

(a) whether the Prime Minister has assured that the pace of the public sector spending on infrastructure is likely to be reviewed and an Inter-ministerial group set up to examine problems faced by the capital goods sector owing to easier imports;

(b) if s, the details thereof;

(c) whether Prime Minister after having the meeting with the industrialists, announced a number of measures to stimulate demand and ensure a sharp upturn in the performance of the manufacturing sector during the rest of the financial year; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) In the meeting held under Chairmanship of Prime Minister on 1.10.97 with industrialists on manufacturing sectors, it was decided to constitute a small group to examine issues of rationalisation of duty structure for import of capital goods and to review the pace of public investment in key sectors.

(c) and (d) During the meeting, issues relating to various sectors including cement, automobile, capital goods, paper/newsprint, leather, steel, textiles electronics/software were discussed and decisions taken on relevant issues such as constitution of a small group to look into the rationalisation of duty structure for import of capital goods, particularly in the context of Zero Duty Import; encouraging house construction activity not only to augment the housing stock but also to give the needed push to other core sectors of the economy; preparing a new people-friendly, eco-friendly and industry-friendly forest policy; to review the pace of public investment in key sectors like power, oil, coal telecom, road, etc.

NABARD Loan for Houses

589. SHRI N.K. PREMCHANDRAN : Will the Minister of FINANCE be pleased to state:

(a) whether the NABARD proposes to introduce any new housing schemes for Weaker Sections; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) and (b) National Bank for Agriculture and Rural Development (NABARD) is the apex financial institution for, inter-alia, providing refinance to banks for agriculture and allied activities. Housing finance has not been taken up by NABARD so far and as such they have no proposal.

Subsidy on Non-Merit Goods

590. SHRI BHAKTA CHARAN DAS :
KUMARI UMA BHARTI :
SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA :

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to withdraw the subsidy given on non-merit goods;

(b) if so, the details of such non-merit goods on which subsidy is likely to be withdrawn;

(c) the reasons behind taking such a decision;

(d) the impact of withdrawal of subsidy on common man; and

(e) the amount being incurred by the Government annually as subsidy and the items on which this amount is spent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) No, Sir.

(b) to (d) Does not arise.

(e) A statement is attached.

Statement

Details of Subsidies

(In crores of rupees)

| | | Actuals 1988-89 | Actuals 1989-90 | Actuals 1990-91 | Actuals 1991-92 | Actuals 1992-93 | Actuals 1993-94 | Actuals 1994-95 | Actuals 1995-96 | Revised 1996-97 | Budget 1997-98 |
|----|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | A. Major Subsidies | 6787 | 9032 | 9581 | 9793 | 9414 | 10764 | 11527 | 12128 | 14233 | 17130 |
| 1. | Food | 2200 | 2476 | 2450 | 2850 | 2800 | 5537 | 5100 | 5377 | 4066 | 7500 |
| 2. | Indigenous (Urea) Fertiliser | 3000 | 3771 | 2730 | 3500 | 4800 | 3800 | 4075 | 4300 | 4743 | 5240 |