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PROMOTING INDIA'S EXPORT TRADE

Commerce Minister On Merchants' Duty

"DISHONEST PRACTICES" CRITICISED

NEW DELHI, June 1.

MR. K. C. NEOGY, Minister for Commerce, asked the Export Advisory Council at its meeting held here today to consider three "basic problems", namely, the need to explore ways and means of promoting India's export trade, the question of exercising some sort of check over the quality of Indian exports and finding a way to ensure that overseas buyers were not made to pay unduly high prices.

The Minister declared: "The task before us today is one of far greater difficulty than in the past, and greater efforts and sacrifices will be necessary if we are to put our foreign trade on a sound financial footing."

"While we may look forward to some relief in years to come on account of diminished imports of food grains, in the immediate future the stimulation of exports has become a matter of vital importance."

Factors which, according to the Commerce Minister, operated against ekpansion of India's export trade were high domestic demand which Mr. Neogy said, should be met by increased production rather than by diminished exports, unsatisfactory quality of goods sent out of India and the prevalence of high prices.

Mr. Neogy described the complaint about India's diversion of exports to hard currency areas at the expense of soft currency countries as "wholly incorrect appreciation of our policy." Only in regard to raw jute, certain varieties of hides and skins and raw cotton had special consideration been given to hard currency markets and this was done because of India's balance of payments position. "Often our hands are forced," he said, "when critical commodities, which we ourselves have to import, are denied to us by soft currency countries so that we have to spend dollars in obtaining them from the United States."

During the last few months, the Commerce Minister said, the problem of India's balance of payments had attracted a great deal of public attention and its seriousness had been recognised more widely than in the past. The causes, however, did not appear to be visualised in their proper perspective and there were many who were inclined to believe that the problem had been created by the pursuit of faulty policies in respect of imports and exports. The basic reasons underlying India's present difficulties were much deeper and, to a very considerable extent, the deterioration was due to the partition of the country.

IMPACT OF PARTITION

The full impact of the partition on India's foreign trade was only felt in 1948-49 when the Standstill Agreement with Pakistan ceased to be effective. The adverse balance of trade in that year was estimated to be Rs. 95.25 crores (including private merchandise and Government stores) as against Rs. 37.07 crores for 1947-48.

Dealing with the fundamental factors which operated against expansion of India's export trade, Mr. Neogy said that increase in the purchasing power of what used to be low-income groups had led to an increase in the demand for home consumption. "A rise in the standard of living of the Indian people, particularly of those belonging to the lower-income groups, is essential and desirable," Mr. Neogy said, "but the aim should be to arrive at this result by means of increased production rather than diminished exports. The time has now come when we should deliberately assist the gravitation of commodities from internal consumption to exports by positive measures calculated to reduce domestic consumption at least temporarily."

Another very important factor was the fact that their quality was far from satisfactory. Reports had been received from the United States that the food and drug administration there had condemned numerous shipments of black pepper, turmeric, cashew nuts and celery seed from India, the common complaint being that they contained live and dead insects, stones and rodent.

He had received reports that pebbles were deliberately mixed with decorticated groundnuts, that coir and coir products were shoddy and

(*Continued on page 7*)

BIG FIRE AT SANTA CRUZ

Engineering Plant Gutted

Tongues of flame, which soared as high as 30 feet were visible around a five-mile area till the early hours of Wednesday morning when a devastating fire in the engineering plant of Messrs. Mapara Parekh & Co. at Ghodbunder Road, Santa Cruz, destroyed machinery and stores estimated at about Rs. 1,75,000.

Thirty producer gas plants and accessories, manufactured articles, the stores department and engineering offices of the firm were completely gutted. Workers of the firm on night-shift, with the help of the people in the vicinity, were able to clear from the blaze ten trucks and other goods.

The fire started in the stores department at 11-30 p.m. on Tuesday night and, fanned by a strong wind, the flames set ablaze the entire works.

