

STATEMENT-II

Year	Name
1995-96	(1) Shri N. Dasgupta, Regional Manager, SEBI.
	(2) Shri C.R. Das, Regional Director, Department of Company Affairs, Calcutta
	(3) Shri M.K. Barua, Managing Director, Assam Industrial Development Corporation (AIDC)
1994-95	(1) Shri N. Dasgupta, Regional Manager, SEBI
	(2) Shri C.R. Das, Regional Director, Department of Company Affairs, Calcutta.
	(3) Shri J.N. Sarma, Managing Director, AIDC
1993-94	(1) Shri N. Dasgupta, Regional Manager, SEBI
	(2) Shri C.R. Das, Regional Director, Department of Company Affairs, Calcutta.

Restriction on Mutual Fund

4385. SHRI VIJAY GOEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Securities and Exchange Board of India has imposed restriction upon the Mutual Funds of the companies including the Unit Trust of India not to float any right or bonus issues till it is decided that these issues are in the interest of the investors; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). SEBI has stated that it has taken a decision to permit rights issues for closed-ended schemes subject to the condition that the unit holders be given repurchase facility at NAV related prices. The repurchase facility is expected to protect the interests of investors.

Demand of Salt

4386. SHRI K. PARASURAMAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether there has been an increase in the demand of Indian Salt in the countries like Japan, Phillippines, Singapore, etc.; and

(b) if so, the steps taken by the Government to increase production of salt in the country particularly in Tuticorin and coastal area of Chengal Pattu District of Tamil Nadu?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. There has been increase in the export of salt to Japan and Phillippines. However, no definite trend is available from other countries.

(b) Following steps have been taken by the Government to increase salt production in the country:

(i) New areas are being identified for salt manufacture;

(ii) Salt manufacturers are being impressed upon to bring undeveloped areas under salt cultivation;

(iii) To improve productivity, guidance is given to salt manufacturers to relay salt works on scientific lines.

Production of salt in Tuticorin & Chengal Pattu area has almost reached its optimum potential. However, some new areas have been identified which are under the process for settlement for salt cultivation.

Small Scale Industries

4387. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of INDUSTRY be pleased to state :

(a) whether SSIs have identified shortage of power, inadequate demand, inconsistent Government policies, inadequate credit, high cost of raw materials and shortage of skilled manpower as constraints operating for growth in output;

(b) if so, whether these constraints have been listed in the Confederation of Indian Industry's 11th business outlook survey on small industry for the period October, 1996 to March, 1997;

(c) if so, the coverage of survey conducted; and

(d) the steps being taken by the Government to help the Small Scale industries in regard to above shortcomings?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. Small Scale Industry Associations in general, in their representations to the Government have been stating shortage of power, inadequate demand, inconsistent Government policies, inadequate credit, high cost of raw materials and shortage of skilled manpower as constraints for growth in output.

(b) Some of these constraints like inadequate demand/lack of orders, inconsistent Government policies, shortage of skilled manpower, lack of credit have been listed in Confederation of Indian Industry's 11th business outlook survey on small industry for the period October, 1996 to March, 1997.

(c) The 11th Survey of Confederation of Indian Industry covers 400 small industry units engaged in industrial activities like metal products, transport equipment, electrical machinery, electronics, non-metallic components, auto parts, etc., located all over the country.

(d) Steps are taken by Government to overcome the above shortcomings as given below :-

- (i) Priority Sector lending for SSI Sector.
- (ii) Issue of guidelines by Reserve Bank of India on Nayak Committee recommendations to improve the flow of credit to SSI sector and also monitoring of seven Point Action Plan announced in 1995-96 for this purpose.
- (iii) Fiscal concessions in the form of excise duty exemption and other concessions.
- (iv) Reservation of items for exclusive manufacture in the small scale sector.
- (v) Price and purchase preference to products manufactured by small scale industries.
- (vi) Provision of support services in the form of testing facilities, tool rooms, training, entrepreneurship development programme, infrastructural development etc. through nation-wide network.
- (vii) Facilities/incentives made available by State/ U.T. Governments in the form of provision of developed plots, sheds, fiscal concessions, etc.

[Translation]

IDBI Loan to the Industries of U.P. and Rajasthan

4388. SHRI ASHOK PRADHAN :
PROF. RASA SINGH RAWAT :

Will the Minister of FINANCE be pleased to state :

(a) the number of applications received by the Industrial Development Bank of India from the entrepreneurs of Rajasthan and Uttar Pradesh during each of the last three years. State-wise:

(b) the number of applications accepted and rejected out of them:

(c) the amount of financial assistance provided by IDBI to the industries of Rajasthan and Uttar Pradesh during each of the last three years. State-wise: and

(d) the measures being taken by the Government for removing the industrial backwardness of these States.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). The details of applications received, sanctioned and rejected under direct finance schemes of the Industrial Development Bank of India (IDBI) in the State of Uttar Pradesh and Rajasthan during 1993-94, 1994-95 and 1995-96 are given below :

Year	Uttar Pradesh			Rajasthan		
	Applications received	Applications sanctioned	Applications rejected/ withdrawn/ closed	Applications received	Applications sanctioned	Applications rejected/ withdrawn/ closed
1993-94	99	78	12	90	67	18
1994-95	154	127	13	137	108	18
1995-96	134	75	9	138	79	25

(c) The amount of financial assistance disbursed to the industries by IDBI under direct finance schemes in the States of Uttar Pradesh and Rajasthan during 1993-94, 1994-95 and 1995-96 is as under :

(Rs. crores)

Year	Uttar Pradesh	Rajasthan
1993-94	405.07	356.78
1994-95	646.66	454.73
1995-96	742.15	418.14

(d) IDBI has reported that the decision to locate a project in a particular state/region vests with the

promoters who in turn are guided by the availability of infrastructure, raw materials, skilled labour, proximity of the location to the market for their products and incentives from State Government. IDBI looks to the location from the angle of its suitability for the project. All financially, economically, commercially viable, technically feasible and socially desirable projects are supported by IDBI irrespective of their location.

In addition to extending financial assistance, IDBI alongwith other Financial Institutions undertakes promotional and developmental activities such as providing technical consultancy services, conducting research and special studies, assistance to voluntary agencies and conducting Entrepreneurship Development Programmes.