1

## LOK SABHA

Wednesday, April 1, 1970/Chaitra 11, 1892 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Market in Singapore for Indian Goods

+ \* 721. SHRI K. M. KOUSHIK: SHRI J. MOHAMED IMAM: SHRI D. N. DEB: SHRI R. R. SINGH DEO: SHRI K. P. SINGH DEO:

Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether Government have recently received several reports from its Mission in Singapore about the potentialities of the Singapore market for consumption of the Indian goods;

(b) if so, whether it is a fact that no proper action has been taken so far by Government on these reports; and

(c) if so, what is preventing Government from exploiting such a potential market for the Indian goods nearer home?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI RAM SEWAK): (a) and (b). The Ministry of Foreign Trade have been receiving periodical commercial reports and communications on development of trade with Singapore from our High Commission. Action is promptly taken on points arising from such reports. It may be mentioned that India's exports to Singapore have been on the increase. From Rs. 878 lakhs in 1967-68, our exports increased to Rs. 1344 lakhs during 1968-69. During the first eight months of 1969, India's exports to that country amounted to Rs. 1079 lakhs.

(c) Does not arise.

SHRI K. M. KOUSHIK: We all know that China is producing a lot of silk and also dumping it in Singapore and using it as a political weapon to gain popularity there. I would like to know the manner in which our Government are counteracting this propaganda which China carries on against us through their silk business.

THE MINISTER OF FOREIGN TRADE AND SUPPLY (SHRI B. R. BHAGAT): Our trade policy is not to counteract any other propaganda. The Chinese have their own methods of trade. As regards silk, our export of silk is increasing fast and I can assure the House that the main difficulty is one of production here. If we can produce double our present production of silk today, we can export all of it. Therefore, what we are engaged in is to produce more silk here and export it. Our export is increasing.

SHRI K. M. KOUSHIK: There are Indian businessmen in Singapore. I would like to know whether Government have been having some sort of liaison to find out whether their condition there is on a par with that of other businessmen, and if so, what the present position is.

MR. SPEAKER: That is not relevant to the main question. The main question relates to the trade between our country and their country.

SHRI K. M. KOUSHIK: There are Indian businessmen there. I am asking whether they are treated on a par with other businessmen there.

2

SHRI ATAL BIHARI VAJPAYEE: Can we discuss trade without traders?

MR. SPEAKER: I do not mind if the hon. Minister is prepared to answer it.

SHRI B. R. BHAGAT: I have not received any complaints of discrimination against our trade or our traders.

SHRI MOHAMED IMAM: Singapore is a famous international market where all kinds of goods can be sold, provided, the quality, quantity and price are favourable. May I know the various commodities that can be exported to Singapore? India can commodities like silk produce different goods, handloom goods, textiles, iron goods etc; in fact, even our railway wagons are now being exported to Western countries. May I know the various commodities that are being exported now to Singapore and whether Government have ascertained the export potential? May I also know whether there is a report from our Mission there that the Government of India are not bestowing as much attention as they ought to on the exportable goods and if so, whether that is a fact?

SHRI RAM SEWAK: As regards the main items of export from India to Singapore, they are petroleum products, cotton fabrics, fruits and vegetables, tobacco, spices, iron and steel, textile yarn and thread, cereals and cereal preparations, pearls, precious and semiprecious stones and cinematograph films. As regards imports, the main commodities imported by India are jute, raw and cuttings, rubber, synthetic and reclaimed, copper-waste and scrap, spices and hides and skins.

As regards the second point made by the hon. Member, I would like to say that as regards the export of salt, some enquiries were made through the High Commission. I would like to inform the House that the latest position regarding export of salt to Singapore, as reported by the STC is that contracts for 13,000 tonnes have been finalised, of which 8,000 tonnes have already been shipped and 5,000 tonnes are in the process of being shipped.

