

like this. We are two independent countries; we have our own interests to protect. Nepal has its own difficulties; the economy is not yet fully developed. Nepal wants to develop its economy and we want to help Nepal.

SHRI S. D. MISRA : We have no complaint against that.

SHRI L. N. MISHRA : We have also to protect our interests. It is uppermost in our mind that the interests of our country do not suffer whether it is the case of nylon industry or synthetic fabrics or stainless steel. When the new trade agreement comes—and I hope it will come soon—that agreement will point out what the difficulties were and what difficulties have been solved if hon. Members compare the new agreement with the old one.

SHRI K. P. MALLIKARJUNUDU : I wish to know when the Indo-Nepalese Treaty expired and after the expiry what is the procedure that is now adopted? And I also want to know how far the present negotiations have progressed. Is there any prospect of any satisfactory settlement in the near future?

SHRI L. N. MISHRA : Everybody knows that it expired on the 31st. We agree to maintain the *status quo* till a new agreement is arrived at. Negotiations are going on and I hope there will be a satisfactory settlement.

\*213. [Transferred to the 25th November, 1970].

#### EXPORT OF COTTON TEXTILES TO USA

\*214. SHRI K. C. PANDA† :  
DR. B. N. ANTANI :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether any agreement for the export of cotton textiles from India to the United States has been negotiated; and

(b) if so, what is the period covered by the agreement and what are the other terms of the agreement?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (CHOWDHARY RAM SEWAK) : (a) Yes, Sir.

(b) A statement is placed on the Table of the House.

†The question was actually asked on the floor of the House by Shri K. C. Panda.

#### STATEMENT

The Indo-US Textiles Agreement is valid for four years from 1st October, 1970 to 30th September, 1974.

Other important features of the Agreement are :—

(1) A quota of 110 million square yards has been fixed for export of cotton textiles from India to the United States in the first Agreement year. The quotas for the succeeding Agreement year will have an annual growth at the rate of 5%. The overall ceiling of 100 million square yards has been divided into two groups, *viz.*, Group I—84.7 million square yards for export of fabrics and Group II—25.3 million square yards for export of other products including garments. These two Groups of textiles have been further sub-divided into 64 categories. Specific limits have been fixed for export of some of these categories.

(2) Within the aggregate limit, the limits for Group I and II may be exceeded by not more than 10 per cent and 5 per cent respectively. Specific limits may be exceeded by not more than 5 per cent within the applicable Group limit. Any shortfalls occurring in exports in categories with specific limits may be used in any category without specific limit, within the same Group.

(3) In case of shortfalls there is a provision for carryover upto 5% of the agreed limits.

(4) There is provision for an additional separate quota for export of handloom products from India to the United States. The limit for the first agreement year has been fixed at 5 million square yards with an annual growth at the rate of 5% for the subsequent agreement years. Provisions for consultations between the two Governments has been made in order to facilitate exports of handloom products in excess of these limits. As before, handloom cotton fabrics continue to be outside the purview of the Agreement and can be exported freely.

(5) Certain listed items which have a cotton cloth base with handwork thereon and which are uniquely and historically traditional Indian products (named as 'India items') have been excluded from the purview of the Agreement. In other words, these items will not be subjected to quantitative restrictions envisaged for the cotton textiles items covered by this Agreement.

SHRI K. C. PANDA : May I know from the Government what are the quotas fixed by the USA for imports from Taiwan, Hongkong and Japan and secondly whether the quotas fixed for India are considered

adequate by the Government and if not whether it would take up the matter further with the US authorities to have it revised.

**CHOWDHARY RAM SEWAK :** No quota has been fixed for Japan. The quota fixed is for EEC countries in respect of mill-made fabrics. Handloom is free; they can export any quantity they like. The quota fixed for the U.K. is 205 million sq. yards of mill-made fabrics. For U.S.A. it is 110 million sq. yards.

