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Desai's Statement In Lok Sabha On Monday

ECM'S SAFEGUARDS FOR OUR TRADE

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NEW DELHI, August 3.

THE Finance Minister, Mr. Morarji Desai, will make a statement in the Lok Sabha on Monday, when it meets for the monsoon session, on the latest trend of talks at Brussels on trade safeguards for India in the event of Britain joining the European Common Market, it is learnt.

In the maze of proposals that characterise the current negotiations at Brussels, it is apparent that India's case has not received the sympathetic and favourable consideration that was indicated to Mr. Desai during his European tour.

The Finance Minister has already conveyed to the European Economic Community this country's displeasure over the proposals that have now been incorporated in the second working paper on the trading problems of India, Pakistan and Ceylon.

Since the U.K. is not yet a member of the community, Mr. Desai is understood to have sent a copy of this communication to the British Government also.

U.K.'S SPECIAL EFFORTS

In his message, Mr. Desai has pointed out to the community that the latest proposals of the "Six" on the trade porblems of India, Pakistan and Ceylon are not in conformity with the discussions he had had with the E.E.C. countries during his tour.

While it is possible that the "Six" might not go ahead with these proposals in the face of Indian displeasure, it is also hoped that Britain will make special efforts to correct the present "disturbing" attitude taken by the E.E.C.

In view of the delicate nature of the discussions at Brussels, it is unlikely that the Finance Minister will dilate at length on the E.C.M. negotiations beyond reviewing the developments since his last statement on the subject after his talks with Mr. Duncan Sandys in June.

KEEN DISAPPOINTMENT

At that time, Mr. Desai told Parliament that the European Economic Community might sign a special agreement with India to "improve our export prospects and opportunities."

His talks later in the capitals of E.C.M. countries had also confirmed his earlier impression that there was recognition in the community of the special nature of India's trading problems. Indications to the contrary now have, therefore, caused keen disappointment in official circles.

Mr. Desai is understood to have conferred for several hours tonight with senior officials of his ministry, led by the Secretary for Economic Affairs, Mr. L. K. Jha, on the implications of the latest proposals emanating from Brussels.

In his statement to Parliament, the Finance Minister is likely to refer also to the recent aid pledge of the consortium and express the Indian Government's gratitude to the member-governments for the assistance extended.

Simultaneously, he is expected to reiterate his hope that further aid would be forthcoming from the consortium at its next meeting to fill the gap of 80 million dollars in the Club's aid for the current year.