

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) and (b). The Committee for Implementing Legal Aid Schemes constituted by the Government is considering the question whether the Legal Aid Schemes should be given statutory basis and if so, what should be covered by the legislation. The Committee has not finalised its views in the matter. Government will take a decision in this regard after the recommendations of the Committee are received.

Representation from Newsprint Manufacturers to Review Newsprint Prices

9049. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of INDUSTRY be pleased to state :

(a) whether the newsprint manufacturers have represented to Government to review the prices of newsprint taking into consideration the increased cost of inputs and to evolve a national cost escalation formula ; and

(b) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) : (a) and (b). The indigenous newsprint manufacturers had represented last year for a review of their ex-factory price of newsprint on the ground that their cost of production had gone up on account of increase in the cost of raw materials and other inputs. The claims of the indigenous newsprint manufacturers for revision of their ex-factory prices were got examined through the Bureau of Industrial Costs and Prices and, on the basis of their recommendations, the Central Government have permitted the indigenous newsprint manufacturers to raise their ex-factory prices with effect from 31.12.85. There is no proposal at present under consideration to further revise the price of indigenous newsprint. In order to avoid substantial increase in the price of indigenous newsprint at irregular intervals, the indigenous newsprint manufacturers have suggested evolving an escalation formula linked to efficient parameters of input costs

on raw material, chemicals, coal, power and labour. No final view has yet been taken in this regard.

Report of Working Group on Small Scale Industrial Units

9050. SHRI YASHWANTRAO GADAKH PATIL :

DR. B.L. SHAILESH :

SHRI K. PRADHANI :

Will the Minister of INDUSTRY be pleased to state :

(a) whether a working group on small scale industrial units constituted by his Ministry, has submitted its report ;

(b) if so, the main recommendations of the Working Group ; and

(c) the action taken by Government thereon ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) : (a) The Working Group on reducing the visit of Inspectors to the small scale units has submitted its report to this Ministry.

(b) Main recommendations are given in the statement below.

(c) The Report of the Working Group is being examined in the Ministry.

STATEMENT

The main recommendations of the Working Group are :

1. It has been felt by the small scale units that any development policy becomes regulatory in nature only due to the attitude and approach of the Inspector at the field level. There should be a change in the attitude of the Inspectors towards the small entrepreneurs from being treated as offenders and breakers of law to a more humane approach and helping them to maintain the records properly.

The Group therefore, recommends that appropriate orientation courses be conducted for the Inspectors at the State and Central Levels with a view to helping the small entrepreneurs in the maintenance of records

and registers instead of harassing them by the Inspectors.

The Inspector should be made responsible for the correct maintenance of records and in such an event the number of units allotted to an Inspector should be well manageable in a given area.

2. There is a need for reducing the strangulating clutches of the Inspectors by removing unlimited powers given to them. According to the Inspectors, if a unit has violated any law, such matters should be referred to an independent body like Grievance Cell wherein both parties should be heard and a decision taken on the same. The body may be chaired by the Head of the Department or any other Senior Officer with representation to industry representatives. This will eliminate the unlimited powers of the Inspectors and the department may not take any action against a small entrepreneur/unit only on the representations of its Inspector. Wherever possible a lenient view may be taken in cases where the entrepreneurs is ignorant of the provisions of law and when such a mistake has been noted for the first time. Such measures would aim at removing corruption.

3. Prior intimation about the visit of the Inspector should be given to a unit from the Head of the Department to avoid harassment and corruption.

4. There are about 45 Acts pertaining to industry and on an average a unit receive about 30-40 inspectors from various Departments. More than one Inspector visit a particular unit in a day on an average. The precious time of the entrepreneur is lost in satisfying to the demands of the Inspectors and the entrepreneur hardly gets any time to plan about the growth of the unit.

The Group felt that identifying the relevant portions of the Act and reducing the number of forms need an indepth study of the Acts and Rules. The Group further felt that a comprehensive report on this matter will submitted to the Government in due course. However, it was felt that for undertaking such a gigantic task the Group should get expert services from representatives of law and revenue Department (both direct and indirect taxes) as members of

the Group and any other help within the Group may require.

