would break out to a more serious trouble. I wish I had not been as prophetic.

Now, Sir, I would like to ask this question. (Interruptions.) I never take much time. I don't think a single sentence of mine is out of context or out of place. Yesterday, the hon. Minister said that he would appoint an enquiry committee to find out who was responsible and who was not responsible. It is all right. But that is not going to solve the problem. As far as I can see, it would only further aggrevate the problem because people will take a formal attitude and in that way, the problem cannot be solved.

You have the Sundaram Commission. It worked for four years and produced the report.. I come from that area. I speak with a little knowledge. The Sundaram Commission produced a report which was totally rejected by Nagaland on the ground that it had been too much in favour of Assam. I tell you that even today, I say this with grief, that there is a feeling of grievance among the people and the Government of Nagaland, Your Minister of State for Home Affairs went there. I do not know what she could do and what she could not do. But I know that she had not been to Nagaland although she had been to Assam. She had not talked to the Nagaland Chief Minister and with the people of Nagaland. Naturally, the Nagaland people have some kind of a hard feeling. (Interruptions.) Now I will put a question. Don't be in a hurry.

Now, in view of all this, are you going to take that line of action, trying to persuade all the people there to come to an understanding? As far as the Sundaram Commission's report was concerned, the Nagaland people did not agree to it. Well, the Naga people said even during the days of Panditji, before the creation of Nagaland that the question of forest land in this area should be taken up for transfer to Nagaland. It is still a pending question. What are you going to do in this? Appointing just an enquiry committee is not going to help. What more are you going to do? We would like you to share your view with us.

MR. SPEAKER : Are you satisfied with it ?

SHRI G. G. SWELL : I have more to say, Sir.

**PROF. MADHU DANDAVATE**: The Minister will reply to the half-an-hour debate.

SHRI S. B. CHAVAN : I distinctly remember the hon. Member raising the discussion on this issue and advising the Government that some positive steps need to be taken at the earliest because tension might build up in that area and later on it might become very difficult. The hon. Member might perhaps recollect that I had specially gone to Shillong and invited all the Chief Ministers concerned and discussed with them. They have all agreed with me that they will not allow the situation to escalate and that they will see that the tension is reduced to the extent possible. But there should be a permanent solution to this problem. In fact, we are trying to persuade both of them to suggest some person who will be acceptable to both the parties and who will have enough influence on both the sections and enjoy the confidence of both the State Governments so that his report thereafter becomes almost binding on both the State Governments and we are in fact trying to persuade them to help us in finding such a solution.

## Talks on ethnic problem of Sri Lanka

\*23. †SHRI B.N. REDDY:

SHRI VIJAY KUMAR YADAV: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether some talks were held recently between the Union Government and Government of Sri Lanka with a view to finding a solution to the ethnic problem in Sri Lanka; and

(b) if so, the details and the outcome thereof?

THE PARLIAMENTARY SECRETARY TO PRIME MINISTER (SHRI OSCAR FERNANDES): (a) Government have been in continuous contact with the Government of Sri Lanka and had offered India's good offices to Sri Lanka to facilitate a solution to the ethnic problem. The President of Sri Lanka visited India from June 1---3, and had several meetings with the Prime Minister. Later on June 15-16 Mr. HW. Jayewardene led a Sri Lankan team of legal experts to Delhi and had talks with the Attorney General of India on certain issues relating to devolution of powers under the Sri Lankan Constitution.

(b) The Sri Lanka President and the Prime Minister discussed the ethnic problem and its impact on bilateral relations. Both sides agreed on the need to defuse the situation and for all forms of violence to abate and finally cease, which would lead to the creation of a proper climate for progress towards a political settlement. It was also agreed that every effort would be made for speedy restoration of normalcy in the Northern and Eastern Provinces of Sri Lanka and that this would be conducive to the return of Sri Lanka refugees in India to Sri Lanka.

SHRI B. N. REDDY: I would like to know from the hon. Minister whether Sri Lankan Government have accepted the idea of introducing some federal set up for their Government for the maintenance of registration because it is a question of existence involved there.

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI KHURSHID ALAM KHAN): The negotiations have has just started and only the initial meeting has taken place. They are all very complicated and serious questions and naturally it has to be considered in subsequent meetings. They are again meeting from 12 August in Thimpu and I hope all the aspects of the question will be discussed.

SHRI B. N. REDDY: I would like to know whether our Government is hopeful of conclusion of these talks.

MR. SPEAKER: Without hope, there is no life.

SHRI B. N. REDDY: The talks are dragging on for so much time. That is why, I would like to know some more details of the talks.