**DR. B. N. ANTANI :** Sir, I am lucky today that I get an opportunity on this auspicious day of the birthday of the Prime Minister. May I request the Minister to refer to his statement and tell me what is the basis for the fixing of the quota, whether it has any relation with the total production in the exporting country and the fact of its being a developed or under-developed country and will he place on the Table a list of all the categories referred to in the statement?

**SHRI L. N. MISHRA :** Hon. Member is perhaps aware that there is something called long-term agreement according to the provisions of the GATT and this settlement is under the provisions of the GATT. We have to negotiate with these countries like the United States, the U.K., etc. and fix quotas for export. This time we have had a better deal as it is an improvement upon the last. This year it is 110 million sq. yards of cotton textiles and 5 million sq. yards of handloom products. Therefore, there is nothing like production being taken into account. It is a question of negotiations. We are exporting to the USA and they are importing from us. We press our own case; we say that these materials are available for export to you and if they agree we export provided it is acceptable to us. There is no question of any formula or anything, it is purely on the basis of negotiations.

**श्री मान सिंह बर्मा :** मैं माननीय मंत्री जी से यह जानना चाहता हूँ कि जब देश का कोई सामान बाहर भेजा जाता है तो प्रायः उसी समय भेजा जाता है जब हमारे यहां उस सामान की जरूरत पूरी हो जाती है। इसलिए मैं यह जानना चाहता हूँ कि क्या देश में कपड़े की जरूरत पूरी हो चुकी है और उससे जो बचता है वह भेजा जाता है या फिर इस बात का ख्याल नहीं रखा जाता है कि जरूरत पूरी हो या न हो हमें तो बाहर भेजना ही है।

**श्री ललित नारायण मिश्र :** माननीय सदस्य ने अन्तर्राष्ट्रीय अर्थशास्त्र की एक नई परिभाषा कर दी है कि जो चीज फाजिल हो वही बाहर भेजी जाए, इस तरह से किसी देश का विकास नहीं हो सकता है। हम लोगों को अपने देश का बहुत अधिक विकास करना है और पिछड़े हुए देशों को अपना विकास करने के लिए कुरबानी भी करनी पड़ती है, इन्टर्नल कंजम्पशन पर रोक लगानी पड़ती है और इस बात का ख्याल रखना पड़ता है कि जो आवश्यकता है उसमें खलल न आए। जहाँ तक टैक्सटाइल का संबंध है अगर हम उसका भेजना बंद कर देने हैं तो इससे हमारा एक्सपोर्ट गिर जाएगा। इसी तरह से दूसरे आइटमों को भी भेजना जरूरी है। माननीय सदस्य को यह मालूम होना चाहिए कि हम जितना ज्यादा माल बाहर भेजेंगे उतना हम अपने देश का आर्थिक विकास कर सकते हैं अन्यथा वगैर बाहर माल भेजे हम न अपने देश का आर्थिक विकास कर सकते हैं और न ही उन्नति कर सकते हैं।

**श्री मान सिंह बर्मा :** मैंने यह पूछा था कि क्या यहां की जरूरत पूरी होने के बाद जो बचता है वह भेजा जाता है या इसका ख्याल नहीं किया जाता। उसका जवाब नहीं दिया। वे कहते हैं कि जब तक भेजेंगे नहीं यहां विकास नहीं होगा। मैं पूछता हूँ कि क्या यहां की कपड़े की जरूरत पूरी हो जाती है ?

**श्री ललित नारायण मिश्र :** मैंने कहा कि अगर इन्टर्नल कंजम्पशन को पूरा करने के बाद ही बाहर भेजे तो यह चीज नहीं चल सकती, फिर ट्रेड कैसे बढ़ेगा। जितना कपड़ा चाहिए...

