

[Shri Vishwanath Partap Singh]

As announced by me earlier, relief on captive consumption has been extended to inputs covered under the Modvat scheme when used within the factory of production in the manufacture of final product on which excise duty is payable. I also intend to extend the captive consumption in some cases where the final product is not covered under the Modvat scheme. This exemption is being extended in respect of the burnt lime and soap stone used in the the manufacture of paper/paper board; carded wood used in the manufacture of wool tops/yarn; acrylonitrile used in the manufacture of acrylic fibre; carbon disulphide, producer gas and nitrozen used in the manufacture of textiles; paraxylene used in the manufacture of DMT; and sulphur di-oxide, lime and kiln gas used in the manufacture of sugar. I am also providing for availability of credit of duty on mono ethylene glycol used in the manufacture of polyester fibre and yarn and of duty on alum, rosin, guar gum, formaldehyde and china clay used in the manufacture of paper/paper board.

I am providing for exemption from excise duty in respect of synthetic woven bags, di-calcium phosphate used as animal feed, agricultural grade zinc sulphate, high speed diesel oil used for deep sea fishing vessels, waste paper obtained from duty paid paper and cotton woven belting not subjected to any processing.

The budget proposals also contained a scheme of concessions to paper mills using unconventional raw materials. I am modifying that scheme so as to provide an additional slab of clearances between 7501 to 12000 M.T. with a duty of Rs. 1000 per M.T. as against Rs. 1200 per M.T. provided in the budget.

The facility of a flat rate of assessment of customs duty on goods imported for projects has been very beneficial for the industrial development of the country. However, the Project Imports Regulations framed in 1965 needed further modification. In the wake of the new customs tariff based on the harmonised system which came into force on the 28th February, 1986, the Project Import Regulations are

being reissued with provision of relaxing the need for registration of contracts prior to clearances, so that goods already cleared like those imported for display in fairs and exhibitions, would also get the benefit of assessment at the concessional rate. Expressions used in the tariff heading for project imports are also being defined so as to help reduce ambiguity or disputes about their scope.

On the side of customs, in order to promote export of grapes grape guard paper used for packing grapes is being completely exempted from customs duty of about 200% advalorem provided such paper when imported is used for the packing of grapes.

In all the above cases notifications are being issued and will be laid on the Table of the House in due course.

[*Translation*]

SHRI C. JANGA REDDY : Please also take into consideration the biscuits consumed by children.

[*English*]

SHRI VISHWANATH PRATAP SINGH : May I say that this is not the total list. Otherwise, it will take a lot of time of the House. But I have taken note of what the hon. Member has said.

13.06 hrs.

#### MATTERS UNDER RULE 377

[*English*]

(i) Need to allocate more funds for setting up Proposed fish farm development agencies and brackish Water Farmers Development Agencies in Kerala.

SHRI A CHARLES (Trivandrum) : Fisheries development in the country is planned and carried out jointly by the Union Government and State Governments. Development of inland fishery is

given top priority in the national plan under the Seventh Plan proposed for Kerala. The State Government had sent proposals to establish two new fish farm development agencies and three brackish Water Farmers Development Agencies. In regard to the availability of brackish water areas suitable for developing prawn and fish culture, Kerala stands third in the country. The funds provided in the Seventh Plan for the above is too meagre. Hence it is requested that sufficient funds be allotted for the above projects and the projects implemented on a top priority basis, especially in view of the very backward nature of this State in the field of employment.

(ii) Need for opening an I.T.I. School at Damanjodi in Orissa to Train SC&ST and other candidates for absorption in the proposed National Aluminium Company project

SHRI K. PRADHANI (Nowrangpur): Koraput District of Orissa is the second largest district in the country predominantly inhabited by Scheduled Castes and Scheduled Tribes. It is one of the most backward districts of the country which is larger in population and area than some small eastern States in the country. Large number of State and Central Government projects are already there and some more are expected to come up in the near future. National Aluminium Company is one of the biggest of its kind in the world and its estimated cost may exceed Rs. 3000 crores by the time it is completed.

As the local people are not given technical education, the employment of the local people by the project was very limited in the past, though the Government of India was eager to employ them on priority basis in Class III and Class IV posts.

In view of the large scale employment prospects in future in the National Aluminium Company, I draw the attention of the hon. Minister of Steel and Mines to start an I.T.I. school at Damanjodi immediately to recruit and train Scheduled Caste and Scheduled Tribe boys along with other boys in different trades to meet the future

requirements similar to the school started at Sunabeda for H.A.L. and thereby achieve the target reserved for S.C. & S.T. boys and also to solve the local unemployment problem.

(iii) Demand for release of the balance of Rs. 200 crores of Central assistance to Karnataka for relief of the drought affected in the State

DR. V VENKATESH (Kolar): In Karnataka 154 taluks out of 175 are reeling under the drought. Nearly 1.59 crores of people and 90 lakhs cattle are affected. About 45 lakh tonnes of foodgrains are shortfall in production. 15 lakh people need to be sustained daily on relief employment until the South-West monsoon in June. All taluks in Kolar district are worst affected in the State for several years in addition.

The State Government has taken up relief works on a war footing and started 100 cattle camps each one serving 1000 cattle heads all over the State. In addition, the supply of drinking water by sinking 26,000 bore-wells has exhausted all its resources.

In spite of requests for central assistance of Rs. 250 crores, only Rs. 50 crores has been sanctioned which is not even one-fourth of the demand made.

Hence, I urge upon the Central Government to have an on the spot study of the situation made and release Rs. 200 crores immediately to Karnataka.

[Translation]

(iv) Need for verifying articles and their value before booking the insured parcels by P & T Department

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad): The Government has provided the facility of sending insured parcels through Post Offices. According to the postal rules, goods worth up to a maximum of ten thousand rupees can be sent through as Insured Parcels regardless of its weight. The Postal Department charges according to weight, and