SHRI R. R, SINGH DEO: May I know the categories of consumer goods which are likely to be sold in the Singapore market and whether any study or survey has been made by any committee about the competition from other countries with due regard to the quality and the price of the goods? May I also know whether in view of the competition from other countries, Government have any proposal to subsidise the exports to the Singapore market, and if so, how the subsidy is being routed?

SHRI RAM SEWAK: No, there is no proposal before Government for subsidy. SHRI RANGA: Are there no export promotion schemes?

SHRI B. R. BHAGAT: That is different from subsidy.

For export promotion, we are creating financial facilities, technical facilities, credit facilities or other facilities.

SHRI PILOO MODY: Whatever form it takes is subsidy.

SHRI B. R. BHAGAT: Compensatory allowance is also considered in order to fill in any gap where the exportable goods find any difficulty. But that is different from subsidy.

SHRI RANGA: Is anything being done in the direction that has been indicated by the hon. Minister?

MR. SPEAKER: The hon. Minister had made it very clear already.

SHRI RANGA: The hon. Minister simply says that there is no subsidy. But we would like to know whether anything is being done in the direction which the hon. Minister himself has indicated.

SHRI B. R. BHAGAT: I have said that everything is being done in the direction which I have indicated, but there is no subsidy.

SHRI PILOO MODY: Credit facility is a subsidy.

SHRI B. R. BHAGAT: It is no subsidy.

SHRI PILOO MODY: Even his salary is a subsidy.

## 5 Oral Answers

SHRI CHENGALRAYA NAIDU: When we went there recently to Singapore, the High Commission has expressed that they could not go and find out any market for silk. So, they want a secretary in charge of trade to be attached to the High Commission. Will Government think of appointing a trade commissioner or a trade representative there? May I also know whether Government are willing to export raw sugar to Singapore, because they have got a plant there and they need raw sugar to manufacture refined sugar? Will Government give some subsidy or incentive by way of cash incentive or other incentives to export raw sugar to Singapore, especially in view of the fact that there is a lot of jaggery in our country and there is no market for it here?

SHRI B. R. BHAGAT: As for the first part of the question, my colleague the Foreign Minister is here.

AN HON. MEMBER: What is this conversation going on between Shri P. C. Sethi and Shri Jyotirmoy Basu? What is the confabulation going on?

SHRI JYOTIRMOY BASU: In order to help your programme, we are discussing.

SHRI S. K. TAPURIAH: I can appreciate his hurry to go over to that side, but his plans will not succeed.

MR. SPEAKER: There is no doubt about the *bona fides* of Shri Jyotirmoy Basu by his sitting there.

SHRI B. R. BHAGAT: My colleague the Foreign Minister has urged upon the heads of all the Indian missions, the High Commissioners and Ambassadors that trade promotion, commercial relations, economic relations, and trade promotion activities are also one of the prime duties of all the heads of all our missions. If he needs more staff to strengthen the commercial side and writes to us, action will be taken. In any case, our attention has been drawn to this and my colleague is also present. The matter will be taken note of.

As for raw sugar, we will look into the suggestion. Sugar is already hedged in by so many quotas.

श्री ग्रवल सिंह: क्या मन्त्री महोदय को मालूम है कि सिंगापुर में जो हमारा नेवरिंग कंट्री है, ज्यादातर हमारे देश के भाई बसे हुए हैं ? क्या यह मुनासिब नहीं होगा कि हम वहां ग्रपनी इंडियन इंडस्ट्रीज को ऐडवर्टाइज करें ताकि वहां हमारा सेल ज्यादा से ज्यादा हो सके ?

