

taken by the officials in our embassies. But this kind of thing has not been done with a view to making arrangements for some of our high officials to go abroad.

SHRI K. R. GANESH : Sir, before the delegation is agreed to, it is always seen if the work can be handled by our missions abroad. If it can be handled by them, then the delegations are not sent.

SHRI BHUPESH GUPTA : It is exodus in summer.

SHRI K. R. GANESH : That, I do not know. If it is a question, I can answer. That is hardly a question.

SHRI BHUPESH GUPTA : Sir, it is a question. Summer is a season. And people go out of Delhi. Therefore, I have asked...

SHRI K. R. GANESH : If the conferences are held in summer and if our delegations ought to go, then they go. They go in winter also.

SHRI NIREN GHOSH : Instead of going to Simla, they go abroad.

DR. BHAI MAHAVIR : Sir, I would like to know what are the specific items of expenditure covered in them. You have stated that in certain cases the expenditure was borne by the IMF or by the U. N. D. P. or somebody else. In item No. 38 you have said that the total expenditure was Rs. 878, whereas in item No. 46 you have said that the expenditure was Rs. 34,489. The House is naturally rather puzzled at the way in which these figures differ so widely. So, I would like to know the items of expenditure which are covered by these amounts. Are the hotel expenses covered by these amounts? If so, I would like to know in what way Rs. 878 have sufficed for the visit of a delegation to Switzerland.

The last note seems to be a snag. It says that the figures are provisional and are based on such information as is readily

available. I would like to know if this has been kept merely as a cover so as to smuggle in later on whatever inconvenient information is there.

SHRI K. R. GANESH : Sir, the various components on which expenditure is incurred in respect of these delegations are air fare and incidental expenses in India which is incurred in Indian rupees and expenditure on boarding, lodging, entertainment, tips etc. which is incurred in the countries visited by these delegations. These are the various components for which expenditure has to be provided in the case of these delegations.

Sir, as regards items Nos. 38 and 46 referred to by the hon. Member, I will take some time to check up these figures.

MR. CHAIRMAN : You may lay a statement on the Table of the House.

SHRI K. R. GANESH : Sir, I will indicate the reasons why only Rs. 878 were incurred on the delegation mentioned in item No. 38 and why Rs. 34,489 were incurred on the delegation mentioned in item No. 46.

DR. BHAI MAHAVIR : Also please indicate the strength of both these delegations.

#### **Free Trade Zones in Haldia and Dum Dum**

\*183. SHRI HARSH DEO

MALAVIYA:†

SHRI M. B. SINGH :

SHRIMATI AZIZA IMAM :

SHRI SARDAR AMJAD ALI :

MISS SAROJ PURUSHOTTAM

KHAPARDE :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government have any proposal to open free trade zones in Haldia and Dum Dum ;

†The question was actually asked on the floor of the House by Shri Harsh Deo Malaviya.

(b) if so, the details thereof; and

(c) if the answer to part (a) above be in the negative, the reasons therefor?

**THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA) :** (a) Proposals for free trade zones, including Haldia and Dum Dum, are presently under consideration of a Working Group.

(b) and (c) Do not arise.

**SHRI HARSH DEO MALAVIYA :** Sir, may I know if the Government is considering any proposal to include Delhi also in the free trade zone?

**PROF. D. P. CHATTOPADHYAYA :** Sir, the question relates to Haldia and Dum Dum. It seems the hon. Member is interested in knowing the prospect of Delhi being included in the free trade zone. Such a proposal is under consideration but there are a number of problems about it particularly about its location.

**SHRI HARSH DEO MALAVIYA :** May I know whether Government will consider a proposal to open such shops in these free trade zones where duty-free goods are sold in hard currency, like dollar, pound, West German mark, Swiss Franc, Swedish kroner or West German mark, as we have in other countries. These shops there are called dollar shops, free trade shops or duty free shops. Will you consider such a proposal because it might help you earn a good deal of dollars?

