

**Development of area in Assam affected by oil production**

723. SHRI BHADRESWAR BURAGOHAIN: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) what are the socio-economic and welfare measures undertaken by the ONGC in Assam for the development of areas, which are affected by oil exploration;

(b) whether it is a fact the ONGC has not taken up any development plans for these areas except releasing Rs. 60 lakhs for Sibsagar district as a result of agitation by the Sibsagar District Unit of AASU and constant pressure by the local legislators;

(c) if the answer to part (b) above be in negative, what are the schemes taken up for development of the area; and

(d) whether Sibsagar and Sonari are proposed to be declared as oil towns?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M. S. GURUPADASWAMY): (a) ONGC's principal activities are exploration and exploitation of hydrocarbons in the country. ONGC cannot be expected to undertake widespread socio-economic and welfare measures for the development of its area of operation. This is primarily the responsibility of the concerned State Govt. The concerned area or the State benefits both directly and indirectly from ONGC's activities in the shape of additional revenues from royalty on crude oil and natural gas, and excise and sales tax on petroleum products, as well as increased industrial and commercial activity.

(b) and (c) ONGC has contributed a sum of Rs. 90 lakhs as recommended by a Special Development Committee constituted by the Government of Assam.

(d) There is no concept of declaring any town in the country as oil town.

**Status of India's Industries\***

724. SHRI SANTOSH BAGRODIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that according to a World Bank report India's industries are now more open and liberalised than in the past;

(b) if so, what are the details thereof; and

(c) whether Government plan to further liberalise the industrial growth?

THE MINISTER OF INDUSTRY (SHRI AIT SINGH): (a) and (b) World Bank on 'India—Trends, Issues and Options' released on May 1, 1990 mentions the accelerated rate of growth of the industrial sector in the 1980s as mainly due to the cumulative impact of gradual de-regulation and trade liberalisation since the mid seventies, to transitional burst of production as newly-freed supply grew fast to catch up with pent-up consumer demand and to the environment of high, rapidly—growing demand occasioned by the expansionary macroeconomic policies pursued by the Government. It is also mentioned that the recent policy changes have materially reduced regulatory/ administrative barriers to efficient resource use. De-licensing, expansion of OGL, strengthening of the export promotion incentive framework, the decision not to take over sick units have increased the role of financial incentives relative to that of direct controls in resource allocation. However, it is also mentioned that much of the direct control apparatus for resource allocation remains intact and substantial segments of industry remain subject to licensing, reservation for public sector or small scale industry, control of foreign collaborations and technology imports, import licensing and other instruments of discretionary resource allocation. The report has also listed some medium-term policy issues for the future.

(c) Government have placed on the table of the House on 31st May, 1990, "Policy measures for the promotion of Small Scale and Agro-based Industries and changes in procedures for industrial approvals".