Owing to the lack of fire brigades in the suburbs and the long distances at which the water hydrants are placed, the fire, it is stated, could not be immediately controlled. A fire engine from Dadar rushed to the scene of the conflagration and extinguished the blaze at 3 a.m. on Wednesday. The cause of the fire is not known.

BIG BLAZE IN HYDERABAD

Troops Called Out

From Our Own Correspondent

HYDERABAD (Sd.), June 1: Troops and the Military Fire Brigade were called out to control Hyderabad's biggest blaze this morning, which destroyed the city's largest block, "Lanchand Buildings", near the police rasala. Large numbers of men, women and children living in the buildings were saved by Borah young men, but a woman who wanted to save her child was burnt with it, while the fate of several persons believed trapped is still unknown. Earlier the Municipal Fire Brigade had arrived on the scene, but the necessary water pressure could not be obtained, it is alleged.

The proprietors of the buildings are Advani Brothers of Bombay. The cause of the fire is alleged to be the making of celluloid bangles in the building by a man who was seriously burnt and rushed to hospital. As the fire was still raging, the military were demolishing certain portions of the building. The damage is estimated at several lakhs of rupees.

ROWAN TRIAL

Hyderabad Officer Gets Seven Years' Sentence

HYDERABAD (Dn.), June 1: Brigadier Syed Habib Ahmed of the Hyderabad Army has been sentenced to seven years' rigorous imprisonment for abetment of the murder of Mr. F. H. Rowan, a British ground engineer in Sydney Cotton's organisation.

The prosecution case before the Court Martial which tried Brigadier Syed Habib Ahmed was that Mr. Rowan, who was brought from Karachi to Bidar and kept in detention there, was shot and killed under orders of the accused near the Khwaja Bareed tombs in Bidar on September 16, 1948, during the police action, and that his body was thrown into a nearby ditch.

The sentence was sanctioned by the Military Governor of Hyderabad An Army order in this connection is expected shortly.—A.P.I.

Trial Of Tokyo "Reds"

TOKYO, June 1: Sixty-five Communist and Left-wing demonstrators arrested by the Tokyo police last night will be handed over to the United States military courts for trial on charges of disturbing public order, Japanese police authorities announced here today.—P.T.I.-Reuter.

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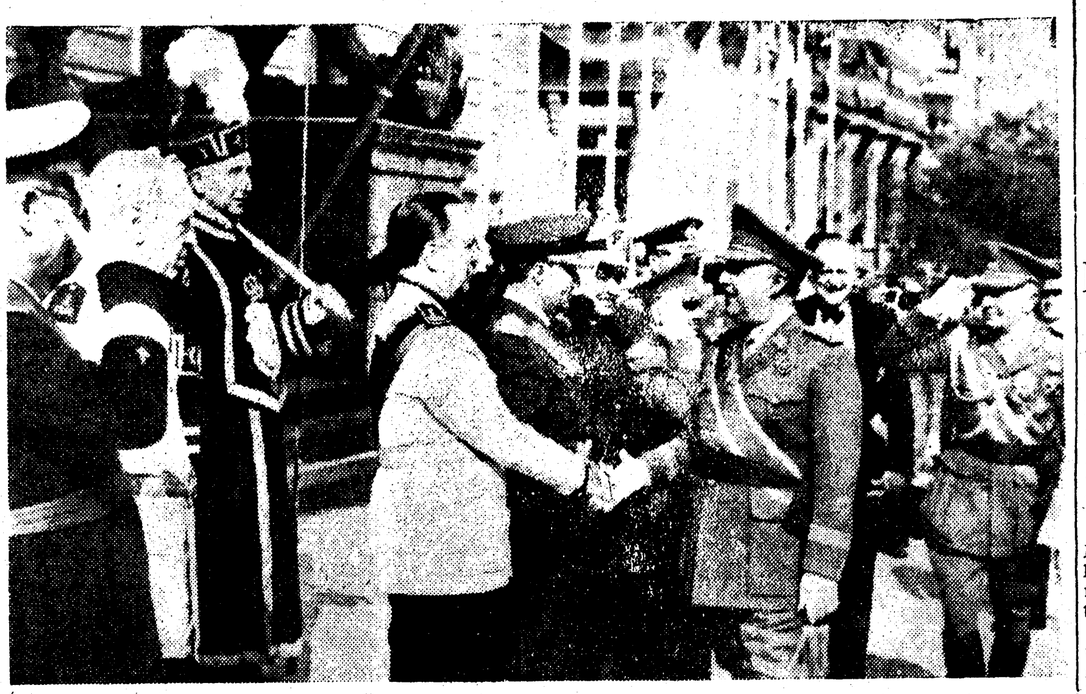

