

LOK SABHA DEBATE

LOK SABHA

Tuesday, December 10, 1985/Agrahayana
19, 1907 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[Translation]

Concessions for Industries in Industrially backward Districts

*304. SHRI SHANTI DHARIWAL : Will the Minister of INDUSTRY be pleased to state :

(a) whether it is a fact that Union Government grant certain concessions to States for those industries which are set up in the industrially backward districts ; if so, the details thereof ;

(b) whether it is also a fact that the State Governments are not following the instructions of the Union Government regarding the facilities to be provided to these industries ;

(c) if so, whether due to this, the entrepreneurs are facing acute financial crisis ; and

(d) if so, the action taken by Government in this regard ?

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH) : (a) to (d) A statement is given below.

Statement

(a) The Government of India offers a number of incentives and concessions to

help the entrepreneurs to set up industries in backward areas. Details of which are given in the Booklet "Incentives for Industries in Backward Areas" read with Press Note No. 14/2/83-DBA. I dated 9.4.1985, copies of which are available in the Parliament Library. The State Government are also assisted to take up infrastructural development in one or two identified growth centres in each 'No Industry District' and the Centre's share is limited to 1/3rd of the total cost of infrastructural development subject to a maximum of Rs. 2 crores per 'No Industry District'.

(b) The Backward Areas Incentive Schemes are being implemented satisfactorily by the State Governments as would be evident from the following increasing amounts of subsidy reimbursed under Central Investment Subsidy Scheme and Transport Subsidy Scheme.

Year	Amount (Rs. in crores)
1982-83	40.00
1983-84	53.20
1984-85	85.00
1985-86	65.10

(Upto 30.11.85)

(c) No, Sir.

(d) Does not arise.

[Translation]

SHRI SHANTI DHARIWAL : Mr. Speaker, Sir, my question is whether the State Governments are not following the instructions of the Union Government regarding the facilities and subsidies to be provided to the industries to be set up in the backward districts and whether instructions of the Central Government are not being followed in the matter of scrutiny and sanction of subsidy at State level as also disbursement of funds in instalments ? I have not received any reply to it.

Incentive schemes in the backward areas are implemented through the State Governments. I want to know from the hon. Minister the amount of subsidy given to the States by the Central Government under the Central Investment Subsidy Scheme, the names of the industries to which it was proposed to be given by the States, the amount of subsidy actually given out of it to the industries and the balance lying with them till November ?

THE MINISTER OF ENERGY (SHRI VASANT SATHE) : An amount of Rs. 85 crores in 1984-85 and Rs. 65 crores during 1985-86 upto November was given under his scheme. We have not received details regarding the names of the industries to which this amount was given and the balance amount lying with them. I shall send this information to you as soon as I get it.

SHRI SHANTI DHARIWAL : My second supplementary is that besides Rajasthan, the Central Government have given the benefit of subsidy to the industries by declaring blocks also as backward area apart from districts in other States. I want to know as to what are the norms for the identification of backward areas and in which year these were fixed. In which year the National Committee on Development of Backward Areas, constituted under the Chairmanship of Shri V. Sivaraman gave the recommendation that 'block' should be taken as a base for the purpose of identification of backward area and it should be recognised as backward area ? What action is Government taking in this regard ?

SHRI VASANT SATHE : The entire criteria of backward areas and that of 'no industry district' is being examined afresh. Information to this effect will be given as soon as a decision in this regard is taken by Government.

SHRI SHANTI DHARIWAL : Hon. Minister, Sir, what I wanted to know from you was the year in which these norms were fixed and the year Sivaraman Committee submitted its recommendations ?

SHRI VASANT SATHE : Sir, in 1983,

SHRI SHANTI DHARIWAL : In 1983, and now it is 1985.

SHRI VASANT SATHE : That is why we propose to examine it afresh.

SHRI SHANTI DHARIWAL : Examined only ?

MR. SPEAKER : It takes a long time to examine.

SHRI VASANT SATHE : Mr. Speakee, Sir, the question of re-examination comes up only after some experience.

