

**Restrictions on Export of Sandalwood**

\*500. SHRI K. T. KOSALRAM: Will the Minister of COMMERCE be pleased to state:

(a) whether huge stocks of sandalwood have piled up in Tamil Nadu;

(b) whether the State Administration has written to the Centre for doing away with the restrictions on export of sandalwood; and

(c) the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI): (a) and (b). Some exporters of Sandalwood and also Government of Tamil Nadu have represented to the Central Government for relaxing the ban on export of sandalwood in view of the substantial stocks held by the Forest Department of Tamil Nadu and the fall in the auction prices of sandalwood.

(c) A ban on the export of sandalwood in the form of logs, sawn sizes and billets form has been imposed w.e.f. 1st April, 1980, in consultation with Ministry of Agriculture in order, *inter-alia*, to encourage export of finished products instead of raw material.

**Abolition of Octroi**

\*501. SHRI D. P. JADEJA:  
SHRI AHMED M. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a number of committees and study teams appointed by the Central Government and the State Governments after full study have recommended abolition of Octroi in the country;

(b) if so, the decision taken by Government; and

(c) if not, whether Government propose to abolish Octroi duty in the country for the progress of trade and industry?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) Yes, Sir.

(b) and (c). The Governments of the States in which Octroi was levied were requested in March 1978 to consider the question of abolition of octroi and of finding alternative sources of revenue. Discussions were also held with the State Governments concerned. While the State Governments appreciated the desirability of doing away with octroi, they expressed difficulties in adopting measures to recoup the consequent loss of revenue. In August 1979, the Central Government informed the State Governments that however desirable abolition of octroi might be, no sacrifice of revenue, whether by the Centre or the States, would be advisable having regard to the prevailing financial situation and that abolition of octroi should be deferred for the time being.

The present Government is fully aware of the negative features of octroi. Abolition of octroi is a fiscal reform within the jurisdiction of the States. The concerned States will need to be persuaded to take appropriate steps to replace octroi in States and recoup losses of revenue by alternative measures.

**Tourist centres in Border areas**

\*505. SHRI HANNAN MOLLAH: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) what are the important tourist centres of our country situated in the border areas;

(b) is it a fact that Darjeeling suffers more restrictions for foreign tourists than other tourist centres which are also situated in border areas; and

(c) if so, why this discrimination?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI CHANDULAL CHANDRAKAR): (a) Places of in-

ferest in the border areas visited by tourists are Darjeeling and its vicinity, Gangtok and trek routes in Western Sikkim, Leh and its environs in Ladakh, Badrinath, Kedarnath, Gangotri, Jamunotri, Hemkund, Valley of Flowers, Pindari Glacier, Lahaul and Spiti.

(b) No, Sir. Although Darjeeling lies in the restricted area, foreign tourists do not require permits to visit Darjeeling for a stay upto 15 days, provided they travel by air between Calcutta and Bagdogra. For those who desire to travel by surface transportation, Indian Missions abroad and the Foreigners Regional Registration Offices at Delhi, Bombay, Calcutta and Madras have been authorised to endorse the passport for a 7-day visit to Darjeeling.

(c) Does not arise.

#### **Lapses on the part of Engineering Export Promotion Council**

\*507. SHRI R. K. MHALGI: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the Engineering Export Promotion Council failed to collect and disseminate necessary information in stipulated time about a huge textile project worth about \$70 million sponsored by the National Spinning and Weaving Company of Arab Republic of Egypt;

(b) whether as a result, Indian Export Industry particularly textile machinery manufacturers and civil construction organisations have missed an opportunity to bid for this contract;

(c) whether a similar opportunity was lost in case of an Iraqi tender for Rs. 30 crores for a textile mill project sometime back;

(d) do Government propose to help the Indian industry to have a chance to bid for the Arab Republic of Egypt contract, since there is still a couple of months for the actual bidding; and

(e) steps Government have taken/propose to avoid recurrence of such situations?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The Engineering Export Promotion Council received a copy of the publication 'Development Forum' dated 17th March, 1980 in which the notice about the textile project was published; but the National Spinning and Weaving Company, Alexandria issued the documents on the 1st April, 1980 to our Embassy in Cairo, who forwarded them by the first available diplomatic bag to the Engineering Export Promotion Council. As the time for responding to the pre-qualification was short, extension was sought and obtained upto 15th July, 1980.

(b) No, Sir. The Indian Exporters have time upto 15th July, 1980 on account of extension of time limit.

(c) No, Sir. The documents were sent by the Iraqi organisation directly only to the suppliers registered with them.

(d) Necessary steps have already been taken to enable the Indian exporters to apply for pre-qualification for the bidding.

(e) All available sources of information regarding tenders are tapped and information available supplied to the Exporters by the E.E.P.C.

#### **Invitation of fixed deposits from public by Big Companies**

\*508. SHRIMATI GEETA MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) is it a fact that many big companies are taking recourse to invitation of fixed deposits at a lucrative rate of interest;

(b) if so, is it a fact that their records in repayment are often not good;

(c) if it is a fact that they are attracting a substantial part to public saving and thereby depriving the nationalised banks thereof; and