SHRI KHURSHID ALAM KHAN: The

talks have not been dragging on. They have not only for four days and now they will again meet on 12 August and discuss further.

SHRIE, AYYAPU REDDY: Has the Sri Lankan Government agreed to pay any compensation towards the rehabilitation and settlement of these refugees?

SHRI KHURSHID ALAM KHAN: As 1 said, the talks are only in the initial stages and all these questions will be discussed step by step.

SHRI P. KOLANDAIVELU: The liberation tigers have announced in the newspapers that there will not be any meeting on August 12. Is it correct? I would like to know whether the meeting will be held according to the schedule as announced much earlier in the month of July itself. I want to know what actually are the talks between the TULF leaders and also the Liberation Front and the Sri Lankan Government. Can the hon, Minister give details of the talks in this regard?

SHRI KHURSHID ALAM KHAN: In the first instance, I would like to say that they are very hopeful that the talks will be resumed on 12 August as mentioned. As regards what has appeared in the newspaper, I would not advise the hon. Member to go by the newspapers.

SHRI NARAYAN CHOUBEY: By what should we go?

SHRI KHURSHID ALAM KHAN: You should go by the decision they take after discussions and after the dialogue.

SHRI P. R. KUMARAMANGALAM: Would the hon. Minister kindly clarify the information that an offer was made and a proposal was given by the Sri Lankan Government to the Lankan Tamils and then the offer was rejected outright as being one which is merely a repetition of the All Party Conference offer and that it was the basis on which the Tamil Tigers refused to go for talks and whether we are taking any steps from our side to try and compromise the two parties and bring them to the talking table again? SHRI KHURSHID ALAM KHAN: We have used our good offices and we have brought them to the negotiation table. About the discussions which have taken place, it is not possible for me at this stage to disclose what they have done, but normally what happens in such a situation is that the party which can consider and give something offers initially the minimum and the party which asks, normally asks for the maximum. This is the situation.

## Economic Cooperation Between India and the U.S S.R.

## \*24 †SHRI SHARAD DIGHE: SHRI S.M. BHATTAM:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether two agreements on economic co-operation were signed between India and the U.S.S.R. during the visit of the Prime Minister to Moscow in May 1985; and

(b) if so, the main features thereof?

THE PARLIAMENTARY SECRETARY TO THE PRIME MINISTER (SHRI OSCAR FERNANDES): (a) Yes, Sir.

(b) The two Agreements signed were as follows:

(1) Agreement on Economic and Technical Cooperation

This Agreement provides for Soviet participation in industrial projects in the power, coal, oil exploration, ferrous metallurgy and machine building sectors. Under it, the USSR Government will extend a credit of up to Rouble 1000 million to cover the cost of equipment and services provided by them for these projects.

(2) Agreement on Main Directions of Economic, Trade Scientific and Technical Cooperation upto 2000 AD;

This Agreement relates to long-term cooperation in leading sectors of industry, as well as in trade, and in science and technology. Broad possibilities in this regard have been indicated in the text.

SHRI SHARAD DIGHE : These Agree-

ments, no doubt, will go a long way in strengthening the friendly ties and economic cooperation between these two countries. I must say that the hon. Prime Minister must be congratulated for securing these Agreements...

PROF. N. G. RANGA : Not 'securing' 'signing'.

PROF. MADHU DANDAVATE : Prof. Ranga, hear, hear !

SHRI SHARAD DIGHE : I would like to know this by way of clarification. In a certain section of the press it has been commented that it takes a very long time to utilise these credits which are given to us For example, it was stated that, when credit was given to us in 1957 to the extent of Rs 59 53 crores, a sum of Rs. 12 14 crores still remained undisbursed. Similarly in the case of credit of Rs 250 crores which was signed in 11966 for use in the Fourth Plan, there is still an unutilised sum of Rs. 52.64 crores eft over. In the case of the credit of Rs. 208.32 crores signed in 1977, the unspent balance at the beginning of the financial year was Rs. 39 52 crores. In 1980, a credit of Rs. 433 32 crores was given and of this, only a sum of Rs. 44.6 crores has been used so far. I would like to know whether these figures which have appeared in a section of the press are correct and if so, what special steps Government propose to take to utilise the present credit as early as possible.

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI KHURSHID ALAM KHAN): It is difficult for me to verify the figures which have been mentioned by the hon. Member as having appeared in the press. But I would just like to mention that, whatever credit we get, we use it very judiciously because it has to be repaid.

SHRI SHARAD DIGHE: My question was about utilising it within a short time and not whether it will be utilised judiciously. I want to know whether it will be utilised within a short time and whether there is any plan or there are any steps proposed to be taken by the Government so that this credit can be utilised within a very short time.