

[English]

#### Merger of Air India with Indian Airlines

4059. SHRI SULTAN SALAHUDDIN OWAIISI : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether his Ministry has not taken any decision on merger of Air India with Indian Airlines, so far;

(b) if so, the main reasons for delay;

(c) whether any concrete programme has been chalked out in this regard;

(d) if so, the details thereof; and

(e) the time by which the scheme is likely to be implemented?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) to (e) Merger of Air India and Indian Airlines will require detailed examination and planning which will take some time. At present, the two airlines are exploring possibilities of integrated functioning in some sectors. Appointment of Joint Chairman and common Board of Directors will facilitate desired level of integrated functioning.

#### Assistance to Small Entrepreneurs

4060. SHRI RAJ NARAIN : Will the Minister of FINANCE be pleased to state :

(a) whether Small Industries Development Bank of India has recently introduced a direct finance scheme to facilitate Small Scale Industrial Units of the entrepreneurs;

(b) if so, the guidelines issued in the matter;

(c) the details of different kinds of financial assistance including working capital is being offered by the SIDBI directly to the entrepreneurs;

(d) if so, the details thereof alongwith interest to be charged thereon;

(e) whether SIDBI has also decided to grant loan to khadi and village industries; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) and (b) Yes, Sir. Small Industries Development Bank of India (SIDBI) has, in April, 1995, introduced a Technology Development and Modernisation Fund Scheme (TDMFS) for providing direct financial assistance to small scale industries (SSI) units in order to strengthen their export capabilities. The corpus of the TDMFS is Rs. 200 crores. The eligibility criteria for assistance under the TDMFS inter alia, include :

(i) SSI units including ancillary units which go in for modernisation/technology upgradation, the outlay on land and building should not exceed

25% of the outlay on modernisation/technology upgradation programme.

(ii) The units should be in operation atleast for a period of three years.

(iii) Units which are already exporting their products or have the potential to export atleast 25% of their output by adopting the modernisation scheme; and

(iv) Units which are not in default to institutions or banks.

(c) and (d) SIDBI's direct assistance schemes include project finance scheme, equipment finance scheme for assistance to ancillary/sub-contracting units, scheme of assistance to specialised marketing agencies, venture capital scheme and scheme of assistance for acquisition of ISO 9000 series certification by SSI units. SIDBI does not provide working capital assistance to entrepreneurs directly. However, it provides short term loan assistance to SSI units for execution of export orders and/or execution of orders for domestic market. SIDBI has reported that while the rate of interest charged on the above mentioned schemes would depend upon the interest rate prevailing at the time of execution of loan agreements, the current rate of interest varies from 15.5% to 20% per annum.

(e) and (f) SIDBI has reported that Khadi & Village Industries Commission (KVIC) units set up with a smaller capital outlay and assisted by primary lending institutions are covered by SIDBI under its refinance scheme. Besides, SIDBI extends direct assistance to corporate and co-operative entities for setting up industrial areas for KVIC units.

#### New Insurance Scheme for Farmers

4061. SHRIMATI DIPIKA H. TOPIWALA : Will the Minister of FINANCE be pleased to state :

(a) whether the National Insurance Company has recently launched a new scheme for farmers in West Bengali;

(b) if so, the details thereof;

(c) whether such schemes are proposed to be introduced in other parts of the country;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) to (e) A new policy known as 'Farmers Package Insurance Policy' has been introduced by National Insurance Company Limited throughout the country, including West Bengal, with effect from 25th November, 1995. The policy provides comprehensive cover for personal effects, household goods/village/cottage industry's unit belonging to individual farmer or person engaged in village/cottage industry