MR. SPEAKER : Thinking grows with evolution.

SHRI SHANTI DHARIWAL : Sir, Rajasthan is being discriminated against. A number of industries in Haryana have been given benefit by declaring them backward areas.

SHRI VASANT SATHE : Sir, we are not indulging in any discrimination.

[English]

SHRI BASUDEB ACHARIA ; Sir, the election pledge of our Prime Minister is that one large or one medium-size industrial unit will be set up in each of the 'no-industry district' of our country. May I know from the hon. Minister how many industrial units have been so far set up in 'no-industry districts' and which are these districts ?

SHRI VASANT SATHE : There are 105 'no-industry districts' throughout the Country spread out in different States. If the hon. Member wants to know about the 'no-industry districts' in each State, then he may please give me a notice and I will convey the information.

SHRI BASUDEB ACHARIA : I want the information particularly in respect of West Bengal.

[Translation]

MR. SPEAKER : That is the crux of the question.

SHRI RANA VIR SINGH : Mr. Speaker, Sir, our resolve to eliminate regional imbalances in industrialisation is quite old. There has been a persistent demand in eastern Uttar Pradesh to remove this disparity so that the people of that area could be benefited. We did not get any industry ; we of course got a Minister

of State for Industry for a few days. But now, we neither have industry nor a Minister of State for Industry. We have three or four sugar mills in our area; Bahraich and Barabanki districts have a lot of raw material, molasses and we want to set up a distillery there and want to have a licence for that. I want to know from the hon. Minister whether he wants to remove this imbalance or not and whether he will adopt a liberal attitude in issuing licences if raw material is available there? Will the hon. Minister try to adopt a liberal policy for the backward districts?

SHRI VASANT SATHE : Which licence do you want, industrial alcohol or distillery alcohol?

SHRI RANA VIR SINGH : Alcohol.

SHRI VASANT SATHE : There are many restrictions in the law in respect of liquor and action can be taken according to the rules governing setting up of such distillery. If it is the question of industrial alcohol, the matter can be considered provided molasses in sufficient quantity is available there.

SHRI RANA VIR SINGH : Will you adopt a liberal attitude even if it is not available in sufficient quantity?

SHRI VASANT SATHE : Then how can we issue a licence?

[English]

Representation by Organisations of Pharmaceutical Producers of India regarding Drug Policy

*306. **SHRI H.M. PATEL :** Will the Minister of INDUSTRY be pleased to state :

(a) whether it is a fact that Government propose to have a [second look at the proposed drug policy ;

(b) whether the Organisations of Pharmaceutical Producers of India (OPPI) and other bodies have represented to Government to make fundamental changes in the Drug Policy ;

(c) if so, what are their main suggestions ; and

(d) whether Government have finalised the new Drug Policy ?

THE MINISTER OF ENERGY (SHRI VASANT SATHE) : (a) to (d) A statement is given below.

Statement

(a) to (d) Government have been receiving representations from various quarters, including the industry associations such as the Organisation of Pharmaceutical Producers of India, on various aspects of the Drug Policy such as licensing and pricing. Government have not finalised their views on the New Drug Policy.

SHRI H. M. PATEL : I beg to draw your attention to the reply and the statement which is laid on the Table of the House. See, how unfair it is? It says :

“(a) to (d) Government have been receiving representations from various quarters, including the industry associations such as the Organisation of Pharmaceutical Producers of India, on various aspects of the Drug Policy such as licensing and pricing. Government have not finalised their views on the New Drug Policy.”

It is not a very long reply and each item could have been categorised and answered orally and mentioned in the main reply. If you see my question :

“(a) whether it is a fact that Government propose to have a second look at the proposed drug policy ;”

they could have said, they have still not made up their mind. They are looking at it.

Regarding (b), namely, whether the Organisations of Pharmaceutical Producers of India and other bodies have represented to Government to make fundamental changes in the Drug Policy? All right, they can say, they have replied to this point in affirmation.

Regarding (c), namely, if so, what are their main suggestions ; and whether Government have finalised the new Drug Policy, they have not said anything. Is this a fair reply?