

very much, Sir. I have only supplemented...
(Interruptions)

Import of Newsprint

*85. SHRI JAGANNATH PATTNAIK:
Will the Minister of INDUSTRY be pleased to state

(a) whether the small paper mills in the country are capable of producing quality paper to meet adequately the requirements of the newspaper industry;

(b) if so, the reasons why India continues to import newsprint;

(c) whether any memorandum has been received by Government in this regard; and

(d) if so, the details thereof and the reaction of Government thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (d). A Statement is given below.

STATEMENT

(a) and (b). The paper mills in the country, including the small paper mills, are generally capable of producing quality writing and printing paper. However, the newspaper publishing industry has represented that this type of paper is not suitable for newspaper printing, especially for high speed web offset printing. In view of this and the fact that indigenous newsprint production is not adequate to cater to the demand of the newspaper industry, limited imports are permitted to fill the gap between the demand for and the supply of newsprint.

(c) and (d). With a view to reducing import of newsprint and enabling better utilisation of capacity in small paper mills, the All India Small Paper Mills Association has suggested that a limited quantity of writing and printing paper produced by the small

paper mills could be substituted for imported newsprint. The Association has also sought grant of necessary fiscal reliefs and concessions to small paper mills for encouraging production of newsprint. Government have already permitted the existing industrial undertakings engaged in the manufacture of paper and paper board to take up manufacture of newsprint, subject to certain conditions. Full excise exemption has also been allowed on writing and printing paper utilised for publication of newspapers subject to authorisation by the Registrar of Newspapers for India.

SHRI JAGANNATH PATTNAIK: Sir, may I know from the hon. Minister what is the country's output of newsprint at present as against the total requirement per annum, how many tonnes of newsprint are we importing at the cost of foreign exchange and what specific measures are being taken to see that we are self-sufficient in newsprint?

SHRI M. ARUNACHALAM: Sir, the estimated demand of newsprint for 1988-89 is 593 lakh tonnes. We have installed capacity for three lakh tonnes of newsprint and our production is 2.75 lakh tonnes. The gap between the demand and supply is met by imported newsprint. As far as the import is concerned, the gap between the demand and the supply is being imported.

SHRI JAGANNATH PATTNAIK: Sir, I would like to know whether it is a fact that the domestic cost of production of newsprint is higher than the international cost. If so, what are the reasons for that and whether any positive step is being taken to see that the cost of production is reduced, at least to the international standard.

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): Sir, the domestic cost of production of newsprint is only Rs. 10,000 while the imported newsprint costs Rs. 11,700.

SHRI JAGANNATH PATTNAIK: Sir, I could not follow him. What is the answer to my question? What is the difference in the

cost of production and what measures are being taken to see that the cost of production is reduced?

SHRI J. VENGAL RAO: The indigenous production cost of newsprint is about Rs. 10,000. The imported newsprint is costing about Rs. 11,700.

SHRI JAGANNATH PATTNAIK: Sir, I wanted to know whether there is difference or not.

SHRI J. VENGAL RAO: There is a difference of about Rs. 1000.

SHRI JAGANNATH PATTNAIK: That is why I am putting this question. In spite of technical knowhow and advancement, what measures are taken to see that the cost of indigenous production is reduced? Sir, he is repeating my question.

SHRI M. ARUNACHALAM: Sir, from the answer given by my colleague, it is clear that the indigenous price is less than the imported price.

SHRI C.P. THAKUR: As the hon. Minister has pointed out, there is a shortage of newsprint and paper. But still I want to know whether any step is being taken to revive the sick paper mills, particularly in Bihar.

SHRI M. ARUNACHALAM: Sir, to meet the demand, we have created sufficient capacity in the industry. The industrial licences are at various stages for implementation.

SHRI CHINTAMANI JENA: Sir, I want to know whether it is a fact that the production of paper is not according to the existing installed capacity of paper mills in our country. If so, please tell us whether it is a fact that due to less consumption of paper in our country the industrialists and the paper mills are not coming forward to produce paper according to their installed capacity. May I know whether among the other demands placed by the small paper mills Association it was one of the demands that the Govern-

ment should see that the paper consumption in our country is increased according to the installed capacity of units?

SHRI M. ARUNACHALAM: As far as the consumption of paper is concerned, it is increasing. The production is also increasing. We are meeting the domestic demands by our indigenous production.

[*Translation*]

SHRI BANWARI LAL PUROHIT: Mr. Speaker, Sir, during your visit abroad you must have read the newspapers there and noticed the superior quality of the newsprint. But the newsprint produced indigenously is blackish or yellowish in colour and is of a very poor quality. Is the Government making any efforts to improve the quality of the newsprint? Why is the indigenous newsprint costing Rs. 10,000 so inferior as compared to the imported newsprint costing Rs. 11,000? Will the Government exercise some pressure on the paper mills for improvement of quality of the newsprint and have any norms been established by the Government in this regard?

[*English*]

SHRI M. ARUNACHALAM: Sir, the newsprint produced indigenously is as comparable as to the imported newsprint. Take for example, Tamil Nadu is producing as good newsprint as the imported ones. There are certain units which are producing lesser quality of newsprint, but we are taking all steps to improve the quality by modernising the industry.

Power Projects in Orissa

*36. **SHRI ANANTA PRASAD SETHI:** Will the Minister of ENERGY be pleased to state:

(a) whether many villages in Orissa have not been electrified so far for domestic as well as agricultural purposes;

(b) the names of the power projects