

do not benefit, whereby they would impose a betterment levy on those areas where the industries operate

Shri Nanda: In certain urban areas, they have town planning schemes

Shri Ranga: Is there anything on an all-India basis?

Shri Nanda. Not on an all-India basis but in several places

Mr. Speaker: The benefit of it cannot go to the Centre. So far as river valley projects are concerned, they are undertaken by the Government here or the local government. They get it. The others will go to the municipalities.

Shri Yajnik: Are the State Governments authorised to regulate—reduce or increase—the better levies, and have they actually been compelled to reduce them in certain parts of the country in view of the great agitation of the peasants against the rates of the levy imposed on them before they actually began to get the benefit of the irrigation projects?

Shri Nanda. It depends upon the terms of the legislation in the area.

Shri R. Ramanathan Chettiar: Will Government consider the question of having a uniform betterment levy in all the States and keep it at a reasonably low level?

Shri S. N. Mishra: In the very nature of things, this cannot be done uniformly in all the States.

Shri Ranga: Will that question be examined? Will the need for a uniform betterment levy system in different States all over the country be considered?

Shri Nanda: The question of betterment levy, the principle, methods etc is considered together for the purpose of an all-India approach. It was considered in the Planning Commission and also in the Irrigation and Power Ministry with a view to evolving some principle. Not that uniformity has been achieved or even may be achieved fully, but some kind of a uniform

approach. Some efforts have been made.

Shri Supakar: Is there a correlation between the annual instalment of the betterment levy and the rent that is realised from the land?

Shri Nanda: There are two different bases. One is on increase in the gross value of the gross produce. A certain ratio is established in relation to that. The other system is the total capital value increase of the price of the land.

Small-scale Enterprises

*1133. { **Shri Jaganatha Rao**
Shri Shree Narayan Das:

Will the Minister of Commerce and Industry be pleased to state

(a) whether Mr William Graham, a United States business-man has offered to advance 25 thousand Dollars for starting five small-scale enterprises in India,

(b) the reactions of Government thereto,

(c) whether this offer has been accepted by any youngman,

(d) if so the nature of industries to be taken up, and

(e) whether Government propose to grant any income-tax concessions to Mr William for the first five year period?

The Minister of Industry (**Shri Manubhai Shah**). (a) Mr William Graham had an exploratory talk with the Development Commissioner for Small Scale Industries, when he expressed his desire to advance a total of \$25,000 at the rate of \$5,000 each to five small scale entrepreneurs. No concrete and detailed proposals have yet been received by Government from Mr Graham.

(b) to (d) Do not arise

(e) No, Sir

Shri Shree Narayan Das: What are the terms and conditions on which this

gentleman is going to advance money to Indian entrepreneurs?

Shri Manubhai Shah: As I indicated in answer to (b), (c) and (d), no terms have so far been drawn up or offered

Mr. Speaker: After all this is \$25,000, a lakh and odd. We will be spending a thousand crores. This ought not to have been admitted. Everybody may offer ten rupees and so on by way of gift.

Shri Hem Barua: May I know why Mr. Graham was allowed to negotiate with private parties without the knowledge of the Government?

Shri Manubhai Shah: He has neither negotiated with private parties nor without the knowledge of Government. As I said, he had a meeting with the Development Commissioner for Small Scale Industries, the senior-most officer of the Government of India for small scale industries. No agreement or anything of that sort has been drawn up.

Mr. Speaker: It is too small a matter.

Nepa Newsprint Factory

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*1134. { **Shri Assar.**
 { **Shrimati Ila Palchoudhuri:**

Will the Minister of Commerce and Industry be pleased to refer to the reply given to Starred Question No. 254 on the 21st November, 1956 and state

(a) whether Nepa Newsprint Factory has reached the production level of 100 tons per day,

(b) if not, the reasons therefor, and

(c) what is the daily capacity of the cutting machine of this Nepa Factory?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra):

(a) and (b) The factory has not so far reached the rated capacity of 100 tons per day, as certain readjustments in the plant are yet to be completed

(c) 3-5 tons per day

Shri P. B. Patel: Is it not because of maladministration that the company is losing market?

Shri Satish Chandra: It is not a question of maladministration but of some maladjustment. The factory has not yet reached its rated capacity because some additional plants and equipment are necessary in one or two sections of the factory. For instance, a plant is to be installed for bleaching the sala wood pulp which is not as bright without bleaching as the imported newsprint. Similarly, the capacity for making bamboo pulp is inadequate as compared with the other sections of the factory and it is being made up.

Shri Assar: May I know whether it is a fact that contracts are coming in for cutting from outside agencies and, if so, what is the reason?

Shri Satish Chandra: The cutting capacity at the factory is more than its own requirements.

Shri V. C. Shukla: May I know what was the original target date by which the production of 100 tons per day was to be achieved?

The Minister of Industry (Shri Manubhai Shah): This factory, as the House is aware, was really started in 1947. So, at that time there was neither the Plan nor any target or anything like that. Normally, the factory should have reached the rated production in 4 years' time. Unfortunately, due to several mishaps it could not come to full production.

Shri R. Ramanathan Chettiar: What is the loss this factory has incurred annually?

Shri Manubhai Shah: That varies from time to time, sometimes it is Rs. 15 lakhs and sometimes it is Rs. 5 lakhs.

Shri Ranga: Has any effort been made by Government to examine and find out who were the technical officers responsible for this continued failure of the factory either to have the necessary equipment or to come into proper production?