

Shri Joachim Alva: Is it true that this delegation made a substantial offer of aid to the Government of India in the shape of a long-term loan on easy instalments, or of assistance, which was rejected on the ground perhaps of the Hallstein theory that if you recognise East Germany, West Germany will cut off all aid.

Shri Manubhai Shah: The latter part of the question is not correct. We did not reject it. We are prepared to take the loan from GDR on a corporate to corporate basis, our State Trading Corporation taking from their corporation. It is not possible to take on a Government to Government basis.

Polish Aid in Zinc Smelting



- *229. { **Shri Vidya Charan Shukla:**
Shri Brij Raj Singh-Kotah:
Shri Yashpal Singh:
Shri Rameshwar Taantia:
Shri Onkar Lal Berwa:
Shri Omkar Singh:

Will the Minister of Steel and Mines be pleased to state:

(a) whether talks have been initiated to set up a zinc smelter plant in India with Polish collaboration; and

(b) whether any feasibility report has been submitted by the Polish experts?

The Parliamentary Secretary to the Minister of Steel and Mines (Shri Thimmaiah): (a) Yes, Sir. A team of two technical experts from Poland was in India from 6th October, 1964 to 16th November, 1964 for discussions with the Government of India regarding the establishment of a zinc shelter in the country with Polish assistance;

(b) Yes, Sir.

Shri Vidya Charan Shukla: Is it not a fact that zinc ore is known to exist in Rajasthan in the Zawar area for a long time, and yet it is proposed that the zinc smelter should be set up on

the basis of getting imported zinc concentrates from abroad, and then smelt it and make it here? Why is it so when we have indigenous zinc available?

Shri Thimmaiah: It is not true. The proposed zinc smelter at Rajasthan is based on the local Zawar deposits, and the one that is to be set up in Kerala at Alwaye will be based on imported concentrates. The Rajasthan smelter is to be based on local deposits.

Shri Vidya Charan Shukla: May I know since when this question of starting a zinc smelter in Rajasthan has been under the consideration of Government, and why it has taken about ten years for them to establish, or take a decision about establishment of this factory?

The Minister of Steel and Mines (Shri Sanjiva Reddy): The proposed zinc smelter in Rajasthan is in the private sector, and there are some financial difficulties. In spite of the large assistance given by the Rajasthan Government, the company has run into some difficulties. At present we are considering whether the Government of India should step in and give assistance, or take it over in the public sector.

श्री यशपाल सिंह : क्या इस सिलसिले में किसी और देश से भी कोलेबोरेशन का आफर आया है ?

Shri Sanjiva Reddy: For the present it is confined to Poland only.

श्री ओंकार लाल बेरवा : मैं जानना चाहता हूँ कि यंत्र लगाने के लिए कितने रुपये की आवश्यकता होगी, और इसमें विदेशी मुद्रा कितनी होगी, और भारत सरकार कितना सहयोग देगी ?

Shri Sanjiva Reddy: After the project report is prepared, we will know the exact cost and what foreign assistance we will get.

श्री शिव नारायण : मैं जानना चाहता हूँ कि रिग स्मेल्टर प्लांट हिन्दुस्तान

के किन किन और हिस्सों में लगाने का सरकार विचार कर रही है ?

Shri Sanjiva Reddy: Just now my hon. friend, the Parliamentary Secretary said that one was at Zawar, the second in Kerala and the third is under consideration.

श्री हुक्म चन्द कछवाय : मंत्री महोदय ने बताया कि परियोजना तैयार होने के बाद काम शुरू किया जायेगा। मैं जानना चाहता हूँ कि यह परियोजना तैयार होने में कितना समय लगेगा और कब तक काम शुरू हो जायेगा ?

Shri Sanjiva Reddy: It takes time. In the preliminary stages, the project report will take a year. After the project report is prepared we will have to finalise the orders for machinery, etc. I think it will take two or three years.

Export of Jewellery

*230. { **Shri P. R. Chakraverti:**
Shri P. C. Borooah:

Will the Minister of Commerce be pleased to state:

(a) whether Government have advised the jewellers in India to open offices abroad to promote sale of diamonds, precious stones and other jewellery;

(b) whether Government have decided to permit export of jewellery set with pearls;

(c) the amount of foreign exchange earnings last year from the export of pearls, precious stones and jewellery; and

(d) how far the price quotations of Indian exporters compare with those of Israel and Belgium, the two major competitors in this field?

The Minister of Commerce (Shri Manubhai Shah): (a) Yes, Sir. The

Government have advised the jewellers to open display centres abroad for exhibiting jewellery items in collaboration with the Handicrafts and Handloom Export Corporation of India Ltd., New Delhi. The Corporation is taking necessary steps in this connection.

(b) Export of pearls, precious stones, semi precious stones, diamonds—cut or polished, unset or set in jewellery, is freely allowed under the Export Control Order. The permission of the Reserve Bank of India is, however, necessary for making these exports.

(c) The earnings of foreign exchange from the export of pearls, precious and semi-precious stones, jewellery etc., have been increased tremendously and during 1963-64 amounted to Rs. 11.53 crores and in 1964-65, they are estimated to reach Rs. 14 crores in the whole year.

(d) It has not been found possible to compare the price quotations of Indian exporters with those of Israel and Belgium as there is no standard products in these items. Prices are determined on the basis of international prices, design, cut and workmanship and in this respect Indian prices are comparable.

Shri P. R. Chakraverti: What special facilities have been made available to the jewellers to give a spur to their exports?

Shri Manubhai Shah: The entire export is based on the basis that whatever the import is, it has to be recut and repolished—because we do not have precious stones in this country—100 per cent export has to be done and for that, whatever the facility, it is given. That is why exports have risen.

Shri P. R. Chakraverti: Has the nature of response which the Minister has received from the jewellers been in line with expectation of the Government?

Shri Manubhai Shah: More than the expectation.