

at Munich, while there were some stalls from Pakistan which does not export much, we did not find a single stall from India, though India exports locomotive engines, wagons, etc., and we produce aircraft also, in that International Transport Exhibition, and so, may I know what is the view of the Government in this matter?

**Mr. Speaker:** It is a different question. दिल्ली का डिक्र हो रहा है लेकिन प्राप तो उठ कर बाहर चले गए ।

**Shri Priya Gupta:** Part (b) of the question says about exhibitions organised in other countries.

**श्री प्रचल सिंह :** पुरानी ज़ा एग्जीबीशन की जो इमारतें धीरे जमीन पड़ी हुई हैं, वही पर क्या इसको भी किया जाएगा ?

**श्री मनुभाई शाह :** ज़ा फीरज़शाह कोटला ग्राउंड है, उसके काफी जो मकानात अच्छी कंडिशन में हैं, उनका पूरा इस्तेमाल किया जाएगा लेकिन एग्जीबीशन को तो इंटर-नेशनल एंगल से रिप्लान करना पड़ेगा ।

#### Trade with East European Countries

\*816. **Shri P. R. Chakraverti:** Will the Minister of Commerce be pleased to state:

(a) the prospects of the expansion of trade transactions between India and East European countries, specially in non-traditional goods; and

(b) the steps being taken by Government in this direction?

**The Minister of Commerce (Shri Manubhai Shah):** (a) and (b). A statement is laid on the Table of the House.

#### STATEMENT

Prospects for expansion of India's trade with East European countries in non-traditional goods are very bright. As trade with East European countries is transacted on bilateral

basis with mutual consent of the Governments concerned, every opportunity is taken to remind those Governments of the necessity for their purchase of such non-traditional items, that are required for their economy and are presently manufactured in India. In all trade negotiations this matter is highlighted and trade agreements do specify a large number of engineering, chemicals as well as consumer goods as exportable items from India. To intensify our efforts in this direction exhibitions are regularly organised in those countries, technical and business delegations are also sent every now and then to contact the East European Countries' Buying organisations for cultivating their interests in our non-traditional items. The State Trading Corporation of India has also established its offices in some of those countries and is maintaining frequent contacts with enterprises in addition to finalizing contracts for supply of such goods from India as are envisaged under the trade agreements.

**Shri P. R. Chakraverti:** In view of the prospects of expansion of India's trade with east European countries, may I know, up till now, to what extent we have been able to enter into contracts with some of these countries and the financial transactions which are likely to follow from them?

**Shri Manubhai Shah:** As the hon. House is aware, our trade with the east European countries, particularly, has been very gratifying; in the last five years, the trade has almost ten times expanded particularly with the Soviet Union. Now, in the fourth Plan, the Minister of Foreign Trade, Mr. Petelichev, and his team are expected to come here in the first week of November and we are going to double the trade between India and the Soviet Union from the present level of Rs. 75 crores each way or a total of Rs. 150 crores, to Rs. 300 crores both ways in the fourth Five Year Plan.

**Shri P. R. Chakraverti:** Is it a fact that the Government of India and the

Yugoslavian Government have now entered into a joint venture to explore the potentialities or the possibilities of our expansion and, if so, with what effect?

**Shri Manubhai Shah:** This is also true; Mr. Briley, the Deputy Prime Minister of Yugoslavia was here at the beginning of this year and we have entered into a joint economic co-operation agreement between India and Yugoslavia and we are thinking of putting up a wagon assembly plant in the port of Rijak so that we can export Indian wagons from here and sell them to Yugoslavia after re-assembly. It is also going to be the focal point of all these transport equipment for the whole of eastern Europe. Likewise, Yugoslavia is also helping us to put up ventures in third countries so that Indian machinery and equipment and technical know-how could be re-exported to those countries.

**Shri Raghunath Singh:** May I know what are the prospects of export of our engineering and electrical goods to these countries?

**Shri Manubhai Shah:** There are good prospects.

**Shri Warlor:** May I know whether the Government will see to it that the private manufacturers and exporters also get opportunities to export materials from here to the East European countries, apart from government to government level?

**Shri Manubhai Shah:** It is precisely so. We have a mixed economy here. In fact, in the recent Leipzig Fair, more than 60 Indian industrialists took part and we were the biggest stallholders in Leipzig.