Stately scenes were witnessed at the opening of the Cortes (Parliament) in Madrid by the Dictator of Spain, General Franco, who is seen above on his arrival for the ceremony with his ministers.

CENTRAL RULE FOR BHOPAL

Formal Take-Over

From Our Own Correspondent

BHOPAL, June 1.

Bhopal State was formally proclaimed a Chief Commissioner's Province of the Indian Union at a ceremony here this morning.

Mr. N. B. Bannerji, the first Chief Commissioner, announced the take-over on behalf of the Government of India.

Mr. Banerji later inspected the guard of honour provided by the 8th Battalion of the Madras Regiment, while the Bhopal State Sultania Infantry band played "Jana Gana Mana."

An announcement was made on behalf of the Nawab of Bhopal, who is at present in Paris, declaring a remission of all loans advanced to lower-grade State employees.

On the eve of the inauguration of the new regime in Bhopal, Maulana Tarzi Mashriqui President of the suspended group of the State Congress, in a statement declared: "Bhopal has established a record in maintaining communal peace and harmony—a tradition which will guide us in the days to come."

Extending a welcome to the new Chief Commissioner, Maulana Tarzi, assured full co-operation to the new administration and hoped the Chief Commissioner would rise above all communal considerations.

Mr. Thakur Lalsingh, President of the *ad hoc* group of the State Congress, declared: "Today is a red letter day in the history of India, when Bhopal becomes an integral part of the Indian Union. We hope that Bhopal will soon emerge from its economic and educational backwardness under the wise guidance of the trusted national leaders."

Barcelona Explosion

BARCELONA, June 1: A bomb exploded in the heart of Barcelona today a few hours after General Franco arrived for a ten-day visit. The bomb caused no casualties, but telephone operators in a nearby exchange were panic-stricken. A few fainted.—U.P.A.

Civil War Imminent In Bolivia

TROOPS FIGHT PITCHED BATTLES WITH STRIKING MINERS

LA PAZ, June 1.

BOLIVIA stood today on the brink of civil war as striking tin-miners, armed with machine-guns and dynamite, fought pitched battles with troops at mines thousands of feet high in the Andes mountains.

The Government, which yesterday declared general mobilisation and a state of siege, were expected in La Paz—at 12,400 feet the highest capital in the world—to proclaim martial law at any moment.

Movement of troops to quell the mine uprisings, in which many people have already been killed, was hampered today by a general strike of railwaymen called in sympathy with the miners.

The tin-miners have laid siege to two important mines from the surrounding mountains sides, where troops drove them after fierce fighting.

Efforts were expected to be made today to fly out from Catavi hospital two American and one Argentinian engineer, badly injured in the rioting, and the bodies of two American and one Bolivian engineer who were killed by the strikers. Several strikers and soldiers, and four children, were also killed at Catavi.

U. S. HOSTAGE

The situation at Huanuni mine was obscure because the miners, who were reported to be holding the U.S. superintendent as hostage, had cut off all communications.

At Colquira mine, another manager was reported to be held by strikers.

The Government yesterday launched a new wave of arrests and outlawed the "National Revolutionary Movement," accusing it of plotting civil war. The leader of tre movement, Victor Paz Estensoro, who is in exile in Buenos Aires, was described as head of the plot.

The Communist and Workers' revolutionary parties were also banned.—P.T.I.-Reuter.

