

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b) Yes Sir, ITDC's performance is reviewed by the Govt. from time to time. The details of foreign guest nights stay in ITDC hotels during the last three years are given as under:

Year	Foreign Guestnights
1991-92	426587
1992-93	483884
1993-94	508417

(c) and (d) Yes Sir, ITDC has increased its net profit before tax from Rs. 5.84 crores in 1991-92 to Rs. 10.05 crores in 1992-93 and to Rs. 24.02 crores in 1993-94 showing an increase of 139% over the previous year.

It continues to show profits and for the first eight months ending Nov. 94, it has earned an estimated profit of Rs. 15.11 crores. Improvement in performance is an ongoing effort.

[English]

Small Scale Sector

*50. SHRI SOBHANADREESWARA RAO VADDE: Will the Minister of FINANCE be pleased to state:

(a) whether Government reviewed the consequences of excise duty modifications and customs duty reduction on the Small Scale Sector;

(b) if so, what are the details in this regard; and

(c) the extent upto which the Small Scale Sector is likely to be affected in its industrial growth and production?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):

(a) and (b) Small scale sector contributes about 40% of the industrial production in the country. In the budget 1994-95, the Government have reviewed excise duty exemptions available to various commodities and many such exemptions were removed. Removal of full duty exemptions actually provides a comparative fiscal advantage to a small scale unit because in that case a large unit manufacturing same goods is required to pay duty whereas a small unit can enjoy duty exemptions/concession.

Government have reviewed likely impact of most of the excise duty and customs duty changes made in the budget 1994-95 in the light of various representations received from small scale sector and others. Having regard to the representations received, Government have restored the excise duty exemption to certain goods like footwear upto a value of Rs. 50 per pair, umbrellas, corrugated boxes, rubber balloons, handkerchieves, shawls, soap made without the aid of power, towels which are mostly made in the SSI Sector and other madeups manufactured by handloomsector.

Consequent to withdrawal of excise duty exemptions, most of these commodities have been extended excise duty concessions available to small scale units.

Various measures for simplifying the excise procedure to SSI units have also been taken by the Government.

These measures include removal of the requirement of registration of Department of Industry for availing of duty exemption, discontinuation of filing of declaration by units having turnover of less than Rs. 30 lakhs in a year and acceptance of private records of the SSI unit for excise purposes.

Certain changes have also been made in a brand name provision in the small scale schemes for excise duty concession so as to provide that a SSI unit can manufacture branded machinery parts for another person without payment of excise duty upto Rs. 30 lakhs in a year and without following any cumbersome procedure.

Customs duty reduction has been made in the budget so as to make key imported raw materials and capital goods available to domestic industry at reasonable cost. This will benefit small scale industry also.

(c) As the budget proposals aim at promoting industrial growth generally and the interest of small scale sector specially, these are likely to further encourage the growth of small scale sector.

[Translation]

NTC Mills

*51. SHRI NAVAL KISHORE RAI:
DR. ASIM BALA:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have formulated a scheme for the modernisation of textile mills operating under the National Textile Corporation in the country;

(b) if so, the details thereof;

(c) whether the Government have identified the sources of the funds required for the implementation of this scheme;

(d) if so, the estimated amount likely to be drawn from each source; and

(e) the time limit fixed for the implementation of this scheme.

THE MINISTER OF STATE OF MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (e) The Textile Research Associations had prepared plans for modernisation of 79 NTC mills at an investment of Rs. 2005.72 crores. The modernisation plans include restructuring of 36 unviable mills into 18 viable mills. The Labour Ministry's Special Tripartite Committee on NTC has recommended that the NTC mills as well as its taken over mills can be made viable by modernisation as proposed by the Textile Research Associations. Details regarding legal aspects of nationalisation of 15 taken over mills, source of funding in the modernisation plans etc. are being examined in Government. Since the cases of 3 subsidiaries of the NTC had already been referred to the BIFR, any final scheme that may emerge would have to obtain the approval of the BIFR.