

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) For Savings accounts of individuals, Sanchayika accounts, and Provident Fund accounts etc. in Post Office, the rate of interest is 5.5 per cent per annum. However, the rate of interest for institutional accounts is 5 per cent per annum.

(b) to (d). The interest rate on Post Office savings accounts is fixed taking into account the fact that these accounts are essentially meant for individual small savers and the post offices do not provide the entire gamut of facilities and services the commercial banks provide. There is also a ceiling of Rs. 25,000/ on individual accounts.

**Buffer Stock of Yarn Under National Handloom Development Corporation**

1455. SHRIMATI MADHURI SINGH : Will the Minister of COMMERCE and SUPPLY be pleased to state :

(a) whether there is a proposal to create a buffer stock of Yarn under the aegis of the National Handloom Development Corporation (NHDC) to stabilise its prices; and

(b) if so, the details in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) : (a) and (b). The long term yarn purchase and sale policy of the National Handloom Development Corporation envisages buffer stocking of yarn. Though the details of the scheme have not yet been finalized, long term strategy of the Corporation is to provide regulatory mechanism in the market by setting up buffer inventory, keeping in view the trend cycles in yarn prices, for release of yarn in times of scarcity and escalation of prices. This strategy may also

involve back to back tie-up arrangements with the National Textile Corporation, State sector spinning mills by way of advance for cotton to be purchased by such mills or supply of cotton to such mills for providing various counts of yarn indicated by the Corporation. This may also have to be backed up by advances from user agency, if necessary and commitment to lift yarn as per their and delivery schedules.

**Minerals Located in Himachal Pradesh, Punjab and Jammu and Kashmir During the last three years**

1457. PROF. NARAIN CHAND PARASHAR : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any minerals have been located in Himachal Pradesh, Punjab and Jammu and Kashmir during the surveys conducted for this purpose in the past three years including the current financial year *i.e.* 1984-85;

(b) if so, the details thereof, state-wise;

(c) The steps taken by Government to exploit these resources; and

(d) if not, whether any steps are proposed to be taken for this purpose ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b). Exploration for minerals is a continuous process and is undertaken by the Geological Survey of India and the State Government agencies according to an approved programme. As a result of such surveys by the Geological Survey of India and the State Governments, the following minerals have been located in Himachal Pradesh, Punjab and Jammu & Kashmir during the last three years :

Minerals	Location	Remarks
<b>Himachal Pradesh</b>		
1. Copper-lead-zinc (base metals)	Chamri-Anyar in Sirmur district	Exploration is in progress.
2. Limestone	Sirmur, Kulu Simla and Kangra Districts.	
3. Barytes	Simla District	
4. Clays	Kangra District	
5. Gold mineralisation	Sirmur District.	
<b>Jammu and Kashmir</b>		
1. Base-metals	Doda District Leh District	Small and sporadic occurrences.
2. Limestone	Rajouri District	8 m.t. have been estimated.
3. Glass-sand	Doda District	A reserve of about 1 m.t. has been estimated so far.
4. Magnesite	Leh District	33 Magnesite bodies totalling about 45,000 tonnes have been estimated.
5. Tungsten	Nubra	Only stream samples have shown Tungsten value in Nubra Shyok valleys.
6. Chromite	Leh District.	Small bodies of varying dimensions have been located in Leh District.
<b>Punjab</b>		
1. Halite (rock salt)	Faridkot District	A cumulative thickness of 47 m. of rock salt (Halite) occurs in boreholes at deeper levels.
2. Gold	Ropar District	Traces of gold have been found in the stream sediments of Patiali Rao and Jaintia Rao rivers and their tributaries. Work is still in progress.
3. White silica sand	Garhshankar area of Hoshiarpur District.	

(c) and (d). Exploration work for gold and base metals is still continuing. Exploitation of white silica deposits and Saltpeter is being done by private parties in Punjab.

Exploitation of some of the minerals has already been taken up. In other cases, this can be done only after the economic viability of the deposits is established.

#### Setting up of Alumina Project in Andhra Pradesh

1458. SHRI S.M. BHATTAM : Will the Minister of STEEL MINES AND COAL be pleased to state :

(a) Whether the Soviet experts after a visit to Visakhapatnam in Andhra Pradesh along with the officials of the Bharat Aluminium Company Limited submitted the feasibility report of six lakh tonne alumina project in 1980;

(b) whether the estimated cost of the same at first quarter of 1980 price level is estimated to be Rs. 426 crores and for eight lakh tonne plant is Rs. 498 crores;

(c) whether Government have recently reached an agreement with the U.S.S.R. on the question of provision of a Comprehensive package for financing virtually the entire capital cost and arrangements to buy back the alumina produced; and

(d) if so, the relevant details of such agreement ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (d). Yes Sir. In 1980, the Soviet side prepared a feasibility report for a 6,00,000 to 8,00,000 tonnes per annum alumina plant, at an estimated cost of Rs. 426 crores for 6 lakh tonnes plant and Rs. 498 crores for 8 lakh tonnes plant (at first quarter 1980 price level), based on the bauxite deposits in Andhra Pradesh. Subsequently, the Soviet side suggested an export-oriented

bauxite mine of 2.3 million tonnes per annum capacity and alumina plant/mine expansion later. During further discussions, the Soviet side agreed to consider the question of financing a major part of the local costs of the export-oriented bauxite mine, and extending credit for bauxite mine expansion and alumina plant to the extent of Soviet equipment and services, and buying back on long-term basis 3 lakh tonnes of alumina per year.

The matter was discussed with the Soviet side early in March, 1985 when it was proposed that construction of the bauxite mine of 2.3 million tonnes per annum capacity for export of bauxite to U.S.S.R. may be taken up first. Both sides agreed to hold further discussions for evaluating the financial and economic aspects of the bauxite mine.

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#### Effects of Rise in Steel Prices

1459. SHRI DHARAMVIR SINGH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the prevailing high prices of steel have adversely affected the engineering goods exports and added to the inflationary pressure on the economy in general; and

(b) if so, the steps Government propose to take to reduce the current high prices of steel ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b). No, Sir. The exporters of engineering goods are reimbursed the difference between the domestic and international prices of steel under the International Prices Reimbursement Scheme of the Ministry of Commerce.

It is expected that the impact of the recent price increase announced by the JPC will only be about 0.4% on the wholesale price index.