

techno-economically cleared by the Central Electricity Authority. Further action for processing this project for investment decision has also been initiated.

(c) and (d). As the NHPC has the necessary expertise and manpower to implement the various hydro-electric projects in Sharda Valley, there is no proposal for setting-up another separate Central public sector undertaking for execution of these projects.

[*English*]

Vigilance in BHEL

1. SHRI PYARELAL KHANDELWAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether vigilance is maintained to eliminate the possibility of senior officers in BHEL, actively helping the collaborators and private sector competitors at the cost of BHEL's interests; and

(b) if so, the action initiated to weed out such elements, if any?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH) : (a) Yes, Sir.

(b) The Company will take appropriate action if and when any such case comes to their notice.

[*Translation*]

Encouragement to Paper Industry

2. SHRI SHIV SHARAN VARMA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to formulate a long-term policy to encourage the paper industry;

(b) if so, the details thereof;

(c) whether, it is proposed to accord

permission for import of second hand machinery to become self-reliant in the production of paper; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH) : (a) and (b). Undertaking policy measures for the sustained growth of the Paper Industry is a continuous process. Government have taken the following main measures in this behalf:—

(i) Import of wood pulp, wood chips, logs and waste paper has been allowed under OGL at a nominal or low rate of customs duty.

(ii) Paper containing not less than 75% by weight of pulp made from bagasse, raw jute and mesta is exempt from excise duty;

(iii) Large/medium/small paper mills using agro-residue and other non-conventional raw materials at least upto 50% are charged excise duty at concessional rates;

(iv) The Paper and Paper Board industry has been extended the facility of broad-banding;

(v) The Paper and Paper Board Industry, based on agricultural residue, has been brought under the scheme of Minimum Economic Capacity, which has been fixed at 33,000 TPA.

(vi) The non-MRTP/non-FERA companies have been exempted from obtaining industrial licence, provided the investment in the project is upto Rs. 50 crores if the unit is located in a Centrally declared backward area, or upto Rs. 15 crores, if the unit is located in non-backward area, subject to fulfilment of certain standard conditions.

(vii) Paper machinery has been included