

COUNCIL OF STATES

Wednesday, 10th March 1954

The Council met at two of the clock, MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

TRADE AGREEMENT WITH U.S.S.R.

•258. SHRI S. N. MAZUMDAR: Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Indian delegate to the recent conference of the Economic Commission for Asia and Far East expressed an opinion in course of his speech delivered at the Conference that the recent trade agreement between the Government of the Union of Soviet Socialist Republics and the Government of India is not expected to lead to any appreciable increase in trade between the two countries; and

(b) if so, what are the reasons which led him to express such an opinion at the said Conference?

THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR): (a) No, Sir.

(b) Does not arise.

SHRI S. N. MAZUMDAR: Am I to take it that the Indian representative did not make any reference to the subject of the trade agreement?

SHRI D. P. KARMARKAR: My hon. friend cannot take it that way. He did say something, not the contents which my hon. friend has asked for.

SHRI V. K. DHAGE: If he did say something on the subject, what did he say?

SHRI D. P. KARMARKAR: During the course of the meetings of the Committee on Industry and Trade held

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I on the 2nd February, 1954 the Russian delegate held the Indo-Russian Agreement as a model of trade relations offered by the U.S.S.R. to the countries of the E.C.A.F.E. In this connection our delegate pointed out that while this agreement was good so far as it went, its full potentiality for development of trade between the two countries could not be fully exploited until some more positive steps were taken.

SHRI S. N. MAZUMDAR: May I know what were the positive steps which the Indian representative had in mind?

SHRI D. P. KARMARKAR: These [steps included more information and **knowledge on the part of our** importers and exporters of what Russia has to offer and what Russia requires, provision for deferred payment in case of supplies of capital equipment and provision to expand the scope of the bilateral agreement to provide for multilateral trading especially in case exports fail to balance the imports as between the two countries.

SHRI S. N. MAZUMDAR: How is it, Sir, that these questions were not raised and discussed at the time of the conclusion of the agreement?

MR. CHAIRMAN: That is a different question.

SHRI S. N. MAZUMDAR: Has not the attention of the Government been drawn to a report in the *Hindustan Standard* on the 4th February to the effect that the Indian representative expressed himself in these terms?

SHRI D. P. KARMARKAR: No, Sir. I understand also that the press representative who reported the proceedings was mostly absent from the meetings.

SHRI S. N. MAZUMDAR: But how is it that it was reported like this in the papers and the attention of the Government was not drawn to such an important matter, and no contradiction was forthcoming?

SHRI D. P. KARMARKAR: My friend may table a question on that subject.

EDUCATIONAL FACILITIES FOR STUDENTS FROM TRUST TERRITORIES

*259. SHRI SARDAR SINGH: Will the PRIME MINISTER be pleased to state :

(a) whether the Member States of the United Nations have offered study and training facilities for students from Trust Territories; and

(b) if so, what has been India's contribution so far?

THE PARLIAMENTARY SECRETARY TO THE PRIME MINISTER (SHRIMATI LAKSHMI MENON): (a) Yes.

(b) Since the inception of the Scheme in 1952 the Government of India has been offering four scholarships every year under the Government of India's Cultural Scholarships Scheme. Three students have come to India for studies during 1953-54 under this Scheme.

SHRI SARDAR SINGH: Will the hon. Parliamentary Secretary let me know to what countries these students belong?

SHRIMATI LAKSHMI MENON: The students belong to Tanganyika, Togo-land and British Cameroons.

SHRI H. C. MATHUR: What are the subjects?

SHRIMATI LAKSHMI MENON: The scholarships are offered for humanities, science, engineering and medicine.

MANUFACTURE OF DIESEL ENGINES IN INDIA

*260. SHRI M. VALIULLA: Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) the total capital so far invested in the manufacture of diesel engines; and

(b) out of the total investment how much is foreign capital?

THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR): (a) and (b). Out of the total investment of about Rs. 142.54 lakhs by the firms who are at present manufacturing diesel engines, about Rs. 12-40 lakhs are understood to be foreign-owned capital. Some of these firms are producing other articles in addition to diesel engines.

SHRI M. VALIULLA: May I know whether it is not a fact that the production of engines, which was going up from year to year and in 1951-52 reached above 7,000, fell to 2,809 in 1952-53?

SHRI D. P. KARMARKAR: I could not say all that, but it is a fact that during the year 1952-53, production had fallen.

SHRI M. VALIULLA: What is the reason for the fall in production of the diesel engines by 5,000?

SHRI D. P. KARMARKAR: So far as I could say off-hand the stocks in hand might not have justified the production of more and I am afraid there was a little bit of more import during the preceding period.

SHRI M. VALIULLA: How many were imported during that period when there was a fall?

SHRI D. P. KARMARKAR: I am not in a position to say off-hand.

SHRI M. VALIULLA: Have we now come to the same level which we had reached in 1951-52, namely, 7,000 and odd?

SHRI D. P. KARMARKAR: Our production of diesel engines in 1953, I understand, was in numbers 3,716.

SHRI M. VALIULLA: How many of them are 20 h.p. and more than 20 h.p.

SHRI D. P. KARMARKAR: I have not got the split-up of figures.