

we negotiated some projects and this is one of them.

Dr. Ranen Sen: In the statement it is said that two public sector units for fabrication of special equipment etc. will be set up. It is not clear whether in those two public sector units all the machinery and equipment necessary for the fertiliser and petro-chemical industry will be produced or not. What is the real position?

Shri D. Sanjivayya: In the statement I have said that machinery and equipment will be produced not only for the fertiliser and petro-chemical industries, but also for petroleum and metalurgical industries.

श्री सिद्धेश्वर प्रसाद : श्रीमन, सभा पटल पर जो विवरण रखा गया है, उसमें यह नहीं बताया गया है कि विशाखापत्तनम का जो कारखाना बनेगा, वह कब तक बनेगा, और हम निर्यात के मद्दयों से जो कारखाना बनेगा, वह कहाँ बनेगा और कब तक बनेगा ?

Shri D. Sanjivayya: So far as Vizag is concerned, it will take two years from now. With regard to the second, the location has not yet been settled.

श्री म० ला० द्विवेदी : इस बयान में बतलाया गया है कि अभी साइट के चारों तरफ निर्माण नहीं हुआ है, मैं जानना चाहता हूँ कि क्या कोई विशेषज्ञ समिति इस बात का पता लगाने के लिये भारत में स्थानों का दौरा कर रही है कि रूमनिया वाला प्लांट कहाँ लगाया जाय, यदि हाँ, तो किन किन स्थानों की जांच की जा रही है ?

Shri D. Sanjivayya: A Czechoslovak team, along with our own experts, visited some sites and Vizag has been selected. Since for the second plant we are going to have Rumanian collaboration, we are inviting a Rumanian team. They will inspect the site.

श्री विभूति मिश्र : क्या सरकार के ध्यान में यह बात आई है कि उत्तर बिहार

बहुत पिछड़ा हुआ है हर चीज में, जब कि बरोनी में आपका तेल-शोधक कारखाना है और वहाँ का लोहे का सब सामान छोटानागपुर में बनता है. उस पिछड़े हुए इलाके को बढ़ाने के लिये क्या सरकार ऐसा सोच रही है कि इस कारखाने को वहाँ पर लगाया जाय ?

Shri D. Sanjivayya: Sir, this project can be located only near a port, which can be Calcutta, Madras, Bombay, Cochin, Vishakhapatnam, Kandla etc.

Foreign Trade

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*512. **Shri P. R. Chakraverti;**
Shri B. K. Das:

Will the Minister of Commerce be pleased to state:

(a) whether a comprehensive programme for conducting research into problems of foreign trade has been drawn up;

(b) whether a market survey in foreign countries has been conducted on export prospects;

(c) whether a major training programme has been undertaken to build up a cadre of experts in foreign trade; and

(d) how far these surveys are product and market-oriented?

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

Statement

(a) Yes, Sir. The Indian Institute of Foreign Trade has a comprehensive programme for conducting research into the problems of foreign trade in respect of export-oriented industries.

(b) Yes, Sir. The Institute has conducted market surveys in selected commodities such as tea, jute and engineering products in Iran and Iraq, Chemical and pharmaceutical products in Saudi Arabia and Iran and cotton textiles in Australia.

(c) Yes, Sir. Besides three comprehensive courses already undertaken, the Institute has recently started a ten month Diploma Course in Foreign Trade and another course in "Techniques of international marketing."

(d) The surveys are necessarily product and market-oriented, rather than mere collection of official statistics, and of direct interest and utility to the sponsoring organisations as well as the present and potential exporters of the products.

Shri P. R. Chakraverti: In view of the varying elasticity of India's exportable goods may I know whether Government has fixed some criteria in terms of which the earlier policy of export subsidy and import duty has now been revised, if so with what results?

Shri Manubhai Shah: The results will be forthcoming in the coming few months. The policy as such has not been revised. The policy still continues to be to maximise the exports.

Shri P. R. Chakraverti: In view of the fact that the developing countries have always a surplus of capital goods, may I know whether India is now in a better position to deal with developed countries or developing countries; if so, what will be the new market which will be opened out for our exports?

Shri Manubhai Shah: In view of the new developments taking place very fast in India we are today in a better position to conserve in the first instance by import substitution very large amounts by not importing such things which we were importing in the past. Regarding developed countries, we have also developed so that we can send our machinery and capital goods to countries of Africa and Asia in terms of the suggestion made by the hon. Member.