BOMBAY'S WET SPELL

A Week's Break Expected

From Our Own Correspondent

POONA, June 1.

The present spell of wet weather in Bombay and on the Konkan coast is not due to the advance of the main column of the monsoon and may last up to Friday only, according to meteorological experts in Poona.

They say that the rain caused along the Konkan coast and surrounding parts of Bombay-Deccan is the result of the persistence of the low pressure "trough" near Bombay during the whole of the last week of May. That "trough" today lies off the Kathiawar coast. It caused infiltration of monsoon air into the Konkan much ahead of the main monsoon column which has now firmly established itself in a line stretching transversely from South Malabar to South Burma along the Bay of Bengal. It will take another week for this line to advance up to Bombay.

It is pointed out, however, that Bombay and the Konkan will not experience a completely dry spell during this interval, as the normally moisture-laden winds from the Arabian Sea will be causing some rain along the Konkan coast before the monsoon bursts there sometime next week.

Downpour In Bombay

A prolonged overnight downpour preceded by a light thunderstorm occurred in Bombay city and suburbs in the earlier part of Wednesday night. After a bright morning there was a heavy downpour, which began a little after midday and lasted for more than an hour. It was followed by variable skies and occasional showers till the evening. Between 8-30 a.m. and 5-30 p.m. on Wednesday, Colaba recorded 1.32 inches of rain, Juhu 1.45 inches and Santa Cruz 1.28 inches.

The Weather Forecasting Office at Santa Cruz forecast on Wednesday night that for the ensuing 24 hours there would be variable skies with occasional showers and gusty and squally winds in Bombay City and Suburbs.

"THIRD WORLD WAR MAY BE AVERTED"

Mr. Churchill's Hope

LONDON, June 1: Mr. Winston Churchill said today that he had a "growing hope" that World War III might be averted.

Mr. Churchill spoke at a ceremony in which he was awarded the freedom of Kensington, a borough of London.

He said: "I have a growing hope that by the strength of our united civilisation and by our readiness and preparedness to defend freedom with our lives, we may avert for ever the horrible vision of a third World War."

The former British Premier was in an excellent mood as he addressed a crowded meeting at Kensington Town Hall. Several hundred people waited for hours in pouring rain outside to cheer his arrival and departure.—U.P.A.

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SAFEGUARDING RIGHTS OF PATHANS

Afghan Ambassador Refutes "Karachi Rumours"

NEW DELHI, June 1.

SARDAR Najibullah Khan, Afghan Ambassador in New Delhi, today categorically denied "the accusations from Karachi sources" that the Afghan Government were claiming the annexation of the tribal area populated by Pathans with Afghanistan.

"Never has the Afghan Government had any intention of any annexation of the Pushtu-speaking people with Afghanistan," he said.

"From the beginning, we have made it clear to the British and Pakistan Governments that we expect only a guarantee that the legitimate rights of the Pathans to their own freedom will be ensured."

The Ambassador also characterised as "false and baseless" the reports that something was "going on between Delhi and Kabul regarding Kashmir or the North-West Frontier Province."

He said: "These propaganda reports are designed only to defame the rightful and legitimate claim of the Afghan Government for securing the right to freedom for the Pathans. There is no foreign influence in Afghanistan and there is no link with India or any other country with regard to this matter."

Sardar Najibullah Khan expressed regret that such propaganda would only "cloud the Pakhtoon problem" and create misunderstanding among the people of Pakistan." It is not only harmful to the interest of the Pathans themselves but also to the general atmosphere of goodwill and peace in this part of the world," he said.

The present friction in the relations between Pakistan and Afghanistan, Sardar Najibullah said, was created by the leclaration in March last by the Governor-General of Pakistan that "the independent tribal area" was part of Pakistan.

The Ambassador alded: "This declaration is contrary to the previous declaration of the Quaid-i-Azam regarding the independence of the tribal areas and the written assurances given by the Pakistan Foreign Minister to the Afghan Government. The other factor contributing to the friction was the recent bombardment of the Waziri people which created a great agitation and excitement among the tribesmen and naturally caused resentment inside Afghanistan."

