

the Table of the House.

STATEMENT

The Minister for Economic and Defence Co-ordination decided in June, 1963 to depute Minister of Supply to inspect the Overseas Purchase and Inspection Organisations. The Minister of Supply and the Joint Secretary to the Ministry inspected these Organisations in July, 1963. A report was submitted by the Joint Secretary in August, 1963.

The recommendations made in the report in the main relate to (a) decentralization of Inspection by the India Store Department (b) further simplification of procedure in respect of petty purchases and (c) reminding in regard to outstanding recommendations contained in the report made in 1961 by the then Secretary to the Government of India, Shri T. Sivasankar.

It has been recommended that with a view to reducing foreign exchange expenditure and the time of technical man-power involved in travel of officers stationed in London to firms in West Germany, Belgium, Holland and East European countries including USSR, Inspection Cells with minimum staff should be organised in Dusseldorf and Prague. This proposal is being examined in consultation with the Ministry of Finance.

The recommendation relating to simplification of procedure for petty purchases has been accepted. This may, in due course, result in some re-adjustment of staff. Purchase powers at various levels both in the India Store Department and India Supply Mission have been revised in order to secure expedition and greater efficiency.

The policy of transferring a considerable part of Government purchases by our Overseas Missions to New Delhi is being more vigorously implemented by arranging for the procurement of larger number of items on the basis of tenders invited from India.

Dr. L. M. Singhvi: May I know whether Government could tell us

why the recommendations made by Mr. Sivasankar, the then Secretary, have not been implemented to date, and whether Government have set any date-line for themselves to implement the recommendations contained in the statement laid on the Table of the House?

Shri Jaganatha Rao: Most of the recommendations made by Mr. Sivasankar have been implemented and some are under consideration and very soon they will be implemented.

श्री रामेश्वरानन्द: (कर्नाल) ग्रध्यक्ष महोदय, मेरा निवेदन मुन लीजिये।

ग्रध्यक्ष महोदय : नहीं। मैं स्वामी जी से राज कहता हूँ कि दर्म्यान में नहीं उठना चाहिये। ग्राप लिख कर भेज दें।

SHORT NOTICE QUESTIONS

Import of Chinese goods by Nepal

S.N.Q. 7. Shri Hari Vishnu Kamath: Will the Minister for International Trade be pleased to state:

(a) whether his attention has been drawn to recent reports from Kathmandu to the effect that Nepal will import Chinese goods in considerable quantity in the immediate future;

(b) whether Nepal has sought Government's permission for transit facilities for such import merchandise through Indian territory; and

(c) if so, the reaction of Government thereto?

The Minister of International Trade (Shri Manubhai Shah): (a) They have entered into an agreement with China on a limited protocol basis. Among them, the item of interest to us is some woollen textiles which are being imported into Nepal from China. But, according to information so far available, such imports are not likely to affect our exports to Nepal adversely

(b) The Nepal Government has not asked for any transit facilities from us because the transit is on the other side of the border.

(c) Does not arise.

Shri Hari Vishnu Kamath: Is it a fact that as compared to our exports to Nepal before last winter's debacle on the Himalayan frontier, our exports today have suffered a setback, that is, as compared to the figures of the pre-October—1962 period, and since then has China been able to boost her exports to Nepal, and if so, what are the prospects for retrieving the lost ground in Nepal with regard to our export trade?

Shri Manubhai Shah: As far as the first part of the hon. Member's question is concerned, during the first four months of the invasion, there was a steep setback, but I am glad to inform the House that during the last eight months we have doubled up practically our exports to Nepal; not only have we retrieved the old position but our relations in trade and economic and other matters have considerably improved. In future, again, we are going to enter into a long-term trade pact with them; and the Minister from Nepal has invited me to go there next month or thereafter to finalise that agreement.

Shri Hari Vishnu Kamath: With regard to transit facilities, is the hon. Minister aware of—or may I draw his attention to—what the Minister of Industry, Shri Kanungo . . .

Mr. Speaker: The hon. Minister has stated that they have not asked for any transit facilities.

Shri Hari Vishnu Kamath: I know that no transit facilities have been asked for. But is the position as defined by Shri Kanungo a fortnight ago, in the House, on which you, Sir, also made some observations, or is the position different from what has been adumbrated by Shri Kanungo? Shri Kanungo said on the 6th of this month, that is, about a fortnight ago:

“...it is a question of a land-locked country having the right of transit, Nepal has been enjoying that for many years.”

