

Committee area is mainly underground. The New Delhi Municipal Committee have reported that higher tariff has been introduced to cover its own expenditure on the maintenance and operation of the underground distribution system.

(c) Yes, Sir.

(d) The demand was not approved by the Committee.

✓TALKS WITH PRESIDENT OF E. E. C.

173. SHRI SITARAM JAIPURIA:
SHRI CHITTA BASU:

Will the Minister of FOREIGN TRADE be pleased to state :

(a) the gist of the talks which Indian officials had with the President of E. E. C. during his recent visit;

(b) the possible impact of U. K.'s entry into the E. E. C. and the nature of preferences which India will lose by this ;

(c) the extent of our foreign trade both commodity-wise and country-wise with the U. K., E. E. C. and associated territories since the signing of the Rome Treaty; and

(d) the various tariff and non-tariff barriers on Indian goods in all these countries and the efforts Government have made for removing these barriers?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (CHOUDHARY RAM SEWAK) : (a) During Mr. Jean Rey's stopover in Delhi between the 31st March and 3rd April, 1970, views were exchanged on the various steps that might be taken to correct India's persistent trade imbalance with the European Economic Community and on the likely time-table for negotiations with the U. K. on their application to enter the Community.

(b) The possible impact of U. K.'s entry into E. E. C. on India's trade was explained in the Commerce Minister's statement to the Rajya Sabha on 25-5-67 (copy enclosed). [see Appendix LXXII, Annexure No. 5] Negotiations are expected to start during the middle of this year to settle the terms and conditions of U.K.'s entry into the E.E.C. It is, therefore, not possible, at this stage to make any assessment of the nature of preferences that India will lose in this context.

(c) and (d) The necessary information is being collected and will be placed on the Table of the House in due course.

EXPORT OF NEHRU AND GANDHI COINS

174. SHRI SITARAM JAIPURIA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether it is a fact that there is a great demand for Nehru and Gandhi coins in foreign countries; and

(b) if so, the number of coins under each category exported to each country so far?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (CHOUDHARY RAM SEWAK) : (a) and (b) There is no Export Control restriction on the exports of Pandit Nehru coins except the regulations governing the export of currency. With regard to Mahatma Gandhi coins, the Export Trade Control Regulations are :

(i) Mahatma Gandhi Silver Ten-rupee coins upto five in number out of which two may be proof coins, are allowed for export or to be taken out by Passengers going abroad without any export licence.

(ii) These ten-rupee coins other than the proof coins allowed for export subject to a minimum export price of Rs. 15 per coin FOB.

Export statistics in regard to export of different types of coins are not maintained separately and as such it is neither possible to determine whether there is demand for Pandit Nehru and Mahatma Gandhi coins in foreign countries nor the figure of exports of those are available. It is, however, presumed that numismatists all over the world would have sought these coins.

SUPPLY OF SUBMARINE TO PAKISTAN BY U. S. A.

175. DR. (MRS.) MANGLADEVI TALWAR : Will the Minister of DEFENCE be pleased to state :

(a) whether an official proposal was made in the U. S. Congress for the supply of a submarine to Pakistan on loan; and

(b) if so, the reaction of the Government of India in the matter?

THE MINISTER OF DEFENCE (SARDAR SWARAN SINGH) : (a) The Government is not aware of any new proposal for supply of a Submarine to Pakistan on loan. But there was a proposal for extending the period of loan of a Submarine supplied by U. S. A. to Pakistan in 1964.

(b) The implications and the threat to our security and peace by the supply of military equipment to Pakistan has been brought to the notice of the United States Government repeatedly.

INCENTIVE TO SMALL SCALE INDUSTRIES FOR EXPORTING GOODS

176. DR. (MRS.) MANGLADEVI TALWAR : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether any incentive is being provided to the small scale industries for exporting goods; and

(b) if not, the reasons therefor and the nature of the special incentive proposed to be provided for the industries located in the backward States like Rajasthan to export goods?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (CHANDHARY RAM SEWAK) : (a) Generally the normal export assistance measures such as import replenishment licences, compensatory support, drawback of customs and excise duties etc. are with reference to the export commodity and not with reference to whether the commodity is exported from the large scale or small scale industry.

Certain institutional arrangements have however been made to assist the units in the Small Scale Sector to market their goods abroad more efficiently.

Small Scale units who export 10% or 25% or more of their production get more preferential treatment in the matter of sources of supply of their imported inputs than the units in the large scale sector.

A statement giving the details of preferential arrangements for SSI units is laid on the Table of the House.

(b) Efforts are made to encourage exports from all regions of the country. A number of State Governments have established institutions and export houses to organize such exports.

The export benefits are allowed with reference to the export products and not with reference to the location of the industries.

STATEMENT

Incentive facilities to exporting units in Small Scale Industries

(1) Actual users in the SSI Sector will be able to get raw material supplies

from the STC/MMTC on surrender of import entitlements and thus draw supplies off-the-shelf, instead of obtaining licences in their own names. This will help in export production.

(2) As part of the developmental role of STC/MMTC in the export field they will render services to Small Scale Industries in respect of procurement of raw materials, quality control, product standardization identifying of market opportunities abroad and bringing together prospective importers abroad and potential exporters in India.

(3) Small Scale exporting units exporting 25% or more of their production will get their full requirements of imported raw materials in free foreign exchange.

(4) Recognised Merchandizing Export Houses will also offer their services for assisting the SSI Units in marketing their products abroad. Their ability to help in this regard is being strengthened.

SUPPLY OF TANKS TO PAKISTAN BY RUSSIA

177. SHRI A. D. MANI :
SHRI LAL K. ADVANI :
SHRI C. D. PANDEY :
DR. BHAI MAHAVIR :

Will the Minister of DEFENCE be pleased to state :

(a) whether the Soviet Union has recently agreed to make another supply of over 200 tanks to Pakistan of the TU 54 and TU 55 variety; and

(b) whether any protests have been lodged by our Embassy in Moscow about the arming of Pakistan at the present time to give it military superiority over India?

THE MINISTER OF DEFENCE (SARDAR SWARAN SINGH) : (a) and (b) According to available information, about 150 tanks from the Soviet Union have been received by Pakistan some time back and there has been no recent arrival of tanks. There is no confirmation of the number of tanks if any, which the Soviet Union may have further agreed to supply.

We have pointed out to the Government of Soviet Union that any accretion to the armed strength of Pakistan, in view of Pakistan's collusion with China, poses