The Ambassador continued: "The Afghan Government have been telling their people and the Pathans that they are trying by means of negotiations and friendly persuasion, to achieve the Pathans' objective of freedom and district entity. In this way the Afghan Government have prevented the tribal people from resorting to armed action.

"There is no hostile feeling towards Pakistan or any other country. On the contrary, the Afghan Government are anxious to have an atmosphere on confidence and sincere co-operation between Afghanistan, India and Pakistan."—A.P.I.

PLAN TO REVIVE BERLIN KOMMANDATURA

Russia's Insistence On Retaining Veto Power

PARIS, June 1.

RUSSIA today insisted on retaining the veto power in any plan to revive the moribund Allied Kommandatura for Berlin.

The Soviet Foreign Minister, M. Andrei Vyshinsky, set this basic condition when the "Big Four Foreign Ministers, admitting failure of their week-long efforts to agree on German unity, turned their attention to Berlin.

"We did not get very far in the Berlin discussion", Mr. John Foster Dulles, U.S. Republican Party Foreign Affairs Adviser, said after the three-hour session.

A French delegate said no progress was made on the principle of unanimity rule—the veto. The Western Ministers favoured majority rule.

Speeches today centred on this problem after the U.S. Secretary of State, Mr. Dean Acheson, had proposed, as a basis for discussion, M. Vyshinsky's proposal last week for re-establishment of the Allied Kommandatura in Berlin and the old Berlin Magistrat (city administration).

The Four-Power Kommandatura has not functioned since the Soviet walk-out last year, and the city administration has since been split up into eastern and western zones.

Before the Ministers passed to this second item on their agenda, M. Vyshinsky continued for the third day his attack on the Western plan for German unity on the basis of the Bonn Constitution.

When the discussion on Berlin started, Mr. Acheson suggested that if they started from the assumption that they were all in Berlin, and that they all wanted to stay in harmony, then he thought a solution should be possible.

Mr. Acheson said it should not require the efforts of four Governments to achieve what in other places was a comparatively simple police operation. He believed that in Berlin everyday matters could be decided by a majority vote.

M. Robert Schuman (France) who presided, hoped a solution to the Berlin problem might be more easily possible than in questions affecting all Germany.—P.T.I.-Reuterr.

Berlin Rail Strike

BERLIN, June 1: The Soviet-controlled Berlin railway administration's offer to pay 60 per cent. of the striking railwaymen's wages in West marks will be put to the vote, a spokesman for the 14,000 West Berlin strikers stated this afternoon.

New Constitution Of India

INAUGURATION ON OCTOBER 2 LIKELY

NEW DELHI, June 1.

The inauguration of India's new constitution, lobby talks indicate, is more likely on October 2—Mahatma Gandhi's birthday—or January 26, 1950—Independence Day—rather than on August 15 this year.

Clause-by-clause consideration of the Draft Constitution is expected to conclude sometime in July as scheduled but it may take three months for the Constitution to be drafted in the final form.

Meanwhile, important changes in the Constitution of Upper Chambers in the provinces are under consideration of the Congress Party in the Constituent Assembly, it is learned.

Discussions held so far favour the idea of one-third of the seats being filled by local bodies, one-sixth by universities and graduates, one-third by the Lower House and the remainder by nomination.—A.P.I.

Note To Rumania

BUCHAREST, June 1: Britain and the United States have informed the Rumanian Government that they intend to summon a conference of the heads of the British, American and Russian missions in Rumania to discuss Rumanian violations of the human rights clauses of the peace treaty with Rumania, it was announced here today.

Similar notes were sent to the Bulgarian and Hungarian Governments.—P.T.I.-Reuter.

New Postage Stamps

NEW DELHI, June 1: The new series of postage stamps, known as the archaeological series, will be released in commemoration of the second anniversary of independence on August 15, 1949.

These stamps will thereafter be in use simultaneously with the present King George series of stamps till the present stock of the latter series is exhausted.—A.P.I.

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