

Under the existing procedure, a letter of intent is granted with an initial validity period of three years to enable the entrepreneur to take effective steps for the implementation of the project. After the entrepreneur has fulfilled all the conditions of the letter of intent, the same is converted into an industrial licence. The initial validity period of an industrial licence is two years within which the licensee is expected to commence commercial production. As such, the above letters of intent would be at various stages of implementation.

In addition to the above letters of intent, 11 Schemes pertaining to industries de-licensed were registered during 1987, 1988 and 1989 (upto Feb. 89) by the Secretariat for Industrial Approvals in respect of Daman & Diu.

Coal Based Chemical Industry

8659. DR. C.P. THAKUR: Will the Minister of INDUSTRY be pleased to state.

(a) whether Government have examined the scope of setting up coal based chemical industry in the country;

(b) if so, the details thereof; and

(c) whether there is any proposal to set up such industry in the country?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) No Sir.

(b) Does not arise

(c) At present government is not considering any proposal to set up a coal based chemical unit.

Pesticide Formulations

8660. DR. VJAYA RAMA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether the attention of Government has been drawn to the news item

captioned "Pesticides units to be asked to observe norms" appearing in the "Economic Times" dated 1 April, 1989;

(b) if so, the action taken by Government so far against these units which are disregarding the Government guidelines and if no action has been taken, the reasons therefor;

(c) whether the pesticide manufacturers have been making huge profits on formulations;

(d) whether Pesticides Formulations Association of India has brought to the notice of Government unwarranted price hikes and unfair trade practices followed by basic manufacturers who are followers monopolistic practices; and

(e) if so, the corrective measures proposed to be taken in this regard?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) and (b). Government have been issuing instructions for and monitoring observance of norms for selling of technical pesticides by manufacturers of technical grade pesticides to non-associated formulators. A condition is imposed in all manufacturing licences that 50% of technical material will be sold to non-associated formulators. A meeting was also held recently with the basic manufacturers, formulators and industry associations to discuss the issues (referred to in the news item). All manufacturers have been generally adhering to these norms and have again shown their commitment to observance of this licence conditions.

(c) No, Sir. There is no such information with the Government.

(d) We have received some such complaints but on ascertaining the facts, have found no substance in these complaints.

(e) Question doesnot arise.