

MOHAN DHARIA : (a) The State Government have identified 15 eastern districts, 8 hill districts of Bundelkhand as the backward areas. The development plan of the hill district is financed through Central assistance (50% loans and 50% grants) within the overall Central assistance of States Plan. For the other backward areas, the Central assistance is provided on the normal pattern.

(b) A request was made by the Government of U.P. for additional Central assistance of Rs. 181 crores for outlays mainly to be used for backward areas of the State.

(c) The Central assistance for the Fourth Five Year Plans of States was distributed among the States in accordance with the formula approved by the National Development Council.

Launching of Second Space Satellite by China

1030. **SHRI R. R. SINGH DEO** : Will the Minister of ATOMIC ENERGY be pleased to state :

(a) whether China recently launched its second space satellite ; and

(b) if so, the reaction of Government in this regard ?

THE PRIME MINISTER, MINISTER OF ATOMIC ENERGY, MINISTER OF HOME AFFAIRS AND MINISTER OF INFORMATION AND BROADCASTING (SHRIMATI INDIRA GANDHI) : (a) Yes, Sir. China launched its second satellite on March, 3 1971.

(b) The event demonstrates China's continued progress in space technology.

Kerala Government's Scheme for Development of Coir Industry

1031 **SHRI CHANDRAPPAN** : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether the Kerala Government had submitted to the Centre a comprehensive scheme for the development of the coir industry and to save the industry from the present crisis ;

(b) if so, the main features thereof ;

(c) the assistance offered by the Centre to Kerala on the basis of those recommendations ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GEORGE) : (a) Yes, Sir.

(b) and (c). A statement is placed on the Table of the House.

Statement

In 1968, the Kerala Government submitted a scheme for the development of the Coir Industry in the State. The Scheme envisaged a total outlay of Rs. 15.59 crores consisting of Rs. 13.45 crores as loans and Rs. 2.14 crores as grants. The State Government also envisaged that the entire expenditure should be borne by the Central Government. The Scheme was examined by the Government and it was decided that the Planning Commission would set up a Study Group for (a) making a comprehensive review of the development of the Coir Industry since the Third Plan period with a particular reference to export performance, and (b) making recommendations for developing the industry on sound lines. The Study Group submitted their Report in August, 1970. In the Report, the financial requirements of the Kerala Government's scheme have been re-assessed at Rs. 6.99 crores. The break-up of the expenditure as envisaged by the Government of Kerala

vis-a-vis the Study Group estimates is as follows :—

Item of expenditure	Kerala Govt. Scheme		(Rs. crores)	
	Loan	Grants	Study Group's Likely requirement	Estimates Actual requirement
1. Working Capital	12.50	—	4.0	1.0
2. Subsidy on interest	0.50	—	1.0	1.0
3. Share Capital contribution.	—	—	0.45	—
4. Price Fluctuation fund.	—	—	0.50	0.50
5. Godowns and Sales Depots.	0.45	0.45	0.50	0.50
6. Managerial assistance	—	1.20	0.44	0.44
7. Additional staff	—	0.35	0.10	0.10
8. Nurseries and creches	—	0.14	—	—
	13.45	2.14	6.09	3.54
	15.59			

The Study Group have also endorsed the views of the Planning Commission, earlier expressed in the discussions with the Kerala Government authorities, that working capital requirements should be met by institutional finance. State funds may, however, be provided as support during the period of switching over to institutional finance. The requirement for this period is estimated to be within Rs. 1.0 crore over the Fourth Plan period. As for the share-capital contribution of Rs. 0.45 crores (which includes Rs. 5 lakhs for the Coir House), the Study Group has recommended that the provision of Rs 0.40 crores for the primary and central societies should be found by conversion of the working capital loans already advanced by the Government into equity. Welfare schemes for nurseries and creches should, appropriately, be financed from the State Plan provision for social services. Thus, the Study Group has recommended a total provision of Rs. 3.54 crores for Kerala's Coir Industry for the entire Fourth Plan period.

There is a total approved Fourth Plan provision of Rs. 10.43 crores for the development of Kerala's village and small in-

dustries, out of which the State Government has made a provision of Rs. 3.0 crores for the Coir Industry. A balance of Rs. 2.033 crores is still available for the implementation of the scheme during the 3 years 1971-74. It is assessed on the basis of Kerala's Plan finance spending during the past two years, that the total expenditure over the Fourth Plan period for Kerala's Coir Industry may not exceed the approved outlay of Rs. 3.0 crores. In case, however, expenditure in excess of the approved outlay became necessary for the implementation of the Study Group's recommendations, the State Government would have to adjust the excess amount within the total approved Plan outlay for the Kerala State, on an annual basis, in accordance with the Planning Commission's view on the subject.

Legislative measures to Eliminate Monopoly in the Press

1032. SHRI JYOTIRMOY BOSU : Will the Minister of INFORMATION AND BROADCASTING be pleased to state :

(a) whether inaugurating the 15th Annual Conference of the Indian Federation