

(c) to (e) Various recommendations of the Committee are being examined by the Government. Recently, the Government has taken a decision to raise the investment limit for plant and machinery for small scale sector to Rs. 3 crores and that of the tiny sector from Rs. 5 lakhs to Rs. 25 lakhs, which is one of the recommendations of the Abid Hussain Committee.

#### Loan Under P.M.R.Y.

155. SHRI BUDH SEN PATEL : Will the Minister of FINANCE be pleased to state :

(a) the number of entrepreneurs provided loans under the Prime Minister's Rozgar Yojana in the country particularly in tribal areas of Madhya Pradesh during the last three years and the number of SCs/STs and O.B.C. entrepreneurs among them;

(b) the number of educated unemployed persons recommended by the District Industrial Centres but have not yet been sanctioned loans and the reasons therefor, and

(c) the action taken/being taken to ensure that no delay take place in providing loans to these people in future ?

THE MINISTER OF FINANCE (SHRI CHIDAMBARAM) : (a) to (c) The details of loans sanctioned and disbursed by banks in Madhya Pradesh including to SC/ST and OBC under PMRY scheme during the last three years as furnished by Reserve Bank of India (RBI) are given in the enclosed Statement. RBI has, however, reported that no separate data in respect of tribal areas of Madhya Pradesh is available with them.

RBI has further reported that sanction and disbursement of loans by banks is a continuous process. Applications remain pending for various reasons such as non-completion of pre-sanction formalities, sponsoring of applications in bunching etc. Under the extant guidelines of RBI, banks are required to dispose of applications upto a credit limit of Rs. 25,000/- within a fortnight and those over Rs. 25,000/- within 8 to 9 weeks. In order to tackle the problems of delays in sanction and disbursement of loans, banks have been advised that district level co-ordinators of banks should enquire into the causes of major irregularities. Reports are required to be submitted to the district PMRY Committee and the Task Force Committee for review and also for recommending action at appropriate levels.

#### Statement

(Amount Rs. in lakhs)

| Programme Target Year      | No of applns. recd. | Total loans sanctioned |        | Total loans Disbursed |        | Loans sanctioned to SC/ST out of total sanctioned |        | Loan Disbursed to SC/ST out of total disbursed |        | Loans sanctioned to OBC out of total sanctioned |        | Loan disbursed to OBC out of total disbursed |        |         |
|----------------------------|---------------------|------------------------|--------|-----------------------|--------|---|--------|--|--------|---|--------|--|--------|---------|
|                            |                     | No.                    | Amount | No.                   | Amount | No.   | Amount | No.  | Amount | No.   | Amount | No.  | Amount |         |
|                            |                     |                        |        |                       |        |   |        |  |        |   |        |  |        | (8)     |
| (1)                        | (2)                 | (3)                    | (4)    | (5)                   | (6)    | (7)   | (8)    | (9)  | (10)   | (11)  | (12)   | (13)   | (14)   | (15)    |
| 1993-94                    | 2710                | 5919                   | 2654   | 1877.36               | 1765   | 1107.66   | 482    | 298.66   | 138    | 83.39   | 393    | 269.20                                       | 229    | 108.24  |
| 1994-95                    | 20000               | 39018                  | 19839  | 12361.27              | 10796  | 6206.07   | 2644   | 1366.58  | 1307   | 675.00  | 3279   | 1854.75                                      | 1975   | 1083.40 |
| 1995-96                    | 27050               | 58001                  | 28082  | 18516.62              | 17071  | 10241.09  | 4617   | 2860.12  | 2633   | 1338.27   | 5950   | 3629.48                                      | 3048   | 1767.36 |
| 1996-97 (Upto Sept., 1996) | 27050               | 13459                  | 2293   | 1501.60               | 524    | 311.03  | 266    | 151.66   | 74     | 39.18   | 220    | 149.43                                       | 64     | 95.57   |

#### Indiscriminate Liberalisation

156. SHRI B.K. GADHVI : Will the Minister of INDUSTRY be pleased to state :

(a) whether there has been indiscriminate liberalisation attracting the multinational companies in the country; and

(b) if so, the areas in which the Government propose to restrict the entry of multinational companies in the country?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Industrial Growth is directly linked to availability of infrastructure like power, telecommunications, roads, railways, oil, ports etc. The Government is therefore, committed to invite substantial investment in this sector on

high priority through various fiscal incentives in the budget which will make investments in this sector more attractive to both domestic and foreign investors.

The Government is committed to sustain a 12% annual growth in the Industrial Sector and a GDP growth rate of 7% over the next 5 years. This would require induction of massive capital and modern technology. Foreign Direct Investment is also required to bridge the estimated gap of 5% to 6% gap between domestic savings rate and the required rate of investment to attain the target growth rates. The need and capacity to absorb US \$ 10 billion FDI annually is therefore well recognised. To achieve this objective the Foreign Investment Promotion Board has been revamped to make decision making quicker and more transparent.