5. However, the group felt that number of visits by the inspectors under various Acts and submission of large number of returns could be minimised by clubbing certain clauses of the same nature under the different Acts.

6. The Department may depute an Inspector once in a year to a particular unit after serving a notice of one month in advance from the date of inspection from the Head of the Department intimating about the date and time of the visit of the inspector and the purpose of his visit spelling out the records required to be perused by the Inspector.

7. Since a number of Inspectors visit for Central excise purposes viz. Range Inspector, Vigilance, AGCR Audit Party, Central Excise Collectorate Audit and again Vigilance etc. there is a need for reducing the inspectors from the Central Excise Department, by avoiding duplication of inspection.

8. Since majority of the small units are having less turn over because of the fact that the investment in plant and machinery is less than Rs. 2 lakhs (i.e. 97% of the units) the excise exemption limit for small units should be fixed at Rs. 50 lakhs irrespective of the tariff item. The Group felt that the amount recovered as revenue from these units would be much less than the administrative expenses and such small units should be free from the Central excise purview. Such a measure would immensely help the small scale units in this category which are manned by semi-literate or illiterate persons having not much knowledge of the provisions of law and acts

9. The Group recommends that the procedures for Central Excise should be simplified and a unit should be allowed to deposit the duty on the lines of sales tax in a Bank and the assessment be done once in a year.

10. Since the pollution control is a vast subject with varying measures from industry to industry the Group felt that a separate committee be appointed for the purpose with representative of industry as well as

Pollution Control Board, Finance Ministry, Law Ministry etc.

11. The Group also considered the problems due to the visit of Inspectors/field officers from Banking Institutions. The Group was of the view that a detailed study on the subject would be undertaken in due course of time and appropriate recommendations would be made. A senior official of the Banking/Financial Institution may also be associated with the Group.

Employing Foreign Marine Engineer's Instead of Indian Engineers in ONGC

9051. SHRI P.R. KUMARAMANGALAM : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether attention of Government has been drawn to the news item appearing in the 'Statesman' of 8 April, 1986 which makes a reference to total neglect of indigenous talent, specially by the Oil and Natural Gas Commission ;

(b) whether it is a fact that our engineers, specially the marine engineers, are highly competent and in demand are also in employment throughout the developed world ;

(c) if so, the reasons for the preference given to foreigners by Oil and Natural Gas Commission ; and

(d) the corrective steps proposed to be taken in the matter ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). Yes, Sir.

(c) and (d). No preference is given to foreigners by ONGC. However, the services of a very small number of expatriate are being utilised at present as marine engineers for the same is considered essential since OSV operation is a nascent industry in the country and the Indian masters need to gain some experience in this field.

Demand by Suzuki Motors Ltd. to increase its equity share in Maruti Udyog Ltd.

9052. SHRI KRISHNA SINGH :
SHRIMATI GEETA MUKHERJEE :
SHRI MANIK REDDY :
DR. G. VIJAYA RAMA RAO :

Will the Minister of INDUSTRY be pleased to state :

(a) whether Suzuki Motors Ltd., the Japanese collaborator of Maruti Udyog Ltd., has proposed an increase in its equity share in the latter ;

(b) if so, their precise demand ; and

(c) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) :

(a) No, Sir,

(b) and (c). Do not arise.

Effect of Liberalisation of Imports on Production of Public Sector Undertakings

9053. SHRI KRISHNA SINGH : Will the Minister of INDUSTRY be pleased to state :

(a) whether consequent upon the recent liberalisation of imports, including imports of technology and capital goods, the order lists of various Public Undertakings have been squeezing and demand for import of technology and heavy machinery is increasing ;

(b) if so, how it is likely to affect the production of public sector undertakings during the current year and which of these undertakings are likely to be affected considerably ; and

(c) Government's reaction to this trend ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) :

(a) Import is generally allowed only after taking into account indigenous offer and the