**PROF. D. P. CHATTOPADHYAYA :** This is not the main idea of the free trade zone. But these ideas may be considered. But, I do not think this is the main idea underlying the free trade zones.

**SHRI SARDAR AMJAD ALI :** Sir, the hon. Minister replied that this proposal of free trade zones in Haldia and Dum Dum is under the consideration of a Working Group. In view of this reply, may I know from the hon. Minister as to whether this proposal was placed by the Trade Development Authority of India since long

back, and, if so, why this proposal was given to the Government by the Trade Development Authority? When was this proposal referred to the Working Group? In this connection I would also like to know as to how long it took to open a free trade zone in Bombay and whether some principles are being followed in opening free trade zones in Haldia and Dum Dum?

**PROF. D. P. CHATTOPADHYAYA :** Sir, the free trade zone projects have been prepared by the TDA—Trade Development Authority—and this Dum Dum project has also been processed by them. It is only recently that they have submitted the full and final report, Sir, and it is under the active consideration of a working group in the Ministry. The working group has been set up under the Chairmanship of the Commerce Secretary in April. They have already held meetings—one in May, one in August and also another one in September. So, this is under active consideration. But there are so many things which have to be gone into such as products which will be allowed there, geographical, functional and hinterland problems and transport. So, these things are being looked into and a final decision will be taken in due course.

**MR. CHAIRMAN :** Mr. Suhrid Mullick Choudhury.

**SHRI SARDAR AMJAD ALI :** Sir, my question has not been answered. I wanted to know as to when this proposal by the TDA was placed before the Government, when it was referred to the Working Group and as to whether the same principles which were applied in the case of opening of the free trade zone at Bombay are being applied in the case of Haldia and Dum Dum also. That is what I want to know.

**MR. CHAIRMAN :** All right.

**PROF. D. P. CHATTOPADHYAYA :** I have already said that it has been done only recently—the exact date I cannot say. The Bombay free trade zone has been functioning formally from 1-5-1973. The principles underlying the Bombay free trade zone are somewhat different from

the principles of Dum Dum because products are different. The Santa Cruz or Bombay free trade zone is mainly concerned with electronics. But the project report of Dum Dum indicates, besides electronics, other products like mechanical toys, industrial fasteners, stainless steel materials, hand and small tools, miniature decorative lamps, builders' hardware, finished leather and leather manufactures, readymade garments, scientific and laboratory equipment. Some other things are also being considered, but whether all these things can be put into the free trade zone is a matter to be studied in depth.

MR. CHAIRMAN : Mr. Suhrid Mullick Choudhury. Is not putting a question? Mr. Babubhai Chinai.

SHRI SUHRID MULLICK CHOUDHURY : May I know whether the enterprise will in reality . . .

MR. CHAIRMAN : Have you decided to put a question?

SHRI SUHRID MULLICK CHOUDHURY : May I know whether in reality that project will be formulated in West Bengal ?

PROF. D. P. CHATTOPADHYAYA : Sir, I have already said the project is under active consideration. Several meetings have taken place to study the report and we hope a decision will be taken in the near future.

SHRI SUHRID MULLICK CHOUDHURY : I want to know whether he Minister . . .

MR. CHAIRMAN : No, please. I won't allow another question.

SHRI BABUBHAI M. CHINAI : May I know from the hon. Minister what is the position and their experience about the Kandla free trade zone? Will the hon. Minister tell us whether the Kandla free trade zone is a success and, if not, what are the reasons and how is he going to remedy it ? Will he please assure us that before he steps into other free trade zones

at Dum Dum, Haldia and other places he will at least see. . .

SHRI SARDAR AMJAD ALI : This question is not relevant. This is about Haldia and Dum Dum.

SHRI BABUBHAI M. CHINAI : It has not been successful...

MR. CHAIRMAN : The question about Kandla does not arise.

SHRI BABUBHAI M. CHINAI : Why, Sir?

MR. CHAIRMAN : Because the question relates to Haldia and Dum Dum.

