

THE MINISTER OF FINANCE (SHRI H. M. PATEL): (a) During the last one year Bank of America, which was given a licence for opening a branch in 1969, was allowed to open its branch in New Delhi.

(b) and (c) The applications of these foreign banks, which satisfy the conditions laid down in Section 22(3) of the Banking Regulation Act, are considered by the Reserve Bank on merits. The interest of India banks are always kept in view in deciding such cases.

Extra funds sought by the State Governments for executing their schemes

275. DR. V. P. DUTT: Will the Minister of FINANCE be pleased to state:

(a) the names of the State Governments which have requested the Central Government to release extra funds for the execution of their schemes during the current financial year;

(b) the schemes for which the extra funds have been sought; and

(c) what decision the Central Government have taken in this regard?

THE MINISTER OF FINANCE (SHRI H. M. PATEL): (a) to (c). Information is being collected and will be laid on the Table of the House.

Trade agreements

276. SHRI N. P. CHENGALRAYA NAIDU:

SHRI F. M. KHAN:

Will the Minister of COMMERCE, CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether it is a fact that a large number of trade delegations from various countries visited India during the last four months;

(b) if so, what is the number of trade agreements signed during this period along with the names of the countries involved therein; and

(c) what are the main features of these agreements?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE, CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BAIG): (a) Yes, Sir.

(b) Four trade agreements were signed as a result of visit of foreign delegations to India during the last four months. The countries with which trade agreements were signed are:

1. Democratic Peoples Republic of Korea
2. Peoples Republic of Mongolia
3. Syria
4. Nepal.

(c) A statement is enclosed.

Statement

Name of the country with which trade agreement was signed	Main features of the Trade Agreement
1. Democratic Peoples Republic of Korea	The main features of the trade agreement concluded with Democratic Peoples Republic of Korea is that whereas the earlier agreement provided for payment in rupees the new agreement which came into force with effect from 1st March 1978 provides for trade between the two countries in freely convertible currency.
2. Peoples Republic of Mongolia	The trade between the Contracting Parties shall be conducted through contracts to be concluded under this Agreement between the exporters/importers

Name of the country with which trade agreement was signed	Main features of the Trade Agreement
3. Syria	<p data-bbox="516 338 1037 406">of the Republic of India including State-owned organisations and competent foreign trade organisation of the Mongolian Peoples' Republic.</p> <p data-bbox="493 425 1037 471">The Contracting Parties shall accord each other most favoured nation treatment in respect of:</p> <ul style="list-style-type: none"> <li data-bbox="519 489 1037 535">(i) customs duties and charges of any kind on imports or exports or in connection therewith, <li data-bbox="516 554 1037 578">(ii) the methods of levying such duties and charges, and <li data-bbox="508 596 1037 643">(iii) rules formalities and charges in connection with customs clearing operation. <ul style="list-style-type: none"> <li data-bbox="497 663 1046 820">(i) Subject to certain exceptions the Contracting Parties are to grant each other reciprocally no less favourable treatment in the trade relations between the two countries than that applying to any country particularly as regards customs duties charges of any kind and regulations governing the import and export of goods / commodities. <li data-bbox="499 838 1046 903">(ii) Payments relating to trade between the Contracting Parties shall be effected in freely convertible currencies acceptable to both Governments. <li data-bbox="499 924 1046 1034">(iii) The Contracting Parties are to grant to each other subject to their respective laws and regulations reasonable facilities for holding exhibitions and participating in trade fairs in their respective territories. <li data-bbox="499 1055 1046 1142">(iv) The Contracting Parties are to permit nationals of either Contracting Party travel facilities in their respective territories for the purpose of trade promotion. <li data-bbox="499 1162 1046 1227">(v) Construction of joint committees for the purpose of periodical review of the operation of the trade agreement.
4. Nepal	<p data-bbox="493 1264 929 1288">The Contracting Parties agreed to permit:</p> <ul style="list-style-type: none"> <li data-bbox="510 1306 1046 1352">1. a free unhampered flow of goods required by one country from the other; <li data-bbox="510 1373 1046 1419">2. an exchange of primary products which would be listed; <li data-bbox="510 1439 1046 1537">3. goods of not less than 80% Nepalese materials/labour would be permitted access to Indian markets free of basic customs duty and quantitative restrictions; <li data-bbox="510 1557 1046 1633">4. manufactures containing not less than 50% Nepalese material/labour to be permitted concessions on quantitative restrictions and tariff; <li data-bbox="510 1653 1046 1711">5. excise duty refunds will be permitted to Nepal by Government of India.