

**STUDY TEAM TO IRAN FOR DEVELOPMENT
OF SMALL SCALE INDUSTRIES**

365. CHAUDHARY A. MOHAMMAD : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state:

(a) whether there is any proposal under Government's consideration to send a team of experts to Iran to study in depth prospects of developing small scale industries and industrial estate;

(b) if so, the names of the persons who will constitute the team; and

(c) by what time a final decision is likely to be taken in the matter?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : (a) Yes. It has been decided to depute a team of experts to Iran to study the local conditions in consultation with the Iranian officials and prepare a scheme to assist the Iranian Government in the development of small scale industries and handicrafts.

(b) The team consists of :

(1) Shri R. N. Gandhi *Leader*

(2) Shri Mohd. Akram,

(3) Shri K. C. Rao,

(4) Shri G. B. Jakhethia,

(5) Dr. J. D. Verma,

(6) Shri A. B. Divekar,

(7) Dr. P. N. Kaul and

(8) Shri N. Hariharan.

(c) A decision to depute the team has already been taken.

**INGOTS PRODUCED FROM SCRAP BY ELECTRIC
STEEL FURNACES**

366. SHRI A. G. KULKARNI : Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) whether it is a fact that ingots produced by electric steel furnaces from scrap are levied an excise duty of Rs. 75 a ton while re-rolling units producing ingots from steel scrap are free from this duty, resulting in electric steel foundries being put to a considerable disadvantage and consequent loss of export market; and

(b) the steps proposed to be taken to remove this anomaly?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL, MINES AND METALS (SHRI CHOWDHARY RAM SEWAK) : (a) and (b) An excise duty of Rs. 75 per tonne is levied on ingots produced by electric furnace. However, if proof can be adduced that the scrap used by electric furnaces is from steel on which duty has already been paid, a set-off of duty is allowed. In respect of re-rollers, a general rebate has been allowed in excise duty on bars and rods etc. made from scrap. As far as the impact of excise duty on exports is concerned, it may be added, that excise duty is refundable on exports.

PRODUCTION OF NYLON FABRICS

367. SHRI A. G. KULKARNI : Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that production of nylon fabrics and rayon varieties suffer from serious drawbacks on account of which the export of these products has been very low;

(b) if so, the nature of the drawbacks; and

(c) the steps taken by Government to overcome those drawbacks?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) :

(a) The production of nylon fabrics and rayon varieties has not suffered but has been increasing more or less at a steady rate. Exports have, however, been low.

(b) The reason for short-fall in exports is that our prices are not competitive,

(c) The following steps have been taken by Government to step up exports of rayon and synthetic (nylon) fabrics:

(i) For promotion of exports of Cellulosic art-silk fabrics (Rayon filament yarn fabrics, spun rayon fabrics and acetate fabrics) Government introduced a scheme which provides for the grant of cash assistance not exceeding 25% of the FOB value of the exports with a cut-off point of 33.3% in individual cases. This cash assistance is given by S.T.C. and is allowed on exports of cellulosic artsilk fabrics made by the S.T.C. and/or its business associates.

(ii) For promotion of export of synthetic (nylon) fabrics a replenishment scheme was introduced whereby the