

The information is being collected and will be laid on the table of the House.

#### **Plea to set up Indo-EEC Ventures**

4559. SHRI BABURAO PARANJPE: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have seen a news-item appearing in the 'Indian Express' dated 17th January, 1983 under the heading 'Plea to set up Indo-EEC Ventures';

(b) if so, the details of the projects to be set up and the names of the countries where these projects will be set up;

(c) what will be the share of expenditure between India and the EEC and how it will be met; and

(d) the expected benefits to be derived therefrom by India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRIMATI RAM DULARI SINHA):

(a) Yes, Sir.

(b) to (d) The Indo-EEC Commercial and Economic Cooperation Agreement entered into with EEC by India provides for promotion of investments in India in accordance with India's national policies and regulations. In pursuance of this, the Commission of the European Communities organised three seminars at Dusseldorf in West Germany, Paris in France and Stratford-on-Avon in U.K. in November 1982 with the objective of acquainting European businessmen with India's potential, the Government's policies and priorities Indian laws pertaining to foreign investments etc. This was followed by a conference in New Delhi from 16 to 18 January, 1983 organised in cooperation with the Indian Corporation. Washington, [IFC(W),] forum for bringing together potential European investors and suitable

Indian firms interested in such collaborations. The New Delhi Conference was attended by 100 European businessmen and about 300 Indian entrepreneurs. While there was special emphasis on the sectors of automotive industry, electronics, communications, industrial machinery and bicycles and bicycles components, some of the participants were interested in various other sectors also. As a result of the Conference, exploratory negotiations for collaborations were started in a number of cases but it is too early to say how many of these will result in concrete collaborations.

#### **Projects Assisted by I.F.C.**

4560. SHRI B. V. DESAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the International Finance Corporation, the private lending arm of the World Bank, which has decided to have an Indian Office, has sent out an important message that it would not hesitate to finance small or medium scale Projects provided they are commercially viable;

(b) if so, whether IFC representatives had recently visited important industrial centres;

(c) if so, what are the projects that will be assisted by the IFC and by what time the aid will be provided to these projects;

(d) whether India had forwarded any proposals or schemes for which aid was sought; and

(e) if so, the decisions taken thereon?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) to (e) The International Finance Corporation, Washington, (IFC(W), an affiliate of the World Bank, extends equity/loan assistance to Joint/

Private sector projects without Government guarantee. An IFC(W) mission visited India in November, 1982 and as a result of their discussions with prospective entrepreneurs and Government officials, a pipeline of projects was prepared for possible IFC(W) assistance during FY-83 (1-7-82 to 30-6-83).

IFC(W) will be appraising the projects in the pipeline in due course and will decide its involvement taking into account factors, such as, economic viability and technical feasibility. So far, during FY-83 Government clearance has been given to IFC(W) investment consisting of a loan of US \$ 5 million and equity of Rs. 4.5 million in respect of India Equipment Leasing Ltd.

**Grounding of Dakota and Fairchild transport aircrafts of I.A.F. on technical ground**

4561. SHRI PIUS TIRKEY: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that about 100 Dakota and Fairchild transport aircrafts of the Indian Air Force have been grounded on some technical reasons recently;

(b) if so, what is the reason of grounding such a large number of aircrafts at a time;

(c) is it due to some deficiency in the aircrafts or is there something wrong with the maintenance of aircraft; and

(d) what measures are being taken to improve their performance in difficult terrain and in poor weather conditions?

THE MINISTER OF DEFENCE (SHRI R. VENKATARAMAN): (a) to (d). Dakotas and Fairchild Packets, which form Part of the transport fleet of the I.A.F. are very old aircraft. On account of age and obsolescence of these aircraft, periodical problems do

arise causing temporary grounding of the aircraft fleet for inspection and rectification of defects. Presently, while some of the aircraft are still under inspection, the remaining are flying.

A decision to induct AN-32 aircraft of USSR origin to replace the obsolescent medium transport fleet of I.A.F. has already been taken. With the induction of AN-32, Dakota and Packet aircraft of I.A.F. will be phased out of Service in stages.

**Export to third world market**

4562. SHRI PIUS TIRKEY: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that for a long time efforts at increasing exports have been confined broadly to the industrialised West ignoring the growing potentialities of the third world market;

(b) if so, the reasons thereof; and

(c) if not, what steps are being taken by Government to increase exports to the third world market?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRIMATI RAM DULARI SINHA): (a) and (b). India's export to third world market has shown an increase over the years. All possible efforts are continuing to step up India's exports to third world market.

(c) The various measures to promote India's exports to third world market include: (i) entering into trade agreements (ii) exchange of trade delegations (iii) conducting of market surveys, commercial publicity, participation in fairs & exhibitions, organising buyer-seller meets, etc. (iv) encouraging Indian consultancy firms to secure consultancy and management contracts in developing countries (v) negotiations at Govt. level to remove constraints and to identify