SHRI BABUBHAI M. CHINAI : That free trade zone is not functioning properly.

MR. CHAIRMAN : You have already said that, but that question does not arise.

DR. K. MATHEW KURIAN : I must make a submission that I am not asking regarding Kandla free trade zone. When they consider the question of opening free trade zones in Haldia and Dum Dum have they taken into account in the Study Group the experience of the earlier free trade zones, particularly in Kandla. . .

SHRI BABUBHAI M. CHINAI : That is what I asked.

MR. CHAIRMAN : No, no.

DR. K. MATHEW KURIAN : I am not asking anything about Kandla.

SHRI BHUPESH GUPTA : This is very relevant.

*(Interruptions)*

DR. K. MATHEW KURIAN : I am not asking about Kandla at all. I do not want any information about Kandla. I only wanted to be know whether the Study Group before formulating schemes for Haldia and Dum Dum will take into account the past experience of the Ministry where due to bureaucratic bungling, due to the absence of the necessary infrastructure as in Kandla for example, the whole scheme was scuttled. Will they

ensure that in the case of Haldia and Dum-Dum the same mistakes will not be repeated?

PROF. D. P. CHATTOPADHYAYA : When a final decision about Dum-Dum is taken certainly the experience gained in the case of the previous projects will be taken into consideration.

SHRI M. K. MOHTA : May I ask the hon. Minister whether the terms of reference of the Study Group that is going into the question of Haldia and Dum-Dum are limited to these two places or is it going into the wider question as to which places in India are more suitable for the establishment of free trade zones?

PROF. D. P. CHATTOPADHYAYA : Sir, from different parts of the country different States have forwarded ideas about free trade zones. One of the considerations why we have not yet finalised whether it is Haldia, Dum-Dum, Sagar or Cochin, is that we cannot open all the free trade zones simultaneously and so priority has to be decided. So we are seized of these numbers projects forwarded by the different States.

श्री ओउम प्रकाश त्यागी : सभापति महोदय, मैं माननीय मंत्री जी से यह जानना चाहता हूँ कि हल्दिया और दमदम के अलावा, दिल्ली प्रशासन न यहाँ पर ड्राई-पोर्ट के लिये आपके सामने जो माँग उपस्थित की है उसके सम्बन्ध में आपका क्या विचार है ? क्या आप दिल्ली में ड्राई-पोर्ट बनाने जा रहे हैं या नहीं ?

MR. CHAIRMAN : No; now how does this question arise ?

SHRI G. A. APPAN : From what has taken place on the floor of the House can I know from the hon. Minister why is this discrimination that only these two places Dum-Dum and Haldia are being considered ? Why can't they explore the possibility of giving first preference to opening free trade zones at airports like Delhi, Madras, Cochin and Tuticorin ?

MR. CHAIRMAN : I have already ruled out questions about other places. Next question.

SHRI G. A. APPAN : Sir, I seek your protection. The Minister has not replied. When I ask a particular question the Minister should be able to answer. I asked why this discrimination was being shown and why other places cannot also be considered.

MR. CHAIRMAN : I have ruled out other places.

#### **Levy of development cess on Jute Manufacturing Units**

\*184. SHRI KOTA PUNNAIAH :†  
SHRI CHANDRA SHEKHAR :  
SHRI GURUMUKH SINGH  
MUSAFIR :  
SHRI A. G. KULKARNI :  
DR. Z. A. AHMAD :  
SHRI KRISHAN KANT :  
SHRI KALI MUKHERJEE :  
SHRI J. S. TILAK :

Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal to levy development cess on jute manufacturing units; and

(b) if so, what are the reasons therefor ?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA) :  
(a) Yes, Sir.

(b) To augment research and development efforts in the field of agriculture and product development including market research

MR. A. G. KULKARNI : May I know, when the Government is proposing to have a development cess on jute production, whether it is a fact that, in view

†The question was actually asked on the floor of the House by Shri Kota Punnaiah.