

Statement

- (a) whether it is a fact that some persons of the Indian Airlines were recently found involved in the smuggling of goods at Delhi; (a) Yes, Sir.
- (b) If so, details thereof, stating the number of the persons arrested, if any the nature of the goods seized and the estimated value thereof; and (b) Three officials of Indian Airlines namely, Shri P.L. Vadera, Office Superintendent, Shri S.P. Rateja, Traffic Assistant and Shri H.C. Malhotra, Office Assistant were arrested under the Customs Act, 1962. S/Shri Vadera and Rateja were arrested on 19-2-1981 and Shri Malhotra was arrested on 26-2-81. The goods seized, comprise radio cassette recorders, sarees, wrist watches, calculators and photographic materials. The market value is assessed at Rs. 81,000/- approximately.
- (c) the number of the persons belonging to the Indian Airlines found involved in the smuggling of goods during the last one year stating their modus operandi and the action taken by Government in the matter ? (c) Except for these three persons no other official of Indian Airlines was found involved in smuggling in the last one year.

In the above mentioned cases, the suit cases belonging to these persons were deposited in the Mishandled Warehouse by the concerned Airlines and were opened by the Customs authorities. Later, it was ascertained that the suit-cases belonged to the officials of Indian Airlines.

Trade Handled by Kandla Free Trade Zone

*463. SHRI R. P. GAEKWAD: Will the Minister of COMMERCE be pleased to state:

- (a) the value of trade handled at Kandla Free Trade Zone;
- (b) whether the annual value of trade is on the increase,
- (c) what facilities are extended to develop the Free Trade Zone; and
- (d) Details of development of free trade zone?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (d): A statement is laid on the Table of the House.

Statement

Being a multi-product Free Trade Zone, all the units in the Kandla Free Trade Zone are under 100 per cent export obligation. The following table gives the figures of their year-wise exports from the very inception of the Zone. It would be seen therefrom

that the exports have increased significantly during the last 3 years:—

Year	Total Exports (Rs. in lakhs)
1966-67	7.48
1967-68	8.94
1968-69	51.30
1969-70	60.18
1970-71	34.44
1971-72	79.78
1972-73	151.17
1973-74	176.95
1974-75	180.15
1975-76	219.20
1976-77	352.36
1977-78	471.65
1978-79	552.75
1979-80	940.00
1980-81	2356.00
(Upto 11th March, 1981)	
TOTAL	5642.53

2. The following facilities are available to the Zone units:—

- (i) A simplified procedure for clearance of all applications (industrial licence, foreign collaboration, capital goods and MRTP) in one forum viz., the Kandla Free Trade Zone Board;
- (ii) Duty free import of capital goods, raw materials, components, spare consumables, tools, jigs, gauges and fixtures, placed under OGL;
- (iii) Exemption from municipal and octroi duty;
- (iv) Exemption from excise and other central levies;
- (v) Concessional rate of rent for built up sheds and plots;
- (vi) Full reimbursement of Central sales tax paid by the Zone units on purchase of materials for export production;
- (vii) Transport subsidy at the rate of 2 per cent of f.o.b. value of exports;
- (viii) Cash subsidy of 15 per cent of fixed capital investment for small scale units and 15 per cent of fixed assets for medium/large scale units subject to maximum cash grant of Rs. 25 lakhs for units set up after November 1, 1977;
- (ix) Liberal terms loans are available from Gujarat State Financial Corporation and Gujarat Industrial Investment Corporation at low interest rates;
- (x) The power subsidy scheme has been made applicable to all industries in the Zone by the Gujarat Government; and
- (xi) A tax holiday for a period of 5 years has been announced in the Budget for 1981-82.

3. With the increase in activity of the Zone as evidenced from the figures of exports, the Government is examining the question of development of additional area in the Zone.

Display of minimum selling rates on packaged commodities

*464. SHRI SATISH PRASAD SINGH: Will the Minister of AGRICULTURE, RURAL RECONSTRUCTION, IRRIGATION AND CIVIL SUPPLIES be pleased to state:

(a) whether the prices displayed on the packaged commodities are the maximum suggested retailing prices and not the genuine and reasonable prices to be charged from the customers thereby affording opportunities to the shopkeepers to exploit the hard-hit customs; and

(b) if so, whether Government propose directing the manufacturers to exhibit on the packaged commodities the minimum selling rates as well so that the customer's interest is looked after well and the prices brought down besides curtailing the huge profits earned by the shopkeepers?

THE MINISTER OF AGRICULTURE, RURAL RECONSTRUCTION, IRRIGATION AND CIVIL SUPPLIES (RAO BIRENDRA SINGH): (a) A statement is laid on the Table of the House.

(b) No, Sir.

Statement

Under the Standards of weights and Measures (Packaged Commodities) Rules, 1977, a pre-packed commodity which is the subject matter of inter-State trade or commerce should carry on the package, among other things, a declaration as to the price of the commodity in one of the following ways:—

- (i) Maximum price.....Local taxes extra.
- (ii) Maximum retail sale price.... (i.e. the maximum at which the commodity may be sold to the ultimate consumer inclusive of all taxes, charges etc).

The above provision has been made primarily to obviate exploitation of customers by retailers.