

(b) if so, whether the designing and erection of the plant has been entrusted to these companies; and

(c) whether any foreign loan has been received for this project?

THE MINISTER OF STEEL, MINES AND METALS (DR. CHANNA REDDY) : (a) and (b). The National Mineral Development Corporation Ltd., a Government Undertaking, has entered into an agreement with a group of French Companies consisting of M/s. Venot-Pic, Ensa and others for the supply of plant, equipment and engineering services under the French Consortium Credit for developing the Khetri Copper Project. The French group would also furnish designs, drawings and specifications of the concentrator, smelter (except flash smelting process) and refinery for the project. The construction and erection of the plant would be done by the Indian Engineers under the over all supervision of French Technicians.

(c) The bulk of the foreign exchange requirement of the project have been found from the Exim Bank Credit of USA and the French Consortium Credit.

#### DEVELOPMENT OF MINERAL RESOURCES IN RAJASTHAN AND ANDHRA PRADESH

4478. SHRI D. N. PATODIA :  
 SHRI Y. A. PRASAD :  
 SHRI N. K. SANGHI :  
 SHRI R. R. SINGH DEO :

Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) the total Central assistance to be given in 1967-68 for the development of the mineral resources and mineral-based industries of Rajasthan and Andhra Pradesh; and

(b) the break-up of the assistance to be given industry-wise?

THE MINISTER OF STEEL, MINES AND METALS (DR. CHANNA REDDY) : (a) No direct Central assistance has been earmarked

to be given in 1967-68 for the development of mineral resources and mineral-based industries in Rajasthan and Andhra Pradesh.

(b) Does not arise.

#### TRADE WITH JAPAN

4479. SHRI D. N. PATODIA :  
 SHRI R. R. SINGH DEO :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that during his visit to Japan, the Deputy Prime Minister explored the possibilities of enhancing India's trade with Japan;

(b) whether it is also a fact that Government of Japan have assured to accord "preferential treatment" to semi-manufactured Indian goods; and

(c) if so, the details of arrangements/agreements arrived at in this connection?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) to (c). The visit of the Deputy Prime Minister to Japan was primarily with a view to promoting better understanding between the two countries. The question of exploring the possibilities of enhancing India's trade with Japan was discussed only in general terms.

During this visit, no assurance for according preferential treatment to semi-manufactured Indian goods was given by the Government of Japan. However, the question of grant of preferences to the trade of developing countries has been under consideration by a group of developed countries including Japan.

#### PRICE OF CEMENT

4481. SHRI MARANDI :  
 SHRI S. C. BESRA :

Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether Government have not agreed to increase the price of cement in the country;

(b) if so, the reasons therefor;

(c) whether it is a fact that Government are against the lifting of the freeze on dividend; and

(d) if so, the steps taken by Government for the expansion of the industry?

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

(a) Yes, Sir.

(b) Government is keen to hold the price line in respect of essential commodities and has, therefore, advised the industry to effect all possible economies in managing the distribution of cement within the existing f.o.r. price structure

(c) Yes, Sir.

(d) The following steps have been taken for the expansion of the industry :—

- (i) Development rebate was raised to 35%.
- (ii) Tax credit certificates for a five-year period at 25% of the excise duty were announced for excess production over the base year 1964-65.
- (iii) Similarly tax credit certificates for a five-year period were announced at 20% of the extra liability to income-tax and sur-tax over the base year.
- (iv) (a) With effect from 1-1-66, statutory control on the price and distribution of cement was lifted.  
(b) With a view to providing for a development element in the price, Government agreed to the industry's raising the selling price of cement by Rs. 16 per tonne, subject to the condition that the industry would pool the net accruals on account of this increase into a separate fund and draw upon it only for expansion purposes.

(v) The dividend has been frozen at pre-1966 level, so that the extra resources accruing to the industry due to price increase are used for expansion purposes only.

(vi) With effect from 13-5-66, the cement industry has been exempted from the requirement of getting an industrial licence for setting up capacity.

(vii) The Cement industry has been included in the list of priority industries for the grant of financial assistance by financial institutions.

(viii) The Cement Corporation of India has also been set up in public sector to step up the production of cement.

**POSTPONEMENT OF AERIAL SURVEY OF RAJASTHAN**

4482. **SHRI MARANDI :**

**SHRI S. C. BESRA :**

Will the Minister of STEEL, MINES AND METALS be pleased to state :

(a) whether it is a fact that an aerial survey of the Rajasthan areas to locate non-ferrous metal deposits has been postponed;

(b) if so, when the survey is likely to be started; and

(c) whether any foreign assistance is involved in this regard?

**THE MINISTER OF STEEL, MINES AND METALS (DR. CHANNA REDDY) :** (a) and (b). The aerial surveys in Rajasthan have commenced on 4th December, 1967.

(c) The work is being carried out by a U.S. Agency on contract basis. The foreign exchange cost of the programme is being met out of a U.S. A.I.D. loan of 3.5 million dollars.

**SUPPLY OF COAL TO CEYLON AND OTHER COUNTRIES**

4483. **SHRI MARANDI :** Will the Minister of COMMERCE be pleased to state :