श्री ब॰ रा॰ मगल : जो भी हमारे यहां के लोग वहां बसे हुए हैं वह सभी प्रकार के काम में लगे हुए हैं । जहां तक वहां इंडस्ट्रीज लगाने का सवाल है ज्वाइंट वैंचर के जरिये, ग्रौर वहां की सरकार की मार्फत तथा सहयोग से सब कुछ हो सकता है, प्रगर कोई प्रपोजल वहां से ग्राये ।

SHRI SHRI CHAND GOYAL: The new import and export policies have been explained by the Minister yesterday and a greater share of import business has been given to the public undertakings. I would like to know whether the review committee over a year ago had recommended the setting up of offices in important places in S. E. Asian countries including Singapore, and subsequently the Chairman of the STC had a tour of these countries and on the basis of his assessment, he also dittoed that recommendation. Some proposals have actually been made by the Foreign Trade Ministry but I understand the Ministries of External Affairs and Finance are sitting tight over them. Now both the Ministers are by the side of the hon. Minister. Would he take it up at a personal level to get it expedited at an early date?

I understand in most of these South East Asian countries now development activities are going on and they require construction goods and electric goods which our country is in a position to supply. The hon. Minister must be aware that the theory of varying cost applies and the more we produce the lesser the cost. Why can we not take steps to produce more and export to these countries ?

SHRI B. R. BHAGAT: There is nobody sitting tight over that question of opening foreign trade offices. The STC Chairman has

## 1 Oral Answers

APRIL 1, 1970

announced a scheme of rationalising foreign trade offices location. More offices will be opened. Singapore is one of the places where an office is to be located. This matter is very much under active consideration and very soon a decision will be taken.

As for export to this area, I agree there is enormous scope in regard to various types of goods, particularly the new type of engineering and industrial products. I am glad to announce to the House that our trade with this area has registered a very appreciable growth and it includes many items referred to by the hon. member.

SHRI HEM BARUA: We are told just now that our trade with Singapore has appreciably grown.

SHRI B. R. BHAGAT: I spoke of the area as a whole.

SHRI HEM BARUA: It might be that our export trade with SE Asia has registered an increase. Is it part of the increase in our trade with different countries or is this a phenomenon particular to this area? If it is not since this area particularly is flooded with Chinese goods, what steps have Government taken to improve our trade with this area because of the Chinese menace there?

SHRIB. R. BHAGAT: I am not able to appreciate the relevance of the last part.

MR. SPEAKER: The same question was asked by Shri Koushik.

SHRIB.R. BHAGAT: In Singapore also our trade has gone up. For example, our exports have gone up from Rs. 9 crores in 1967-68 to Rs. 13 crores last year. For the current financial year the figures for four months are yet to come, but for the rest of the eight months about Rs. 11 crores of exports have taken place.

As for the other question, there has been an over-all rise of as much as 46 per cent of India's exports during 1968-69 in this region. प्रधान मन्त्री से पाकिस्तान के राष्ट्रपति की प्रस्तावित मेंट

क्या**वैदेशिक-कार्य**मंत्री यह बताने की क्रपाकरेंगेकिः

(क) क्या यह सच है कि पाकिस्तान के राष्ट्रपति जनरल याह्या खां ने प्रधान मन्त्री से मिलने की हार्दिक इच्छा व्यक्त की है; श्रीर

(ख) यदि हां, तो सरकार की इस सम्बन्ध में क्या प्रतिक्रिया है;

(ग) क्या सरकार यह ग्रनुभव करती है कि यह मेंट ताशकंद घोषणा में की गयी व्यवस्था को कियान्वित करने में सहायक सिद्ध डोगी ;

(घ) यदि हां, तो इस सम्बन्ध**ंमें** सरकार ने क्या प्रबन्ध किये हैं; ग्रौर

(ङ) यदि नहीं, तो उसके क्याकारण है ?

वैदेशिक-कार्यमंत्री (श्री दिनेश सिंह): (क) जी नहीं।

(ख) से (ङ). प्रश्न नहीं उठते ।

SHRI BEDABRATA BARUA: Our question was based on press reports purporting to be a report from Gen. Yahya Khan himself that he wanted to see the Prime Minister of India and discuss matters. May I know in that connection whether the question of the implementation of the Tashkent Declaration was later on pursued by the Government in regard to the possibility of a non-aggression pact and settlement of other issues bilaterally, and if so, what is the reaction of the Government of Pakistan ?