

considerably increased due to the shortage of paper ;

(b) whether Government are considering any proposal for higher production and easy availability of paper ;

(c) if so, the details thereof ; and

(d) the total production of paper in the country at present and its consumption ?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEE-RENDRA PATIL) : (a) Although most of the manufacturers have recently increased the price of papers by about Rs. 500 per tonne to cover the increase in the cost of major inputs such as raw material, chemicals, power and coal, there is at present no shortage of paper and paper board in the country.

(b) and (c) : The installed capacity for manufacture of paper and paper board in the country has reached a level of 23.49 lakh tonnes as on 1.1.85, thus exceeding the target of 20.5 lakh tonnes fixed for the Sixth Plan. An additional capacity of 34.8 lakh tonnes has also been approved by way of Industrial Licence/Letters of Intent and Registration with D.G.T.D., which is under various stages of implementation. Apart from improving the infrastructural support to enable the industry to achieve higher capacity utilisation, the other steps taken to improve the performance of the industry include, *inter-alia* the following :

- (i) Excise rebates have been offered for use of unconventional raw materials by small paper mills, utilisation of bagasse for paper manufactured by new units.
- (ii) Customs duty on imported pulp and wood chips totally exempted.
- (iii) Customs duty on wood in certain specified form has been reduced from 100% to 10%.

(iv) Import duty on waste paper used for paper making has been waived.

(v) Flexibility has been given to the paper industry for production of any variety of paper and pulp, including paper board/straw board within the licensed capacity in line with the market demand.

(d) The production of paper and paper board in 1984 was 14 lakh tonnes which more or less matches the consumption.

New Industrial Policy

*99. **SHRI KAMAL NATH :** Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state :

(a) whether Government are working on a new Industrial policy ;

(b) if so, when the new policy will be announced ;

(c) whether Private Sector will be allowed to enter some areas which were hithertofore the monopoly of the Public Sector ; and

(d) the other steps envisaged to increase industrial production, improve quality of production and to bring down prices of industrial goods ?

THE MINISTER OF CHEMICALS FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL) : (a) to (d) : Government's Industrial Policy is set out in the Industrial Policy Resolution of 1956 and more precisely in the industrial policy of July, 1980. The role assigned to the public sector and private sector is also set out in the Industrial Policy Resolution, 1956 which continues to be operative except that the private sector has been recently permitted to take up the manufacture of telecommunication equipment for installation at the subscriber's premises, such as telephone instruments,

PABXs, teleprinters, data communication equipment, etc.

As a follow up of the industrial policy statement of July, 1980, Government have taken several measures to improve productivity in industry and to achieve better utilisation of installed capacities. As a result, there has been appreciable increase in industrial growth.

The following schemes deserve special mention :

- (i) With a view to encourage larger volume of production and to provide flexibility to the manufacturers to adjust their product-mix depending upon the market demand schemes of broad-banding have been announced in respect of the following industries :
 - (a) Machine tools
 - (b) Motorised 2-wheelers
 - (c) Motorised 4-wheelers vehicles
 - (d) Paper and Pulp
- (c) Chemicals, pharmaceutical, petrochemical and fertilizer machinery industry
- (ii) 25 broad categories have been de-licensed for non-MRTP/non-FERA companies, if the item of manufacture is not reserved for small scale and the industrial undertaking is not to be located in metropolitan cities/big cities.
- (iii) The thresh-hold limit for MRTP companies has been raised from Rs. 20 crores to Rs. 100 crores.
- (iv) Investment limit for small scale has been raised from Rs. 20 lakhs to Rs. 35 lakhs and for Ancillary undertakings from Rs. 25 lakhs to Rs. 45 lakhs.
- (v) The procedure for clearance to engage foreign technician has been streamlined.

Increase in production is expected to create competition and stabilize prices of industrial goods. With a view to ensure production of quality goods, ISI standards are prescribed for a large number of products.

Inquiry Regarding Major Blast at the Cochin Refinery

*100. SHRI S.M. GURADDI : Will the Minister of PETROLEUM be pleased to state :

- (a) whether Government had ordered any inquiry into the incident of major blast at the Cochin Refinery recently ;
- (b) whether the investigation committee has made any report ;
- (c) if so, the details thereof ;
- (d) whether any person have been held responsible ; and
- (e) whether any compensation has been paid to the employees and the local people whose properties have been confiscated.

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM (SHRI NAWAL KISHORE SHARMA) : (a) and (b) : The Government appointed an Inquiry Committee to ascertain the cause of the fire in CRL, Ambalamugal on 8th March, 1984 and to recommend suitable measures to avoid its recurrence in future. The Committee submitted its report on 29th June, 1984.

(c) The Committee identified the cause for explosion and fire to be the formation of massive vapour cloud over a vast area and its contact with a hot source. The Committee had recommended for the improvement of fire fighting facilities, process facilities and procedures, lay out, administrative procedures and training of the personnel.

(d) Government's displeasure has been conveyed to top management for system and management failure. Local management has initiated action against their employees.