

a final decision is likely to be taken in the matter ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE

(SHRI MOHD. SHAFI QURESHI) :

(a) Government does not have under consideration any proposal to take over sick textile mills in Maharashtra.

(b) Government of Maharashtra have made a proposal for enactment of a special legislation to take over such textile mills, which are in liquidation or other-wise closed and the matter is under consideration.

(c) Does not arise.

**Special Police Establishment Investigation into Import Licences for prohibited Items**

3930. DR. SUSHILA NAYAR : Will the Minister of COMMERCE be pleased to refer to the reply given to Starred Question No. 458 on the 13th August, 1968 and state :

(a) the further progress made so far by the special Police Establishment in its investigations regarding the issue of licences for import of prohibited items ; and

(b) the time by which the investigations are likely to be completed ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) and (b). A number of persons and documents have been examined so far. However, it is difficult to indicate

when the investigation of the Special Police Establishment in progress will be completed.

**Export Duty on Iron Ore**

3931. SHRI S. R. DAMANI :

SHRI S. S. KOTHARI :

SHRI B. K. DASCHOWDHURY :

Will the Minister of COMMERCE be pleased to refer to the reply given to Unstarred Question No. 2846 on the 6th August, 1968 and state :

(a) whether a decision has since been taken on the question of revision of export duty on iron ore;

(b) if so, the extent of reduction and the likely benefits thereby;

(c) how our export prices of iron ore compare with the prices offered by Australia, Russia and other competing countries for comparable qualities of iron ore; and

(d) the export price variation if present duty is reduced by 25 per cent, 50 per cent, 75 per cent and 100 per cent and how much reduction is actually needed to make our price competitive ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) and (b). Yes, Sir. Export duty on certain grades of lumpy iron ore has been reduced effective from 31st August, 1968. The statement below indicates the changes in export duty :

| Grade                        | As from August 1966 | Export Duty rate from 24.7.67 | Duty after reduction from 31-8-68 | Relief |
|------------------------------|---------------------|-------------------------------|-----------------------------------|--------|
| (Rs. Per Tonne)              |                     |                               |                                   |        |
| Lumpy Iron Ore of Fe Content |                     |                               |                                   |        |
| 63% and above                | 10.00               | 10.50                         | 10.50                             | Nil    |
| 62% and above but below 63%  | 10.00               | 10.50                         | 6.00                              | 4.50   |
| 60% and above but below 62%  | 10.00               | 9.00                          | 6.00                              | 3.00   |
| 58% and above but below 60%  | 10.00               | 7.50                          | 5.00                              | 2.50   |
| Below 58%                    | 10.00               | 7.50                          | 4.00                              | 3.50   |

There has been no reduction in export duty on iron ore fines.

(c) and (d). The Russian iron ore is of lower grade and high in Silica and is thus not quite comparable with the Indian iron ore. Indian iron ore by and large is comparable with iron ore from other major sources, such as, Australia and Brazil. The F. O. B. T. price of Indian ore *vis-a-vis* these sources is comparable. As for Australia, better loading facilities in their ports and the capacity of their ports to accept large size vessels place her in a better position in the matter of landed cost of their ore in Japan. Any downward adjustment in export duty as such for grades for which the duty rates have not been changed, or further reduction for the grades for which the above adjustments have been made, could reduce the rupee costs of Indian exporters but not directly affect the export prices at which we are selling, since the foreign buyers are not directly concerned with various items in our internal costs. The best way to make our ores more competitive without detriment to our foreign exchange realisation, would be to reduce the ocean freight cost between India and the importing countries by bringing our loading ports to the same standards as that of our main competitors.

#### **Demand of Cycle Tyres and Tubes**

3932. SHRI S. R. DAMANI : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) the present demand for cycle tyres and tubes in the country and the estimated demand at the end of the Fourth Plan;

(b) the names of Units in large scale sector producing tyres and tubes, their capacity and actual production during the last three years;

(c) the names of units in small scale sector their capacity and actual production; and

(d) the steps proposed to increase the capacity in small scale sector and locations considered suitable for the purpose ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI F. A. AHMED) :

(a) The present demand for bicycle

tyres and tubes is estimated to be of the order of 24 million nos. each. The demand by the end of the Fourth Plan period (i. e. 1973-74) is estimated to be 43.7 million nos. each of tyres and tubes.

(b) A statement (Annexure I) is laid on the Table of the House. [Placed in Library. See No. LT—2621/68]

(c) The names of units manufacturing bicycle tyres and tubes in the small scale sector are given in the statement (Annexure II) laid on the Table of the House. [Placed in Library. See No. LT—2621/68]. The installed capacity of these units is estimated at 4.8 million nos. of tyres and 6.4 million nos. of tubes. Manufacture of tyres in the small scale sector has only recently commenced and their production has been only to a small extent. The production of tubes in this sector during 1967 was 6.03 million nos.

(d) Manufacture of bicycle tyres and tubes in the small scale sector is being encouraged in various regions. The units are being helped by the provision of technical and other assistance, supply of credit and machinery on hire purchase, etc.

#### **Deposits of phosphate in Uttar Pradesh**

3933. SHRI S. R. DAMANI : Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) the progress made in exploratory work of the Phosphate deposits near Mussoorie and Dehra Dun by the Geological Survey of India;

(b) whether any target date has been fixed for the completion of investigations by the G. S. I.; and

(c) the estimated expenditure for completing the stage of explorations and the details of agreement if any entered into between the Ministry and the G. S. I. ?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL, MINES AND METALS (SHRI RAM SEWAK) :

(a) A potential zone, comprising about 150 sq. km area in the Mussoorie-Narendra-