

(b) if so, whether Income-tax is not charged from the first category employees though many of them get the amount in six figures, whereas Income tax is charged on the monthly pension paid to the second category; and

(c) whether Government are considering a proposal to exempt all the pensioners from payment of Income-tax on their pension amount ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government employees are by and large covered by the Provident Fund Scheme set up by the Central Government and accordingly, any payment from a provident fund is exempt under section 10(11) of the Income-tax Act, 1961. However, in the case of Government/Semi-Government employees who are covered by the Contributory Provident Fund Schemes, the accumulated balance due and becoming payable to an employee participating in such scheme is exempt under section 10(12) of the Income-tax Act, 1961, provided the employee participates in a recognised provident fund fulfills the requirements of Rule 8 of Part 'A' of IV Schedule. As regards taxability of monthly pension paid to the retired Government employee is concerned, the same forms part of salary income and is liable to tax under Section 17 of the Income-tax Act, 1961.

(c) Proposals relating to tax exemption, etc., are considered annually as a part of the Budgetary exercises.

#### Amendment of Terms of Reference of Fourth Central Pay Commission

254 SHRI LAKSHMAN MALLIK:

SHRI G. VIJAYARAMA RAO:

Will the Minister of FINANCE be pleased to state ;

(a) whether Union Government have decided to amend the terms of reference of the Fourth Central Pay Commission; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government have since amended the terms of reference of the Fourth Central Pay Commission. A copy of Resolution No. 5(56)-E.III/83 dated the 16th February, 1985 issued in this regard is laid on the table of the House. (Placed in Library See No. LT-4. 3/85).

#### Export of Iron Ore

255 SHRI CHINTAMANI JENA : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) the total quantity of iron ore exported during the year 1983 and 1984 and the amount of foreign exchange earned thereby;

(b) the names of countries importing iron-ore from India;

(c) whether any agreement has been signed for export of iron-ore during the year 1985; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Iron Ore exports (excluding concentrates) during the last two years have been as under ;

Year	Qty. (Million Tonnes)	Value (Rs. In Crores)
1983*	20.71	387.89
1984*	24.21	425.00

\*Provisional

(b) Name of the countries which are importing iron ore from India are as under :

Japan, South Korea, Rumania, Czechoslovakia, Hungary, German Democratic Republic, Bulgaria, Italy, Iraq, Malayasia, North Korea,

Pakistan, Turkey, China, Saudi Arabia, Taiwan and United Arab Emirates.

(c) Yes, Sir,

(d) Agreements have been signed with Steel Mills of Japan for export of about 21 Million Tonnes of Iron Ore during 1985-86. Discussions with other major buyers for export of Iron Ore during 1985-86 are in progress.

#### Import of Newsprint

256 SHRI CHINTAMANI JENA : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether the price if imported standard newsprint has been increased;

(b) if so, how much and the reasons therefore ;

(c) the quantity of newsprint imported during the year 1984 to meet the demand of newsprint in the country;

(d) the quantity likely to be imported during 1985 and the names of countries from whom the import is being made;

(e) the amount involved for the import of newsprint yearly; and

(f) the steps being taken to increase the production of newsprint within the country to meet the demand ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) The sale price of imported newsprint for January-March 1985 (excluding customs duty) has been increased.

(b) The increase is Rs, 180/- PMT (excluding customs duty). As compared to the previous quarter, however, element of customs duty was reduced from Rs. 825/- PMT to Rs. 550/- PMT.

Increase in price was on account of higher import cost due mainly to the adverse fluctuations in the Rupee-Dollar

exchange rate and increase in freight on shipments from USSR from January, 1985.

(c) 219224 Mt newsprint was imported during 1984.

(d) The overall import plan for 1985-86 has not been finalised.

(e) The CIF cost of newsprint imported during 1984 is approximately Rs. 123 crores.

(f) The indigenous production of newsprint has been increasing from year to year. Further, additional capacity has been licensed/approved to the extent of 5,0,3000 tonnes, which is at various stages of implementation-

#### Offer by Indian Businessmen in Hongkong for Investment in Andamans

258 SHRI K. PRADHANI : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether some Indians businessmen in Hong Kong have offered/invest in India and suggested a free port in Andamans; and

(b) if so, Government's reacting thereto and the measures which Government propose in take in this direction ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Some interest has been shown by some of the Non-Resident Indians for investment in Andamans.

(b) No decision has been taken in this regard.

#### Impact of Dollar Rise on Indian Export

259 SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "Rise of dollar may hit India hard" appeared in the 'Statesmen', New Delhi on 2nd March, 1985;