

tion of the family is very hard. However, such an appointee has to acquire the necessary educational qualification within two years of the appointment failing which his services are liable to be terminated.

(c) and (d) Does not arise.

[*Translation*]

### **Labour Intensive Industries**

3334. SHRI KASHIRAM RANA: Will the PRIME MINISTER be pleased to state:

(a) the names of labour intensive industries which have been reserved by the Government;

(b) the details of the steps taken so far to prevent the entry of big industries in the labour intensive industries and to restrict the production of such products by the big industries; and

(c) the steps taken by the Government to encourage the labour intensive industries?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): (a) The criteria adopted for reservation of items in the small scale sector are as under:-

(i) Articles which could be produced economically by small scale or ancillary industrial undertakings;

(ii) High employment generation;

(iii) Diffusing entrepreneurship in industry;

(iv) Prevention of concentration of economic power to the common detriment, etc.

As on date, 936 items have been reserved for exclusive manufacture in the small scale sector.

(b) Once an item is reserved for exclusive development in the small scale sector, no medium/large scale undertakings are permitted to manufacture the said item except under the following conditions:

i) Where existing medium/large industrial undertakings are manufacturing reserved items, they have to obtain a Carry on Business (COB) licence to continue manufacture of such reserved items.

ii) When small scale industrial undertakings graduate into medium/large scale undertakings have also to obtain a COB licence to enable them to continue manufacturing of reserved items.

iii) In case large scale undertakings wish to take up manufacture of items reserved for small scale sector, their applications can be considered if they undertake an export obligation of a minimum of 75% of new or additional production to be achieved with a maximum period of three years.

Violation of the provisions under reservation policy is punishable under Section 24 of the Industries (Development and Regulation) Act, 1951 vide Section 4 of the Amendment Act of 1984. Specific instances of large scale sector in excess of their licensed capacity brought to the notice of the Government are looked into and appropriate action is taken by Administrative Ministries/Departments concerned.

To look into the complaints of violation of reservation policy relating to encroachment, Govt. have constituted a committee to check entry/expansion of large/medium scale units into areas reserved for small scale sector under the Chairmanship of Development Commissioner (Small Scale Industries).

(c) The primary objective of policy measures for prompting and strengthening small, tiny and village enterprises laid in Parliament on 6.8.1991 is to impart more vitality and growth impetus to the small scale sector to enable it to contribute its mite fully to the economy, particularly in terms of growth of output, employment and exports.

[English]

#### Setting up of Industries by NRIs

3335. SHRI J. CHOKKA RAO: Will the PRIME MINISTER be pleased to state:

(a) whether the NRIs have been interest in establishing new industries in India after announcement of the recent liberalised industrial policy; and

(b) if so, the details of the industries in which NRIs have come forward to take up?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): (a) and (b). Since the announcement of the new industrial policy on 24th July, 1991, 30 approvals have been accorded by the Special Approvals Committee (Non-Resident Indians) for setting up industries in the various fields viz., printing, chemicals, computer software etc.

#### Expansion of Sugar Mills

3336. SHRI KASHI RAM RANA:  
DR. LAXMI NARAYAN PAN-  
DEY:

Will the Minister of FOOD be pleased to state:

(a) the number and details of applications received from the sugar mills for expansion; and

(b) the time by which the Government propose to take action for expanding the Crushing capacity of the mills?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD (SHRI TARUN GOGOI): (a) As on 30.11.1991, 55 applications received for expansion of capacity in the existing units were pending in the Ministry of Food for grant of Industrial Licences, the details of which are given at Annexure.

(b) The Central Government, vide Press Note dated 8.11.1991, has announced the Licencing Policy Guidelines for the sugar year 1991-92 and the 8th Five Year Plan (1992-93— 1996-97). All pending applications for grant of licences for expansion in the existing sugar factories would now be considered as per this revised policy.