**श्री सभापति :** स्टेट्स में क्या हालत है ?

**श्री ललित नारायण मिश्र :** अगर पांच बरस के आंकड़ों को देखेंगे तो पर कैपिटल कंजम्पशन बढ़ा है, प्रोडक्शन भी बढ़ा है, लेकिन इसके साथ-साथ मैं यह भी कहना चाहूंगा कि हमारे देश में खपत कम भी करनी पड़े और एक्सपोर्ट के आर्डर मिल जाएं तो भेजना पड़ेगा।

**SHRI V. B. RAJU :** Will the hon. Minister give the latest figures in respect of what is the foreign exchange involved in importing cotton and what are the foreign exchange earnings made by exporting cloth? Will he give the relative figures?

**SHRI L. N. MISHRA :** So far as the import of cotton is concerned it is about Rs. 100 crores. About the earnings by textile exports I have no figure at the moment with me.

**MR. CHAIRMAN :** I may now go on to the next question.

†VISIT OF OFFICIAL TEAM TO EUROPEAN COUNTRIES FOR PROMOTION OF ECONOMIC COOPERATION

\*6. **SHRI LOKANATH MISRA†† :**  
**SHRI M. K. MOHTA :**  
**SHRI S. S. MARISWAMY :**

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether an official team recently visited some East European countries to further economic cooperation with those countries; and

(b) if so, the details thereof and the outcome of the team's visit ?

**THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (CHOWDHARY RAM SEWAK) :** (a) and (b) A statement is laid on the Table of the House.

#### STATEMENT

(a) and (b) An Indian Trade Delegation led by Deputy Minister, Foreign Trade visited Bulgaria and Poland in October 1970 and concluded annual Trade Protocols for the year 1971 envisaging increased two-way trade. Copies of the Protocols have been placed in the Parliament Library.

A team of officials visited Hungary and Rumania for preliminary discussions for concluding new long-term Trade and Payments Agreements for the period 1971—75. An Indian Trade Delegation led by the Minister of Foreign Trade will be shortly visiting Hungary and Rumania for finalising and signing these agreements.

**SHRI LOKANATH MISRA :** May I know whether as a result of the visit of our Deputy Foreign Trade Minister any new items have been thought of for export and whether any new items finished goods will be exported as a result of the trade negotiation by him?

††Transferred from the 9th November, 1970.

†The question was actually asked on the floor of the House by Shri Lokanath Misra.

**CHOWDHARY RAM SEWAK :** We have negotiated some engineering goods in the finished items and then some cattle feed also. These are the new items.

**MR. CHAIRMAN :** The Question Hour is over.

#### WRITTEN ANSWERS TO QUESTIONS

†SABOTAGE BY MIZO REBELS

\*64. **SHRI M. K. MOHTA :** Will the Minister of HOME AFFAIRS be pleased to state :

(a) whether it is a fact that nearly 200 armed Mizo hostiles had recently re-entered India from the Chittagong hills in Pakistan to carry sabotage activities in the Mizo Hills District;

(b) whether it is also a fact that there have been a number of severe clashes with the Indian Security Forces during the past two months or so—and that a number of security centres were attacked by the Mizo hostiles including the Tirthamukh Hydel Station which was heavily damaged; and

(c) if so, the steps taken by Government so far to check the entry of Mizo hostiles into India and to save the lives and property of the people of the area?

**THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI K. C. PANT) :** (a) and (b) According to information available with the Government, about 200 underground Mizos in small groups infiltrated into the Mizo Hills District from East Pakistan during June-July, 1970. Of them, till the middle of October, 16 were killed in clashes with security forces, 10 were captured and 6 had surrendered. No post of security forces was attacked by the underground Mizos. There was a raid on Gumti Hydel Project in Tripura on 2nd July, 1970.

(c) Security forces maintain constant vigilance to prevent illicit traffic across the border. They are also continuously engaged on locating hide-outs of the hostiles and dealing with them. Security arrangements in the Gumti Hydel Project in Tripura as well as in the other areas have been strengthened.

†Transferred from the 11th November, 1970.