

corrigendum thereto published in Notification No. G.S.R. 495 (E) in Gazette of India dated the 14th March, 1986.

[Placed in Library. See. No. LT, 2345/86]

12.08hrs.

STATEMENT RE : EXTENSION
OF SCHEME FOR INDUS-
TRIALISATION OF BACK-
WARD AREAS

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM) : As the Hon'ble Members are aware, the Central Investment Subsidy Scheme for Industrialisation of Backward Areas and Dispersal of Industries introduced in 1971 was modified in 1983 by addition of No Industry Districts and Special Region Districts to the list of areas eligible for incentives. In addition, with effect from 1st April, 1983, all categories of backward areas were made eligible for Central Investment Subsidy. This was an interim measure pending finalisation of the Government's decision on the Sivaraman Committee Report on Industrial Dispersal.

Meanwhile, a number of suggestions from the State Governments and Members of Parliament were received by the Government suggesting extension of the scope of the scheme. It was decided last year, therefore, that the present Scheme should be extended for a period of one year and a revised Scheme formulated, taking into account the various suggestions received and also the experience gained in the implementation of the revised Scheme.

An Inter-Ministerial Committee was constituted and in order to fully involve the State Governments in the matter,

Chief Secretaries of one State from each of the six regions of the country, were co-opted as Members of the Committee.

The Committee has obtained the views of the State Governments and has had also the benefit of detailed consultations with the State Governments. The work of the Committee is fairly advanced. The Committee would, however, need some more time to complete its work in full in consultation with the six Chief Secretaries.

Considering the large number of suggestions received and the complex nature of the issues involved, the Government have decided to give some more time to the Committee to finalise its Report and submit its recommendations. It would be necessary to consult the concerned Ministries, after the report is received and the processing of the new scheme will therefore take some time. Meanwhile, I am glad to inform the House that the Government has decided to extend the present Scheme till 31.3.1987.

12.09 hrs.

MATTERS UNDER RULE 377

[English]

(i) Need to commence the financial year on 1st September

SHRI SRIBALLAV PANIGRAHI (Deogarh) : Sir, in the present administrative system, financial year commencing from 1st April and ending on 31st March with the intervention of long monsoon period, hardly seven months' time is available for implementation of various development schemes. As a result, huge amounts in different schemes remain unspent and lapse and in many cases with undue haste to spend the money in time, a lot of irregularities and avoidable wastages are also committed. Thus the desired result is generally not achieved.

[Shri Sriballav Panigrahi]

It is, therefore, felt necessary in the natural interest that the financial year should commence from 1st September instead of 1st April so that strong monsoon period can be devoted to passing of Budget, transaction of relevant official work etc. thus making about 10 months' time available for field work.

(ii) Need to increase the procurement of iron ore from non-captive mines

SHRI CHINTAMANI PANIGRAHI (Bhubaneswar) : Iron ore produced in the four mining areas i.e. Banspani-Banhil in the district of Keonjhar, Koira in the district of Sundargarh, Gorumahisani-Badampahar in the district of Mayurbhanj and Gandhamardan-Doitari-Tomka in the districts of Cuttack and Keonjhar in Orissa are despatched for consumption by the steel mills at Rourkela, Durgapur, Burnpur and Bokaro. The steel plants used to procure 1.72 lakh tonnes of iron ore from the non-captive mines every month. Their procurement has declined to below one lakh tonnes every month now. This situation has been further aggravated with progressive reduction in the export procurement by the MMTC from these areas, from a total quantity of about two million tonnes procured by MMTC from different non-captive mines in the State for the purpose of export, procurement has come down to a large extent. I urge upon the Central Government to instruct the steel plants to increase the procurement to 1.72 lakh tonnes every month from the non-captive mines and to instruct MMTC to arrange iron ore export of at least three million tonnes every year from Orissa so that all the iron ore mines are opened to work to save large number of tribal workers from retrenchment and also to abolish the contract system in the procurement of ores which is exploiting the tribal labour to the maximum by paying low wages.

(iii) Fixation of price of gas supplied for power generation at Uran, Maharashtra on coal equivalent basis

SHRI S.G. GHOLAP (Thane) : Maharashtra State Government has taken up the issue of pricing of gas with the Government of India as ONGC is billing the supply of gas on the basis of LSHS replacement which is not acceptable to State Government.

As per the prices prevailing in 1985 of coal and LSHS, equivalent cost of gas on coal replacement basis works out to nearly Rs. 70 per million kilo calories. The same on the basis of LSHS replacement works out to nearly Rs. 245/- per million kilo calories i.e. nearly 3.5 times of coal replacement cost.

The matter is pending with the Central Government and therefore, it is requested that instruction may be issued to price the gas supplied for power generation at Uran on coal equivalent basis.

(iv) Financial and technical assistance to Kerala for development of Mappila Bay, Cannanore, as a fullfledged port

SHRI MULLAPPALLY RAMACHANDRAN (Cannanore) : The development of Mappila Bay at Cannanore has assumed paramount importance in view of the fact that hundreds of fishing boats and thousands of country crafts anchor at this harbour. It is all the more significant as the district of Cannanore has the maximum number of fishing villages in Kerala.

Being a naturally protected bay even during rough weather the Mappila Bay offers a safe fishing area for the fisherfolk in and around Cannanore district. Efforts have been made to develop this port time and again. However to make it a fullfledged major fishing port more expertise and money is essential. Without substantial help from the Central Government the work on the port will continue to remain half done.

Considering the high potentialities of the Bay in promoting maritime trade,