

level plans. It has further recommended that a high-powered committee should be set up at the Centre which would select voluntary agencies and the areas where they will work in cases where comprehensive block planning and/or implementation is to be undertaken by the voluntary agencies. Coordination Committees are also to be set up at the State level for selecting the voluntary agency and the area of operation in cases where part of the block plan is involved.

(c) The recommendations of the Sivaraman Committee are under the consideration of Government. Decisions would be taken very soon.

Special Financial Assistance to Backward States

9288 SHRI RAJENDRA KUMAR SHARMA: Will the Minister of PLANNING be pleased to state:

(a) whether backward States such as Uttar Pradesh, Bihar, Nagaland etc. have particularly been considered for giving special assistance for their plans, for 1979-80; and

(b) the areas to which special attention will be paid as compared to that given during the previous years?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI FAZLUR RAHMAN): (a) and (b). Nagaland is one of the special category States for which a lumpsum amount of Central assistance is pre-empted out of the total available for allocation among the States. Thus the State receives special consideration in the matter of allocation of Central assistance.

Uttar Pradesh and Bihar will get Central assistance during the four years 1979-83 on the basis of the Gadgil formula and IATP (Income Adjusted Total Population) formula, as decided by the National Develop-

ment Council in its meeting held on February 24-25, 1979. Under the Gadgil formula, a part of the assistance is given on the basis of per capita income, only to those States which have per capita income is below the national average. U.P. and Bihar are among the States which benefit from the allocation on this criterion. Besides, in 1979-80 they also got allocations out of the amount reserved for special problems of the States. The IATP formula is also more advantageous to less developed States like Uttar Pradesh and Bihar inasmuch as population weighted by backwardness constitutes the basis of distribution of Central assistance among different States.

Additional Central assistance is being provided for hill and tribal areas, schemes of the North Eastern Council and externally-aided projects included in State Plans.

Within the development programme prepared in conformity with the Plan objectives, special attention is given to the development of backward areas and, to this end, the Plan includes certain specific area programmes e.g. Drought-prone Areas Programme, Hill Areas Programme, Tribal Sub-Plans, Desert Development Programme, Command Area Development Programme, Integrated Rural Development Programme, Intensive Block Planning etc.

Request made by Government of Maharashtra, for extension of Subsidy Schemes

9289 SHRI GEV. M AVARI: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government of India have received from Government of Maharashtra a request to extend the subsidy scheme of the Centre to some additional areas, declared backward in the State;

(b) what reply the Government of India had given thereof;

(c) whether is it a fact that the Government of India is considering to discontinue the Central subsidy scheme; and

(d) if so, what steps are envisaged to recompensate the loss of these districts, now benefitting under this Scheme, will face?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI JAGDAMBI PRASAD YADAV): (a) Yes, Sir.

(b) The proposal of the Maharashtra Government to extend the Central Investment Subsidy Scheme to 53 Panchayat Samiti Blocks constituting 13 growth centres from out of the 13 districts selected to qualify for concessional finance facilities instead of the 3 districts of Aurangabad, Chandrapur and Ratnagiri selected to qualify for Central Investment Subsidy Scheme could not be accepted as it was not found to be in conformity with the accepted norms evolved in pursuance of the National Development Council Committee of Chief Ministers and any change in the policy would need the careful scrutiny and approval of the same Committee.

(c) No, Sir.

(d) Does not arise.

Report of Committee of Industrialists on changes in M.R.T.P. Act

9290. SHRI CHITTA BASU: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have since received the report of the Committee of Industrialists set up in October, 1978 to give their views regarding the proposed changes in the M.R.T.P. Act;

(b) if so, the personnel of the Committee;

(c) the recommendations of the Committee; and

(d) the reactions of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI JAGDAMBI PRASAD YADAV): (a), (c) and (d). The Committee of Industrialists appointed by Government in October, 1978 for reviewing and suggesting improvements in procedures relating to industrial approvals had submitted its report to the Government on the 27th February, 1979. A copy of the Press Note issued by Government in this regard is given in Statement I

(b) A list of the Members of the Committee of Industrialists is given in statement II.

Statement I

The Committee of Industrialists appointed by Government in October, 1978 for reviewing and suggesting improvements in procedures relating to industrial approvals, has submitted its report to the Government on the 27th February, 1979. The Committee has made a number of recommendations covering both the policy and procedure in regard to industrial licensing and other allied matters. Some of the more important recommendations among these are:—

1. Industrial Licensing must not be used as a multi-purpose mechanism for achieving the socio-economic goals.

2. The system of industrial licensing which divides industries into 'boxes' is not conducive to industrial growth and has to be discarded.

3. There is necessity of including into the industrial licensing system, a mechanism for continuously updating after every three year period the 'cut off points' into which the