

river will get further spoiled. Shri Jaipal Singh wanted to know what action is being taken.

**Mr. Deputy-Speaker:** He asked a general question which has nothing to do with this.

**Shri Ravindra Varma:** Sir, I wanted to know what is the expected capacity of the coal washery that would be set up and what particular steel plants the second washery will cater to.

**Shri C. Subramaniam:** It is expected to produce 1.2 million tons of washed coal. We expect to use it in Rourkela and Bokaro.

#### Kandla Free Trade Zone

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\*72. { Shri Sham Lal Saraf:  
      { Shri Heda:

Will the Minister of International Trade be pleased to refer to the reply given to Starred Question No. 568 on the 24th August, 1962 and state:

(a) whether a decision to declare Kandla as Free Trade Zone has been taken; and

(b) if so, the details thereof?

**The Minister of International Trade (Shri Manubhai Shah):** (a) A decision has been taken to set up a Free Trade Zone at Kandla.

(b) The details are being worked out.

**Shri Sham Lal Saraf:** May I know when it will be declared a free port?

**Shri Manubhai Shah:** It is not a free port. It is a small zone of half an acre to begin with. Rs. 2-1½ crores will be spent on that to begin with, of which Rs. 50 lakhs will be in foreign exchange.

**Shri Sham Lal Saraf:** Do I understand that all the amenities and facilities that are supposed to be given to persons who deal in imports and exports in ports which have been dec-

lared free ports will not be given to them?

**Shri Manubhai Shah:** All the facilities incidental to declaring a port a free port or free zone will be provided to the entrepreneurs and the traders in that zone.

#### WRITTEN ANSWERS TO QUESTIONS

##### Elimination of Industrial Tariffs

\*64. **Shri P. C. Borooah:** Will the Ministry of International Trade be pleased to state:

(a) whether the European Free Trade Association's Ministerial Council in their meeting in Lisbon in May, 1963, approved plans for the elimination of all industrial tariffs within the Seven Nation Association by the end of 1966; and

(b) if so, whether the probable effects of the implementation of this scheme on Indian Export to these countries have been considered and if so, with what result?

**The Minister of International Trade (Shri Manubhai Shah):** (a) Yes, Sir.

(b) The present decision of the Council of Ministers is to advance the target date for the elimination of duties on industrial items between the member-countries from 1969 to 1966. As India's exports of the items in question to the U.K. and those of the other EFTA countries to one another are by and large non-competitive and by their convention the tariff treatment which India gets in the U.K. and the other EFTA countries will be continued as before, the proposed change in the time table is not likely to have any immediate adverse effects on India's trade with the member-countries. The position is, however kept under constant review by the Government.