manufactured in this country which we can afford to spare so that we have a foothold in those markets.

Shri Warior: May I know whether it is a fact that some of the African countries have complaints about the Government of India that mutual reciprocity is not maintained and that we are not taking those traditional goods in sufficient quantities from African countries, like cotton from Sudan and other places, and that is hampering our exports to African countries?

Shri Manubhai Shah: Yes, Sir, that is absolutely true. This has been the complaint of most of the African countries. Unfortunately, in the foreign exchange situation that we are in today we cannot afford to purchase much of the consumer goods or the agricultural raw materials from those countries. That is why under item (ii) of the main answer I have dealt with what are called Type Studies to see what are the products that are produced there which we can afford to import for re-processing for export.

Shri P. R. Chakraverti: May I know whether the Government propose to set up industrial plants also in the African countries so as to step up our trade relations with them?

Shri Manubhai Shah: Yes, Sir, that is precisely the object, and the intermediate technology of India is highly appreciated in those countries with the result that some of the rival countries have been ousted from many markets.

श्री तुलशी दास जायसवाल : जो माल इन प्रदेशों को बेना जाता है तथा उसके जो नमूने

पहले बनाये जाते हैं, उसके बराबर मात्र नहीं भेजा जाता है। साउथ एफ्रीकन लोगों की तरफ से ऐसी कम्प्लेन्ट है, ऐसी कोई व्यवस्था की जाय जिससे ऐसा न हो।

श्री मनुभाई शाह : यह गलत कम्प्लेन्ट है। मैंने बारबार इस भ्रान्तरिक हाउस के सामने रखा है कि हिन्दुस्तान की चीजों की क्वालिटी में बहुत इम्प्रूवमेंट हुआ है। क्वालिटी इन्स्पेक्शन कन्ट्रोल भी किया गया है। कहीं से भी अगर थोड़ी-बहुत शिकायत आ जाती है तो उसका अविट्रेशन करते हैं और उनको कम्पेन्सेशन देते हैं।

Shri S. M. Banerjee: May I know whether the delegation of Members of Parliament which went to African countries recently after the Pakistani aggression have reported to the hon. Minister or to the Cabinet that some of the African countries want to have a better trade agreement or trade deal and, if so, what are the concrete suggestions given by them?

Shri Manubhai Shah: This is a very wide question but I will give a broad summary. These parliamentary delegations were most useful because there was a socio-economic technopolitical purpose behind it. They have achieved good results. They have given us good suggestions about the possibility of tea exports to Ethiopia, about the possibility of export of engineering goods to Lybia, about the possibility of increasing trade with West Africa and the lacunae in our current policies and programmes which can be removed to develop the trade between these countries.

Shri D. C. Sharma: What is our trade position with Ghana—is it deficit or surplus? May I know whether it has suffered in any way on account of the recent coup in that country?

Shri Manubhai Shah: We have adverse balance of trade with Ghana but the trade is of a marginal character. Their main complaint is that un-

less we import Ghanaian goods they will not give preference to Indian goods. So, we are studying that aspect and what we can import from them.

National Mineral Development Corporation

*366. **Shri S. C. Samanta:**
Shri Subodh Hansda:
Shri Bhagwat Jha Azad:
Shri M. L. Dwivedi:
Shri P. C. Borooah:

Will the Minister of Mines and Metals be pleased to state:

(a) whether the National Mineral Development Corporation propose to open up new mines in Balladilla area for making larger quantity of iron ore available for sale;

(b) whether these new mines are proposed to be mechanised to bring down the cost of production; and

(c) if so, the cost of such mechanisation?

The Minister of Mines and Metals (Shri S. K. Dey): (a) Yes, Sir. The National Mineral Development Corporation is developing a mine based on deposit No. 14 in the Bailadilla area for the production of 4 million tons of iron ore per annum for export to Japan from 1967. The Corporation has also prepared a Project Report for the development of a mine based on deposit No. 5 in the same area for the production of 4 million tons of additional ore per annum for export.

(b) These mines would be mechanised primarily because:

- (1) It is necessary to ensure regular and guaranteed size and grade of ore; and
- (2) It is impossible to achieve annual production of 4 million tonnes of sized ore without mechanised mining.

(c) The capital cost for the development of mechanised mines at Deposit