**श्री बुल्लशन :** मंत्री महोदय ने अभी बताया है कि घसी प्राजकन जो दूसरे देशों से व्यापार हो रहा है, खास तौर से, सोवियत संघ से, वह अविष्य में 300 करोड़ ०० तक जायेगा । मैं यह जानना चाहता हूँ कि क्या यह व्यापार जो हमारी सैनिक जरूरतें हैं उनको

भी पूरा करेगा । जो हथियार वगैरह हमको चाहिये क्या वह भी इसमें शामिल है ?

**श्री मनुभाई शाह :** अगर हम सारी जरूरतों को पूरा करने की कोशिश करेंगे तो वह तो बहुत सालों के बाद हो सकता है ।

**Shri Sham Lal Saraf:** In view of the fact that the East European countries have a socialist economy, may I know if we have by now been able to find dependable channels in order to canalise our exports and imports with them?

**Shri Manubhai Shah:** We also deploy different techniques to suit different commodities. Some commodities are canalised through the STC, of which we have five in number now. In other cases, we allow private trade to negotiate deals with the socialist countries.

**Shrimati Tarkeshwari Sinha:** Has it come to the notice of the Government that one of the lacunae in our trade with other countries is the lack of our exhibits being demonstrated in those markets? If so, what steps are being taken to remove that?

**Shri Manubhai Shah:** This is really so. We are not in a position to exhibit as many items as we would like to do. But with the limited resources we have, we have been trying every year to participate in a minimum of one exhibition in each of the socialist countries.

**Shri D. C. Sharma:** May I know if an assessment has been made of the needs of these East European countries as to the goods that we can supply and if so, whether we are able to fulfil all their needs?

**Shri Manubhai Shah:** It is impossible to fulfil all the needs of all the countries. But certainly our effort is to sell as much manufactured goods of our country as possible which we have in rather larger supply here. Unfortunately, the economies of the socialist countries are not yet consumer-goods-oriented. They prefer to buy only

basic materials or raw materials from us. It is our constant endeavour to sell more and more of our manufactured industrial products.

#### Sixth Steel Plant

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- \*817. { Shri P. C. Borooah:  
Shri Himatsingka:  
Shri Kanakasabal:  
Shri Mohammed Koya:

Will the Minister of Steel and Mines be pleased to state:

(a) whether negotiations have been going on with France for the setting up of the sixth Steel Plant in the public sector in India; and

(b) if so, how far the negotiations have progressed so far?

**The Deputy Minister in the Ministry of Steel and Mines (Shri P. C. Sethi):** (a) and (b). Certain French parties have shown interest in exploring the possibilities of setting up of a steel plant in this country. They have been told that collaboration assistance could be considered provided finance on suitable terms could be arranged. No specific proposal has however so far been received from these parties.

**Shri P. C. Borooah:** May I know which are the possible sites under the consideration of the Government for the location of this plant, and how Hospet stands a chance, which was recommended as the second best site for the fifth steel plant?

**Shri P. C. Sethi:** The question of the site would arise much later. We are now seized of the site for the fifth plant.

**Shri P. C. Borooah:** May I know whether the Government have decided upon the minimum limit for Indian participation in finance and also in the technical engineering works, so as to avoid uncertainty as was experienced in the Bokaro plant?

**Shri P. C. Sethi:** All these considerations would arise later. At present only an interest in exploring the possibilities has been shown by the French and German parties.

**Shri Himatsingka:** Having regard to the fact that many public undertakings are located at places on considerations other than merit, will the Government give an assurance to the House that in matters of important projects like a steel plant costing a very huge amount and involving very heavy foreign exchange merit only will be the consideration in taking a decision?

**The Minister of Steel and Mines (Shri Sanjiva Reddy):** Yes, Sir, merit would certainly be taken into consideration, but other factors also are there which are much more important and those factors also will be taken into consideration.

**Dr. L. M. Singhvi:** May I know whether this task of exploration has also been entrusted, as understand it has been, to our Embassy in France; if so, whether any progress has been made by our Embassy in France in respect of identifying the parties with whom we could collaborate; if so, on what terms?

**Shri Sanjiva Reddy:** I think everything is in a preliminary stage because we will have to provide finances in our own Plan, rupee finance and all that. Our Plan itself is in a nebulous position still and allotment of money for the Fourth Plan has still not yet been finally decided. Therefore, our Ambassador in France is not in a position to proceed further.

**Shri Sivamurthi Swamy:** Sir, expert committees have been appointed by the Ministry and so many reports have been submitted in this behalf. But only one report, the Anglo-American expert committee's report, has been placed in the library. In that report two places have been recommended—one is Hospet and the other is Vishakhapatnam. Therein it