Shri B. K. Das: As an effect of devaluation and our new export policy, are

we finding difficulty in having any new market in any country?

Shri Manubhai Shah: No; on the contrary it will help us to find new markets.

Shri Tyagi: Could the hon. Minister give this House some idea of the amount of adverse trade balance this year up till now and how it compares with the adverse balance last year?

Shri Manubhai Shah: In the first four months after devaluation, as I have already told the House earlier, it has been somewhat more unfavourable to the extent of 100 million dollars, but we hope to make that good in the coming few months when things get more stabilised.

Shri D. C. Sharma: In the statement it is said that the Institute has conducted market surveys in selected commodities such as tea, jute, engineering products, chemical and pharmaceutical products and cotton textiles. Are these surveys with reference to the markets that have some potential for us in the future or are these with reference to the markets that we already have? May I also know whether anything is being done to keep the markets that we already have so that they do not go out of our hands?

Shri Manubhai Shah: That is exactly the position. The first step is to maintain the markets where we have already a foothold. The second step is to expand the foothold where the foothold is not adequate and the third step is to explore new markets where we have no foothold at all.

Shri Alvares: While conceding that the first four months after devaluation have registered a drop in our export earnings, the Minister expressed the hope that in future things may get more stabilised. May I know what are those precise factors that will get stabilised and that will boost on the exports of this country?

Shri Manubhai Shah: Firstly, all export duties have been rationalised so that exporters and importers know where they stand. Secondly, all the rupee contracts have been revalued whether they are in respect of East European countries, Burma, Ceylon or Canada. Further, export assistance schemes have been further announced on 16th August, so that things are picking up and we expect better trends of production due to import liberalisation which will give us larger volumes of goods than were hitherto available.

Import of Staple Fibre

*513. **Shri Madhu Limaye:** Will the Minister of Commerce be pleased to refer to the reply given to Starred Question No. 548 on the 19th August, 1966 and state:

(a) whether Government have since completed the investigation regarding the issue of licences for the import of staple fibre involving Madhusudan Gordhandas of Bombay;

(b) if so, the result thereof;

(c) the names of the parties who have been found to be guilty of violations of Government regulations and the punishment imposed on these parties; and

(d) the reason for the inordinate delay in taking action against the parties concerned?

The Deputy Minister in the Ministry of Commerce (Shri Shafi Qureshi): (a) to (d). A statement is laid on the Table of the House.

Statement

Investigation has been completed in respect of all the parties involved. The following seven mills are being prosecuted. In addition, prosecutions have also been launched, as abettors, against M/s. Madhusudan Gordhandas and M/s. Dhanraj Mills for offences under Section 5 of the Imports and Exports (Control) Act, 1947:—

(1) M/s. Shree Sitaram Mills, Bombay.

(2) M/s. The New Great Eastern Spg. & Wvg. Co. Ltd., Bombay.

(3) M/s. The New City of Bombay Mfg. Co. Ltd., Bombay.

(4) M/s. J & P Coats India Ltd., Bombay.

(5) M/s. The Indore Malwa United Mills, Bombay.

(6) M/s. Lakshmi Vishnu Cotton Mills, Sholapur.

(7) M/s. Bradburry Mills Ltd., Bombay.

Further, M/s. Madhusudan Gordhandas & Co. are also being prosecuted under Section 420 of the I.P.C. The cases are yet to be decided by the Court.

2. Regarding the remaining 46 mills and the 3 officials involved, the investigations which have been completed are being examined by the Legal Advisers with a view to launching prosecution against such of them as are found culpable on the basis of the available evidence.

3. It can be seen that there has been no avoidable or inordinate delay because all these investigations against all these mills, officials and parties have been already completed within a period of 12 months and very soon prosecutions against the remaining would be launched wherever possible. In addition, departmental action would also be completed soon against the officials involved.

श्री मधु लिमये : अध्यक्ष महोदय, पिछली बार मैं ने सदन के सभापटल पर कुछ कागजात रखे थे मुझे इतिहास मिली है कि आपने उन को मंत्री महोदय के पास भेज दिया है। एक उस में से पत्र था जो मधुसूदन गोवर्धन दास कम्पनी ने लक्ष्मी विष्णु कोटन मिल्स लिमिटेड को लिखा था। उस में निम्न वाक्य है :

"Since then, as the matter has now been amicably settled with