You yourself said in the same connection:

“He says internationally we are bound to give those facilities to all land-locked countries.”

What is the position now regarding these facilities?

Mr. Speaker: None has been asked for. The question that the hon. Member has asked is a different thing altogether.

Shri Hari Vishnu Kamath: Generally, what is the position?

Mr. Speaker: If Nepal has some trade with China that is not to pass through India. If it enter into a contract with some other country, then the merchandise might have to pass through India, and only in that case the question which the hon. Member has asked can arise.

Shri Nath Pai: Whereas so far as the Nepalese are concerned, this may be a genuine and *bona fide* trade transaction, is the hon. Minister aware of the possibility that so far as China may be concerned, she may be contemplating to squeeze out India by dumping goods which will be sold according to the leader of Nepal at prices very much lower? He said:

“These goods will be sold in Nepal at prices nearly 50 per cent less than the prevalent rates.”

This may be part of their grand strategy to squeeze India out of Nepal. If so, how do Government propose meet this danger? (*Interruptions*) I am saying, ‘in matters of trade’. What steps have we taken to defend our trade interests?

Mr. Speaker: If two independent countries enter into some trade agreement, whatever be the conditions. (*Interruptions*)

Shri Nath Pai: Too many Members take the responsibility of replying to the question. That was why I could not continue. We owe to ourselves the safeguarding of our national interest so that our goods are sold in Nepal as before. The scheme seems to be . . .

Mr. Speaker: Government have said that they are looking after our trade interests.

Shri Nath Pai: What steps have been taken to protect our trade interests?

Shrimati Renu Chakravartty: If they give it at 50 per cent less, we shall have to give it at 51 per cent less. (*Interruptions*).

Mr. Speaker: Order, order.

Shri Nath Pai: My question is very simple. I fully respect the right of Nepal to enter into any trade transaction with any country with whom they are friendly . . . (*Interruptions*). I submit that the running commentary is becoming too much. I fully respect that right. But in view of the design not being very concealed, what do we do to defend our trade interests in Nepal? What steps have we taken? (*Interruptions*).

Mr. Speaker: Only we have to see that our trade does not suffer, and the hon. Minister has replied that it has doubled already, and again, we are entering into a long-term agreement.

Shri Nath Pai: This is a new transaction. The hon. Minister was talking about the position in the past year. I am asking about the new transaction.

Mr. Speaker: About the new one also, he has answered the question already.

Shri Nath Pai: In view of the new deal under which they will be selling . . .

Shri Manubhai Shah: This is a legitimate anxiety, and I can assure the hon. Member and the House of one thing. Though in public interest, I would not disclose the percentage of our trade with Nepal, yet, it is a very high proportion, and we are not afraid of Chinese trade at all.

Shri Hem Barua: In this connection, may I point out that very recently, it has transpired . . .

Mr. Speaker: It would be better if he only asks for information.

Shri Hem Barua: In view of the fact that the Chinese motive is to squeeze us out and, therefore, they are selling their goods in the Nepal market at a terribly low price, may I enquire from the hon. Minister whether any steps have been taken to safeguard our trade in Nepal?

Mr. Speaker: The hon. Minister has already answered that.

Shri Tyagi: Do we have a trade commissioner in Nepal, and are we having periodical market surveys to examine the potentialities of increased trade with Nepal?

Shri Manubhai Shah: We have a full-fledged embassy with all the commercial secretariat. Recently, about two months back, we had sent a delegation headed by the topmost businessmen of this country, and the hon. Member's suggestion has been well taken in, and we shall continue to do so in the future also.

Production of Mining Equipment at Dhanbad

+

S.N.Q. 8.	}	Shri Kapur Singh;
		Shri Gulshan;
		Shri Prakash Vir
		Shastri:

Will the Minister of Steel, Mines and Heavy Engineering be pleased to state:

(a) whether it is a fact that the British Firm of Becorit (G.B.) Ltd., have finalised negotiations to produce mining equipment, on a 50-50 basis, with Octavius Steel & Co. Ltd., Calcutta, in a factory being constructed at Dhanbad;

(b) if so, whether Government have any financial commitments in the matter; and

(c) if so, the details thereof?

The Parliamentary Secretary to the Minister of Steel Mines and Heavy Engineering (Shri Thimmalah): (a) A licence under the Industries