

damage have also been given appropriate reliefs, in respect of tendering the minimum qualifying yield. All such cultivators, who had applied or licence for poppy cultivation for the crop year 1989-90 and who were otherwise eligible in accordance with the general conditions for grant of licence for 1989-90 notified by the Central Government, have been issued licence for cultivating opium poppy.

**Kaul and Tandon Committee Recommendation on Development of Kandla Free Trade Zone**

328. SHRI BABUBHAI MEGHJI (SHAH): Will the Minister of COMMERCE AND TOURISM be pleased to state:

(a) whether the recommendations made by Kaul and Tandon Committee set up by Government for expediting the development of Kandla Free Trade Zone have not been fully implemented till now; and

(b) if so, the details of recommendations which have since been implemented and the steps contemplated by Government for implementing the remaining recommendations?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU):

(a) and (b). The Tandon Committee was set up to examine the problems faced in the working of Free Trade Zones and the Scheme of 100% Export-Oriented Units. The Committee made a number of recommendations for accelerating the process of these schemes. The main recommendations were to set up five or six new EPZs and to allow EPZ Units to sell 25% of production in Domestic Tariff Area. These recommendations have been implemented.

The Kaul Committee was set up to look into the problems of the Kandla Free Trade Zone with a view to suggest measures to

ensure a major export thrust from this zone. The major recommendations of the Kaul Committee included extension of Income-Tax Holiday for a period of five years; permission to sell a part of the production of Kandla units in Home-Market; reimbursement of Central Sales Tax; providing of permanent import-policy frame work; working capital at concessional rates; payment of transport subsidy on percentage basis etc. All these recommendations have been implemented by the Government. Units in Kandla FTZ, as in other zones, enjoy corporate tax holiday for a period of 5 years in a block of 8 years; Central Sales Tax paid on purchase from outside the State is reimbursed by the Zone Administration, import of capital goods, raw materials, consumables etc. are permitted in the zone under OGL on a regular basis and working credit facility is available for a period of 180 days without production of export orders.

While the Kaul Committee recommended a separate Act for Kandla Trade Zone, the Tandon Committee recommended creation of a Central Unified Authority for the development and administration of all the Export Processing Zones, including Kandla. This suggestion is under consideration of the Government.

**Transport facilities for Tourist places in M.P.**

329. SHRI RAGHAVJI: Will the Minister of COMMERCE AND TOURISM be pleased to state:

(a) the names of places of tourist importance in Vadisha and Raisen districts of Madhya Pradesh.

(b) whether adequate transport facilities for visiting the said places has been provided; and

(c) if not, the time by which these

facilities are likely to be provided?

**THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU):**

(a) The places of tourist importance in these districts of Madhya Pradesh are Sanchi, Udayagiri, Bhimbetka and Vidisha.

(b) and (c). The Central Department of Tourism has no scheme under which transport facilities are provided at various tourist centres.

[English]

**Removal of India's Name under provision of Super 301**

330. **SHRI MADHAVRAO SCINDIA:** Will the Minister of COMMERCE AND TOURISM be pleased to state:

(a) whether efforts were made to ensure that the name of India is removed from the US trade list under Super 301, provision of US Trade and Competitiveness Act;

(b) if so, the details thereof and further steps proposed to be taken in this regard; and

(c) US Government's response thereto?

**THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU):**

(a) to (c). Our strategy has been to put as much international pressure as possible to deter the USA from pursuing the path of unilateralism. This is being done by taking up the matter in the meetings of the GATT Council and the Uruguay Round Negotiating Groups as well as in the Surveillance Body established under the Uruguay Round to voice our concerns. We are also eliciting support from other countries bilaterally, whenever there is an opportunity India's stand has received wide support and the US action has been criticised by both developed

and developing countries. US Government have not yet approached us for negotiations in the context of Super 301 decision. We have, however, made it clear that Government of India will not participate in any negotiations, bilateral or otherwise, under threat of retaliation. Government is also opposed to negotiations establishing linkages between multilaterally agreed concessions in trade in goods and changes in policy lying within the domain of autonomous national economic policies.

No further action has so far been taken by the US Government since the initiation of investigation in June, 1989.

**Closing of Mines in Tribal Districts of Orissa**

331. **SHRI ANADI CHARAN DAS:** Will the Minister of COMMERCE AND TOURISM be pleased to state:

(a) whether the Minerals and Metal Trading Corporation has reduced procurement of iron ore from non-captive mines for the purpose of export to the extent of fifty per cent or even more;

(b) whether several such mines have been forced to close down in the three tribal districts of Orissa; and

(c) if so, the steps proposed to be taken not to reduce the procurement of iron ore in order to avoid retrenchments there?

**THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU):**

(a) While procurement of iron ore by MMTC from Barajamada and Gandhamardan sectors was reduced in 1988-89 due to very high opening stocks which were sufficient to meet the export commitments during 1988-89, there is no reduction in procurement during the current year. MMTC has asked the mine-owners to supply as much of iron ore as possible.