

CHEMICALS (SHRI M.S. GURUPADASWAMY): (a) The agreement with Nepal Oil Corporation (NOC), Nepal, was signed on 30.6.1990 for supplies of various petroleum products to Nepal for five years with effect from 1.7.1990.

(b) The salient features are as under:

1. The agreement is valid for a period of five years effective 1.7.1990.
2. N.O.C. imports SKO/HSD from foreign suppliers for which the payment is effected by them directly to the suppliers
3. The product imported by NOC is discharged at Indian ports nominated by I.O.C.
4. For such imports arranged by NOC, IOC pays to NOC in Indian rupees by applying exchange rate prevailing on the date of completion of discharge. The initial 50% payment is effected immediately after completion of discharge and balance 50% payment is made within 90 days from Bill of Lading date based on the actual quantity received in IOC tanks.
5. IOC exchanges petroleum products required by NOC like MS, HSD, SKO, LPG, ATF, LDO, FO, Bitumen, JBD, MTO Hexans and Lube Base Oils on the basis of equivalent value of products delivered by NOC to IOC. These products are released to NOC by various IOC stock points located in Eastern Region and Northern Region and nearest to Nepal.
6. The exchange of the aforesaid

products, against the delivery of imported products by NOC, is done on concurrent basis and any imbalanced at the end of the year is carried over for adjustment in the next year.

7. The price of various P.O.L. products sold to NOC are determined on half yearly basis for the period April—September and October—March based on the import cost of petroleum products imported by NOC during the previous half year August-January and February—July respectively.
8. The exchange arrangement will not involve any pricing subsidy to NOC.
9. All payments both on purchase and sale from and to NOC are transacted in Indian rupees and there is no loss of foreign exchange element to the country.

Rural Industrialisation

144. SHRI MANORANJAN BHAKATA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are taking any steps to help rural industries;

(b) if so, whether any discussions were held with the Planning Commission in June, 1990; and

(c) if so, the decision taken in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES IN THE MINISTRY OF INDUSTRY (SHRI SRIKANTA JENA): (a) In so far as

KVIC is concerned, the following steps have been taken to help rural industries:—

- It is proposed to give priority to the village and cottage industries during the Eighth Five Year Plan;
- Allocations of increased budget of Rs. 205 crores under Plan for the development of khadi & village industries sector in rural areas;
- Extension of coverage of KVI activities to additional 1.5 lakh villages during the Eighth Plan;
- KVIC Act has been amended to confine khadi & village industries in rural areas only;
- Provision of funds at low rate of interest;
- Development of appropriate technology;
- Rebate on sale of khadi;
- Preferential treatment in regard to supply of raw material;
- Purchase preference to products of rural industries;
- extension of financial & fiscal concessions.

(b) Yes, Sir. A meeting of the socio economic group on village and small industries etc. was held in the Planning Commission on 21st June, 90 in connection with the formulation of Eighth Plan.

(c) Various suggestions made in the meeting were considered.

SSI Units in Non-Confirmed Areas of Delhi

145. SHRI J.P. AGARWAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware that large number of SSI units exist in non-confirmed areas of Delhi;

(b) if so, whether any scheme for their shifting to regular industrial areas has been chalked out;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES IN THE MINISTRY OF INDUSTRY (SHRI SRIKANTA JENA): (a) Yes, Sir.

(b) to (d). The Policy of shifting of industries attempted in 1960s and 1970s had not been successful for various reasons which include the large number of units established unauthorisedly in non-conforming areas, large scale disruption of industrial workers involved, difficulties in ignoring the useful services rendered by such units to the community, large scale investment necessary for creating alternate industrial accommodation, housing of workers and other infrastructural facilities and serious transportation bottlenecks.

On the other hand the Delhi Administration has decided against the development of any more industrial estates in the Union Territory of Delhi. However, ad-hoc registration by the Municipal Corporation of Delhi of industrial units set up in non-conforming areas established upto 31.12.1989 was permitted considering the fact that these industries involved substantial manufacturing activity and employment and the difficul-