

### Capital Accumulation

6364. SHRI RAM KRIPAL YADAV :  
SHRI SANAT KUMAR MANDAL :

Will the Minister of FINANCE be pleased to state :

(a) whether the rate of capital accumulation is satisfactory in the country;

(b) if so, the details of the achievements made in this regard during the last three years;

(c) the trend of capital inflows during the current year and its likely impact of money supply and inflation; and

(d) the efforts made by the Government to increase the rate of capital accumulation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) and (b). As per the latest information available from the Central Statistical Organisation the capital accumulation as measured in terms of gross domestic capital formation as a percentage of gross domestic product at current market prices are as under :

1991-92	1992-93(P)	1993-94(Q)
23.6	22.0	20.4

(P) Provisional estimates; (Q) Quick estimates

(c) As per the latest information available, the total capital inflows were US \$ 3758 million during April-September, 1994-95. However, the figures for foreign investment inflows are available for the year 1994-95. These were US \$4678 million. The phenomenal increase in foreign capital inflows during the second half of 1993-94 and the first half of 1994-95 had a major impact on monetary expansion in 1994-95. This coupled with shortfall in the supplies of certain commodities contributed to high inflation rate in 1994-95.

(d) For aggregate investment to grow it is imperative to improve the parameters which have a bearing on investment behaviour. These include reduction in corporate and personal taxes, extension of MQDVAT to capital goods, reduction in tariffs on import of capital goods and inputs used in their production, liberalisation in technology imports and foreign investment regime, delicensing in industry, macro economic stability and confidence in the economy. The various economic reform measures undertaken so far are expected to have a favourable impact on these parameters and will speed up the process of capital accumulation in the economy.

### Sick Textile Mills in Gujarat

6365. DR. AMRIT LAL KALIDAS PATEL : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have sanctioned some amount for revival of sick textile mills in Gujarat;

(b) if so, the details thereof and the total amount sanctioned so far; and

(c) the time by which the sanctioned amount is likely to be released.

THE MINISTER OF TEXTILES (SHRI G. VENKATSWAMY) : (a) No, Sir. Ministry of Textiles has not sanctioned any amount for revival of sick Cotton/Man-made Fibre Textile Mills in Gujarat.

(b) and (c). Do not arise.

### Operating Agency for Sick PSUs

6366. SHRI INDRAJIT GUPTA :  
SHRI V. SREENIVASA PRASAD :

Will the Minister of FINANCE be pleased to state :

(a) the names of the PSUs in which Industrial and Financial Corporation of India was appointed operating agency by BIFR during the last three years;

(b) whether the IFCI has since submitted the detailed revival report on each of the cases;

(c) if so, the broad outlines thereof; and

(d) if not, the reasons for delay?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) The Board for Industrial and Financial Reconstruction (BIFR) has reported that Industrial Finance Corporation of India Limited (IFCI) was appointed Operating Agency (OA) in respect of 16 public sector undertakings (PSUs). The names of the PSUs are given in the enclosed statement.

(b) to (d). BIFR has reported that out of the above and on the basis of OA's reports, two revival schemes have been sanctioned, cases of four PSUs have been recommended for winding up to the concerned High Court after considering all relevant facts and circumstances and draft scheme circulated in respect of one PSU. In one case BIFR formed the prima facie opinion, after considering all relevant facts and circumstances, that the company cannot be revived and a notice was issued to show cause why the company should not be wound up. While in respect of two PSUs OA's report has been received by BIFR, in case of one PSU the OA has been asked to prepare a revised report. BIFR has further reported that OA's report is awaited in respect of four PSUs and in one case OA's report is not yet due.

### STATEMENT

*Names of Public Sector Undertakings (PSUs) in which IFCI was appointed as the Operating Agency by BIFR.*

1. Devagiri Textile Mills Limited, Maharashtra
2. Kalameshwar Textile Mills Limited, Maharashtra
3. UP Carbide and Chemicals Limited, Uttar Pradesh
4. Tannery and Footwear Corporation of India Limited, Uttar Pradesh