

SHRI BHUPESH GUPTA: And the most deserted one in the world.

DR. (SMT.) SAROJINI MAHISHI: The question of less investment does not arise at all. Secondly, as the hon. Members themselves know, for quite some time there prevailed instability in the eastern region of the country and West Bengal contributed a lot towards that.

SHRI NIREN GHOSH: The question of 400 . . .

DR. (SMT.) SAROJINI MAHISHI: Let me complete my answer.

SHRI NIREN GHOSH: It is from Bombay to Delhi. It is not there.

MR. CHAIRMAN: May I ask hon. Members to let the Minister complete the answer?

DR. R. K. CHAKRABARTI: From Delhi they are flown to Bombay. How can you expect passengers when it is not permitted?

*(Interruptions)*

MR. CHAIRMAN: I rule it out of order.

DR. (SMT.) SAROJINI MAHISHI: The investments have not declined at all. Sir, That is the first thing. Due to the instability prevailing in the eastern region there was some decline in the tourist population, as the hon. Members know. *(Interruption)*. I think hon. Members will please listen. In 1971 also, due to the conditions prevailing in the eastern region there was some decline but gradually it is picking up.

It is wrong to say that there is decline in the investment because a lot of investment is made. A 5-star hotel also is coming up near Calcutta and I think that is in order to give better facilities to the tourists who go to that area.

Secondly, in order to build up the infrastructure in that area, the accommodation in Darjeeling has been increased, and in Jalapara also the accommodation is being increased. And I would like the hon. Members to take up with the West Bengal Government also to expedite the projects which are under construction and also to implement those which are being proposed.

SHRI KALYAN ROY: She did not reply my point. Under Mr. Siddhartha Shankar Ray the entire State is peaceful. I said that Bombay is clearing 9.70 lakh passengers while Calcutta is clearing only 2.15 lakhs. Why close the restaurant where the tourists go? You did not answer that question.

DR. (SMT.) SAROJINI MAHISHI: The momentum is gathered after a period

of years. The moment the Congress Government comes in the wants momentum to be picked up immediately.

SHRI BHUPESH GUPTA: The hon. lady Minister is becoming expert in momentum!

Trade Agreement with EEC

\*5. SHRI GURMUKH SINGH MUSAFIR†

DR. Z. A. AHMAD:

SHRI K. C. PANDA:

SHRI J. S. TILAK:

SHRI A. G. KULKARNI:

SHRI LOKANATH MISRA:

SHRI V. B. RAJU:

SHRI CHANDRA SHEKHAR:

SHRI K. P. SINGH DEO:

SHRI KALI MUKHARJEE:

SHRI SANT KUMAR RAHA:

SHRI KRISHAN KANT:

Will the Minister of COMMERCE be pleased to state:

(a) whether any final agreement has been reached between India and European Economic Community regarding export and import trade; and

(b) if so, the salient features of this agreement and the extent to which India's export trade will be boosted as a result thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE): (a) and (b) A statement is laid on the Table of the House.

#### Statement

A copy of the text of the Commercial Co-operation Agreement signed between India and the European Communities was laid on the Table of the House on 20th December, 1973.

The salient features of the Agreement are however given below:

(a) The Agreement aims at development of mutual trade exchanges on the basis of comparative advantage and mutual benefit.

(b) Under the Agreement both sides shall grant each other the highest degree of liberalisation in respect of exports and imports which they generally apply to third countries.

†The question was actually asked on the floor of the House by Shri Gurmukh Singh Musafir.

(c) The Agreement envisages cooperation between the concerned organisations of the two sides in the field of exports to and economic relations with third countries, especially developing countries.

(d) The Community has declared its intentions to bind the tariff suspensions in respect of tea, pepper (for industrial use), cardamom and East India Kips. The suspended tariff for these items, three products is zero. In regard to tea in bulk and tea in packets the suspended rates are zero and 5% respectively.

(e) A Joint Commission would be established to examine any difficulties likely to hinder the development and diversification of the mutual trade exchanges. The Joint Commission would not only deal with tariff and non-tariff barriers to trade but would also inter-alia examine and recommend ways and means for the progressive adaptation of mutual trade pattern and marketing structures with a view to promote mutual commercial and economic relations.

The gains to India's trade from the Agreement cannot be quantified.

श्री गुरुमुख सिंह मुसाफिर : जो स्टेटमेंट दिया गया है इस सवाल के जवाब में उसमें कहा गया है कि इस करार से भारत के व्यापार को होने वाले लाभों का प्रमाण नहीं माँगा जा सकता। जहाँ तक एक्सपोर्ट्स का सम्बन्ध है, कम ही सम्पत्ति की के अधिभाषण में इसका विकर आया है। उन्होंने कुछ आकड़े भी दिये हैं, हायद, 20 परसेंट उन्होंने कहा है कि पिछले दो सालों में इनकी वृद्धि हुई है। तो के आकड़े गवर्नमेंट ने सुझाये कि हमें कि यह लाभ इस करार से हुआ। तो मैं यह जानना चाहता हूँ कि किस किस आइटम में किस किस तरीके से यह लाभ हुआ है। यह आकड़े मुझसे के खिलाफ नहीं तो मैं यह पूछना चाहता हूँ कि इसकी डिटेल्स क्या हैं?

