

loss of production suffered by the company amounted to over Rs. one crore per day approximately.

(d) and (e). As a result of amicable settlement on 24-7-87, the lock-out was lifted. The Memorandum of Understanding reached between the management and workers met the major demands of the workers such as non-enforcement of retrenchment, continuation of existing promotion policy, making available to them any additional benefit that might accrue under any national agreement on Public Sector Undertakings etc.

New Industrial Licensing Policy

514. SHRI SRIBALLAV PANIGRAHI :

SHRI G.S. BASAVARAJU :

SHRI H.N. NANJE GOWDA :

Will the Minister of INDUSTRY be pleased to state :

(a) whether Government have a proposal to liberalise its industrial licensing policy for export production ;

(b) if so, the salient features of the new industrial licensing policy ;

(c) the liberalisation made in the new industrial licensing policy ; and

(d) the details thereof ?

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

(a) to (d). Government has already exempted licensed/registered industrial undertakings in March, 1981, from obtaining substantial expansion licences in respect of capacities in excess of the licensed capacity provided such additional capacity is entirely for exports. This facility was subject to the conditions that the item was not reserved for exclusive production in the small scale sector and the industrial undertaking did not instal additional machinery, indigenous or imported for achieving the excess production. It has been decided in September, 1986 to do away with these restrictive conditions. Copies of a Press Note dated 25-9-86 and a Notification dated 6-11-86 issued in this regard have been supplied to Parliament Library also.

Problems of Paper Industry

515. SHRI SRIBALLAV PANIGRAHI :

DR. G.S. RAJHANS :

SHRI LALITESHWAR PRASAD SHAHI :

SHRI AMAR SINH RATHAWA :

SHRI CHINTAMANI JENA :

SHRI INDRAJIT GUPTA :

SHRI G.M. BANATWALLA :

SHRI JAGANNATH PATTNAIK :

SHRI YASHWANTRAO GADAKH PATIL :

Will the Minister of INDUSTRY be pleased to state :

(a) whether Government are aware of the problems of paper industry ;

(b) if so, the details thereof ;

(c) whether Government are considering to adopt a comprehensive paper policy keeping in mind the problems facing the industry ;

(d) if so, the details thereof ; and

(e) the remedial steps being taken to save this industry from crises ?

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

(a) and (b). Yes, Sir. Major problems of the paper industry relate to declining capacity utilisation, inadequate availability of raw materials, coal and power, rising costs of various inputs, obsolescence of technology and equipment, inadequate returns on investment, absence of chemical recovery and effluent treatment systems in small paper mills.

(c) Yes, Sir.

(d) and (e). In order to help the paper industry to improve its financial viability and capacity utilisation, the following reliefs and concessions have been extended to the paper industry from time to time :

(i) Units commissioned between 1979

and 1988 are exempted from excise duty upto 50% for 5 years from date of commencement of production.

- (ii) Paper containing not less than 75% by weight of pulp made from bagasse is exempted from excise duty.
- (iii) Manufacture of paper and paper board by large/medium/small paper mills using un-conventional raw materials is charged excise duty at concessional rates.
- (iv) The facility of payment of excise duty on incremental basis for successive slabs has been extended to the small paper mills from 1-4-1986.
- (v) Import of wood pulp, waste paper, chips and logs is placed under OGL and customs duty thereon waived (except for logs and waste paper which are charged excise duty at nominal rates).
- (vi) Flexibility allowed to the industry to manufacture all varieties of paper and paper grade pulp including paper board/straw board within the overall licensed capacity.
- (vii) Requirement of Industrial Licence has been dispensed with in the case of manufacture of writing, printing and wrapping paper from agricultural residues, wastes and bagasse.
- (viii) Statutory control over the production, price and distribution of White Printing Paper has been revoked from 22nd January, 1987.

Reorganisation of Petroleum Operation

516. SHRI SRIBALLAV PANIGRAHI : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether there is an urgent need to reorganise the entire petroleum operation in the country ;

(b) if so, the steps proposed to be taken by Government in this regard ;

(c) the steps taken to establish proper co-ordination among different oil companies ; and

(d) the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT) : (a) No, Sir.

(b) Does not arise.

(c) and (d). Coordination of the various activities of the several companies is achieved through the Oil Coordination Committee which functions under the overall guidance of the Ministry. These include planning of facilities, their operation, preparation and monitoring of the Oil Economy Budget, supply and processing of crude oil, overall distribution of products within the country etc., coordination with the Railways and Shipping Ministry. The coordination between the up-stream and down-stream activities of the several companies are taken care of in the Ministry through several periodical review meetings.

Central Investment Subsidy Scheme

517. SHRI C. MADHAV REDDI : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Central investment subsidy scheme which had expired earlier was temporarily extended for a further period of six months ; and

(b) whether Government are considering an alternate scheme of growth centres instead of backward blocks for location of industries eligible for subsidy ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) Yes, Sir. The Central Investment Subsidy Scheme, 1971 has been extended upto 31-1-1988.

(b) The scheme is under review.

Effective Utilisation of HBJ Pipeline Gas

518. SHRI C. MADHAV REDDI : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state whether Government have drawn up any scheme for effective use of gas available through HBJ pipeline due to delay in the implementation of the three private sector fertilizer plants along the pipeline route ?