

the manufacture of VCRs, where is the need to call for the applications from the private sector for collaboration and all that? I understand that BEL and Andhra Pradesh Electronic Corporation have asked for permission to manufacture VCRs.

SHRI K.R. NARAYANAN : The proposal from BEL and Andhra Pradesh State Electronics Development Corporation are not for the manufacture of VCRs but for the manufacture of colour television tubes.

[Translation]

Issue of Letters of Intent for Setting up Electronic Units

\*62. SHRI HARISH RAWAT : Will the PRIME MINISTER be pleased to state :

(a) the number of letters of intent issued during the last 3 years for setting

up of electronic units in various parts of the country ;

(b) whether these letters of intent have not been utilised by many entrepreneurs ; and

(c) if so, the number of letters of intent which have not been utilised ?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K.R. NARAYANAN) : (a) to (c) The total number of Letters of Intent (LOI) issued, Industrial Licences (ILs) issued and LOIs which were cancelled/lapsed during the three years 1984, 1985 and 1986 are given in the statement below. The valid letters of intent are at various stages of implementation.

Statement

Sl. No.	State	No. of LI issued from 1984 to 1986	Industrial Licences issued from 84 to 86	No. of (I cancelled/lapsed
1	2		4	5
1.	Chandigarh	5	3	1
2.	Delhi	43	5	9
3.	Haryana	53	9	9
4.	Himachal Pradesh	32	1	10
5.	Jammu & Kashmir	13	—	5
6.	Punjab	27	8	5
7.	Rajasthan	38	5	8
8.	Uttar Pradesh	122	27	24
9.	Goa, Daman & Diu	20	4	4
10.	Gujarat	60	13	7
11.	Madhya Pradesh	38	4	21
12.	Maharashtra	112	23	13
13.	Assam	4	1	1
14.	Bihar	7	—	—

1	2	3	4	5
15.	Orissa	17	1	4
16.	Meghalaya	1	—	1
17.	Sikkim	1	—	1
18.	West Bengal	34	7	8
19.	Andhra Pradesh	70	11	10
20.	Karnataka	95	23	16
21.	Kerala	14	5	2
22.	Pondicherry	6	1	4
23.	Tamil Nadu	75	19	15
		887	170	178

[Translation]

SHRI HARISH RAWAT : Mr. Speaker, Sir, so far as I know, only 20 per cent of the letters of intent for setting up electronic units issued from 1984 to 1986 have been converted into industrial licenses which will definitely affect the target of our production in the field of electronics. I want to know from the hon. Minister what steps have been taken to ensure that the Seventh Five Year Plan target of production in the field of electronics is realised ?

[English]

SHRI K.R. NARAYANAN : The letters of intent are actually a green signal to the entrepreneurs that the Government is after all considering their applications for establishing a unit. And we are very liberal in issuing letters of intent for the parties to come forward in order to encourage them to establish such industrial enterprises. Therefore, a large number of letters of intent are given which are converted into industrial licences depending on the preparatory work and other proof they produce of their ability to establish such units. That is one reason why there is a large number of letters of intent and very relatively small number of industrial licences. This is the result of a policy of general encouragement and there should be no disappointment at all on that

account for anybody concerned. This is so not only with electronic but, in fact, with the entire industrial sector it is so. In 1984, 1985 and 1986, 3,651 Letters of Intent were issued for industries in India. Out of these, only 534 were converted into industrial licences. This phenomenon is a result of the liberal attitude we have taken in giving the Letters of Intent,

[Translation]

SHRI HARISH RAWAT : Mr. Speaker, Sir, most of the Letters of Intent have so far been issued for establishing electronic units in the zero industry districts, which are industrially backward, but only a few entrepreneurs have offered to set up industries in those areas. I want to know from the hon. Minister whether the entrepreneurs will be persuaded by offering incentives or by motivating them to ensure that more and more entrepreneurs, who have been issued the Letters of Intent, set up industries in the zero-industry districts ?

[English]

SHRI K.R. NARAYANAN : Sir, I think that there are some schemes by the Government for encouraging industries in the backward areas and, as I said earlier, especially in the hilly areas. We have gone out of the way to establish centres of electronics design technology in some of

these areas like in Imphal and Srinagar. Also, there is certain kind of subsidy which is offered by the Government in such areas, ranging from Rs. 25 lakhs to Rs. 50 lakhs. We have also requested and urged the State Governments of such areas to establish the Electronic Development Corporations which will give special assistance to such areas. But actually this is really a function of the State Government concerned to encourage these industries in their backward areas. What the Centre can give is some encouragement and some sort of subsidy or assistance. They cannot set up the industry but they can create an atmosphere, provide facilities and give encouragement.

**SHRI E. AYYAPU REDDY :** Sir, only 170 licences have been issued during the last three years. Is the Government satisfied that this rate of starting the electronics industry is in keeping with the Seventh Five Year Plan target or is the Government satisfied that we will be in a position to stand in competition with the growing world market in electronics? If so, what are the steps that will be taken to keep the Indian electronics industry on a competitive basis in the world market?

**SHRI K.R. NARAYANAN :** Sir, it is the Government's intention to achieve the targets laid down in the Seventh Five Year Plan. The total electronics production is worth Rs. 10,860 crores. Actually, the rate of growth of production in electronics industry has been quite phenomenal. It ranged from 31 to 40 per cent in 1986-87. In fact, in the last year it has made enormous progress in the rate of growth. The computer industry as a whole, for example, grew by 150 per cent in physical terms and by about 68 per cent in monetary terms. In fact, what we are seeing in India is quite a considerable explosion of the electronics industry and we are quite confident of reaching the targets that we have laid down in the Plan.

**SHRI BHAGAWAT JHA AZAD :** Sir, we have fully understood the intention of the Government in liberally granting letters of Intent. But is it also the intention of the Government that this liberal granting of letters of intent is to fructify them into actual licences? If this is the intention of the Government, have you

examined why only 20% of the Letters of Intent issued by the Government fructified and were actually implemented? Was it due to the procedural difficulties? Was it due to the other reasons that you backed the wrong horses? Have you examined this? How do you propose to fulfil the policy of the Government in having electronic industry in the country in large scale when only 20% of the Letters of Intent fructified? What do you propose to do in this regard?

**SHRI K.R. NARAYANAN :** As I said earlier, I think the hon. Member has slightly misunderstood the intention of the Government because when a larger number of these were issued, we did not expect at that time that all of them would be realised into industrial licences. Now in fact, the letter of intent is first issued for one year; then it can be extended for two years if the party does not do anything. Therefore, the attitude is to be so liberal in order to enable the party who had the original intention of going into the industry. Therefore, I would submit that 20% being implemented is not really a failure; may be many entrepreneurs had the intention of doing it. They could not get land, they could not raise capital and therefore they gave up the attempt.

**SHRI BHAGWAT JHA AZAD :** The question remains unanswered.

#### Violence by TNV

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\*63. **SHRI PRAKASH CHANDRA ;**  
**SHRI SUBHASH YADAV :**

Will the Minister of HOME AFFAIRS be pleased to state :

(a) the number and details of non-tribals killed by Tripura National Volunteers in Tripura during the second week of October, 1987; and

(b) the action Government have taken to check such incidents?

**THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM) :** (a) and (b) A statement is given below.