

of the Prime Minister of Nepal giving expression to the hope of an early conclusion of a Treaty between the two countries. The Government of India have welcomed the proposal that officials should discuss and settle the outstanding issues with a view to conclude a new Treaty of Trade and Transit.

2. It is well known that India is always prepared to do whatever she can, consistent with her own national interests, to cooperate with Nepal in the development of Nepal's economy and trade. Towards this end, the Government of India are ready to resume talks as soon as His Majesty's Government of Nepal are willing to discuss the outstanding issues in a spirit of mutual understanding and within the framework of the long-term interests of the two countries.

3. Meanwhile in their desire to maintain and strengthen the most cordial and friendly relations with Nepal, the Government of India have continued to maintain supplies to Nepal, allowed imports of Nepalese primary products into India free of customs duties and quantitative restrictions, allowed imports of manufactured products on the Most Favoured Nation basis and continued to extend facilities through Calcutta for Nepal's trade with third countries.

Closure of Cashew Factories in Kerala

1007. SHRI SARJOO PANDEY :
SHRI SEZHIAN :
SHRI CHANDRAPAN :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether the Kerala Legislative Assembly had unanimously adopted a Resolution urging immediate Central intervention to prevent the closure of cashew factories in the State ;

(b) if so, the suggestions made in the Resolution ; and

(c) the action taken thereon ?

THE DEPUTY MINISTER IN THE
MINISTRY OF FOREIGN TRADE
(SHRI A. C. GEORGE) : (a) Yes, Sir.

(b) Details summarised as under :—

(i) Necessary assistance should be provided to the State Government for financing the Kerala State Development Corporation to take over commercial run as many cashew factories as possible.

(ii) Imported cashew raw nuts should be distributed only to Licensed Cashew Factories registered to September, 1970 i.e. the date on which the Cashew Corporation of India took over the import of cashew nuts (after canalisation of the import of cashew nuts) strictly on the basis of the workers that will actually be employed (in each factory). Imported nuts should not be diverted to unauthorised processors.

(iii) The State Trading Corporation of India should also handle the export trade in cashew kernels. Government of India should consider the inclusion of the cashee industry in the Schedule to the Industrial Development and Regulation Act irrespective of the number of workers involved and also consider the question of fixing the national minimum wage for the cashew industry.

(c) The matter is receiving attention.

Increase in Production of Controlled variety of Cloth

1008. SHRI P. GANGADEB :
SHRI H. N. MUKERJEE :
SHRI S. M. KRISHNA :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether a discussion took place between the Central Government officials and the Textile Commissioner and whether some agreement had been arrived at for the greater production of controlled variety of cloth so