

the general policy of progressive canalisation followed by Government, and no change in it is contemplated for the present.

FOREIGN COLLABORATION IN EXPORT TRADING

1246. SHRI M. K. MOHTA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government propose to allow foreign collaboration in export trading activities;

(b) if so, whether any decision has been taken in the matter and details thereof; and

(c) the extent to which the exports are likely to be boosted as a result thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GEORGE) : (a) to (c) In the Import Trade Control Policy (Volume II) for the year April 1972—March 1973 it has been announced that the policy of not allowing foreign collaboration in Trading activities may be relaxed provided such collaboration is intended exclusively for exports. So far no proposal from any Indian firm for collaboration with foreign firm in respect of Export Trading activity has been received.

DISPUTE OVER FLYING AVRO AIRCRAFT

1247. SHRI M. K. MOHTA : Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether the dispute between the Indian Airlines pilots and the Government to fly Avro has since been settled; and

(b) if so, the conditions on which the dispute has been settled, the period taken in settling the dispute and the additional expenditure, if any, that had to be incurred by the Government as a result of the delay in settling the dispute?

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH) : (a) and (b) Yes. Sir. On the 17th June, 1972, the Indian Commercial Pilots' Association unconditionally withdrew its directive to its member and the Avro is now being flown at its approved all up-weight. However, the cases filed by the ICPA and some pilots in the Bombay High

Court and by certain pilots in the, Calcutta High Court regarding the performance of the 'Avro are still pending.

It is not possible to quantify the loss suffered as a result of the ICPA directive.

GOODS DISPLAYED AT LEIPZIG FAIR

1248. SHRI M. K. MOHTA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government's attention has been drawn to an article in the Financial Express of April 22, 1972 commencing on the sub-standard Indian products on display at the Leipzig Fair; and

(b) if so, the reaction of the Government with regard thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GEORGE) : (a) and (b) The goods described in the article as substandard like knitting machine, batteries, refractory bricks, thermos flasks, sanitary fittings and automobile parts had elicited trade enquiries leading to negotiations and as such these cannot be termed as 'substandard.

Care is taken to pre-empt the industrial image of India by the display of right type of products at the Fairs Abroad.

PROPOSAL FOR MERGER OF SMALL BANKS

1249. SHRI A. G. KULKARNI:
SHRI S. B. BOBDEY :
SHRI V. R. PARASHAR :

Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a press report in Financial Express of the 7th August, 1972 suggesting the merger of all small banks and the suggestion by Bankings Committees that they should work as subsidiaries; and

(b) if so, the reaction of Government to the suggestions?

THE MINISTER OF FINANCE (SHRI Y. B. CHAVAN) : (a) Government have seen the Press Report which refers to a study prepared for the use of the Bankings Commission.

(b) The recommendations of the Commission on the restructuring of the banking system are under consideration.