SHRI A. C. GEORGE: Sir, in the statement the point that has been made in paragraph 4 is only that the gains to India's trade from the Agreement cannot be quantified. The Agreement was signed only on 18th of December and obviously we cannot show the gains in a fully quantified form. That is the only point that we have said in that. But regarding increase in trade with EEC countries, it is steadily increasing. In 1971-72 it was Rs. 305 crores and in 1972-73 it has gone up to Rs. 407 crores, and due to this particular Agreement, with

special reference to coir and jute we were able to reduce the tariff over a period of two years by 60%. And measures taken about cardamom, pepper and East India Kips are also of definite advantage to our country in the matter of export to the EEC countries.

श्री गुरुमुख सिंह मुसाफिर : दूसरा सवाल मेरा यह है कि जिन जिन आइटम्स में फायदा हुआ है उनमें जब तक गवर्नमेंट सारे घन्टों को अपने हाथ में नहीं लेती है जो लोग एक्सपोर्ट का काम करते हैं, उनको क्या गवर्नमेंट खास तौर से ज्यादा मदद देने की तरफ ध्यान दे रही है।

SHRI A. C. GEORGE: There is no proposal now to take over the export trade to these countries but over a period we are giving all facilities so that export to this vital sector is increased and so that our balance of payments situation will be more favourable to us.

SHRI J. S. TILAK: India has a large adverse balance of trade with EEC countries. For this the Deputy Director-General of External Relations has suggested that a joint trade promotion agency of EEC and India be constituted. Did Government move in this matter?

SHRI A. C. GEORGE: Sir, I am not aware of this particular suggestion or recommendation, what the hon. Member is referring but along with this Agreement we have set up a Joint Commission to work out the details and identify each and every product where potentiality and rate of growth is high. Over and above that we have got a commercial development programme under which within three years the intention is to increase the exports to West European countries by Rs. 200 crores. At present in 1972-73 as I pointed out in an earlier reply our export is to the tune of Rs. 407 crores, within the next three years our intention is to take it to Rs. 600 crores.

SHRI V. B. RAJU: Will the hon. Minister be pleased to state how is the balance of trade between the countries of EEC and India in 1972, that is up to December 1972? Here under item (e) it has been said that a Joint Commission would be established to examine any difficulties likely to hinder the development etc. etc. What has been said here is more in general terms. Are there any specific matters that will be placed before the proposed Commission so as to have a balance of trade favourable to India?

SHRI A. C. GEORGE: The position regarding export and import in 1972-73...

SHRI V. B. RAJU: I want for 1973 only.

SHRI A. C. GEORGE: I am coming to that. The export is Rs. 407 crores and import Rs. 545 miris. So far as latest figures are concerned I am not in a position to give now. Only after computing the entire list I will be able to give it. So far as the Joint Commission is concerned, in the West European market there is a tendency to give up labour-intensive items of production and they are going in for more and more sophisticated items. This gives India an advantage and opportunity to enter the European markets with more and more of our industrial and engineering items.

SHRI KALI MUKHERJEE: Sugar is being sold to EEC at 94 paise per kg. May I know from the Minister whether it is not better that we send this cheap sugar which is heavily subsidised to the oil producing Arab countries to get oil instead of obliging the EEC countries at this particular moment when we are suffering terribly from oil shortage?

SHRI A. C. GEORGE: We do concede that the oil producing Arab countries constitute a vital, potential and important market and this particular suggestion also is under consideration.

SHRI SANAT KUMAR RAHA: In reply to (b) it is stated that under the Agreement both sides shall grant each other the highest degree of liberalisation in respect of exports and imports. I want to know what sort of liberalisation we on our part have shown to those countries of the EEC. Imports will be made by India from those countries but what liberalisation have we shown to them?

SHRI A. C. GEORGE: Sir, in any agreement of this sort between countries or group of countries in the international market situation there must be a mutuality of agreement. When they are making some concessions to us naturally we also have to give some concessions and that alone will pave the way for better trade promotion between countries.

MR. CHAIRMAN: Question Hour is over.

#### WRITTEN ANSWERS TO QUESTIONS Punishment for misuse of import licences

\*6. SHRI SAWAISINGH SISODIA :

SHRIMATI LAESHMI KUMAR  
CHUNDAWAT :

SHRI MAHENDRA BAHADUR  
SINGH :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to amend the law providing punishment for offences connected with misuse of import licences; and

(b) if so, the steps taken in this regard?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA): (a) and (b) There is a proposal that in addition to the existing penal provisions in the Imports and Exports (Control) Act and the Orders issued thereunder, the Import Control authorities may be vested with powers for adjudication where misuse of import licence has been proved. The proposal is under consideration.

#### Complaints Regarding Unsatisfactory working of the Central Bank of India

\*7. SHRI KRISHAN KANT :

SHRI GURMUKH SINGH MUSA-

Fir: SHRI KALIMUKHERJEE :

SHRI CHANDRA SHEKHAR: DR.

Z. A. AHMAD : SHRI A. G.

KULKARNI : SHRI V. B. RAJU :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have recently received complaints regarding unsatisfactory working of the Central Bank of India;

(b) whether a study was made by a team of Consultants to streamline procedures in the Branches and the Head Office of the Bank; and

(c) if so, what action has been taken to improve the working of the Bank?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN): (a) Yes, Sir.

(b) and (c) The Board of Directors of Central Bank of India has appointed a Committee to review all aspects of the working of the bank. The Committee has not yet completed its study.

#### Recruitment to class III and Class IV posts in International Terminal and associated Offices of Calcutta Airport

\*8. SHRI SARDAR AMJAD ALI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that recruitment to Class III and Class IV categories of posts in the Calcutta International Airport and associated offices, is being made through the International Airports Authority, Delhi and

(b) if so, what are the details in this regard?