

[Translation]

Industrially Backward Districts

*450. SHRI MOHAMMAD ALI ASHRAF FATMI :
SHRI RAM TAHAL CHAUDHARY :

Will the Minister of FINANCE be pleased to state :

(a) whether the report submitted by the study group constituted for finding out industrially backward districts has been reviewed;

(b) if so, the details thereof; and

(c) the steps taken by the Government to implement the report on the basis of outcome of reviewed report?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) Yes, Sir.

(b) The Review Group, on the basis of re-evaluation of the criteria recommended the following for identifying backward districts:

That any district, whose aggregate composite index is 250 or below, as compared to the national average of 1500, could be notified as a backward district. However, it was of the view that the special categories of districts having no rail head or those located in inaccessible hill areas needed some special consideration. Therefore, the cut-off for these specially placed districts was to be kept at 500, i.e. 1/3rd of the national average, the index selected by the Kaw Group for identifying backward districts. These districts were also to be notified as backward districts for the purpose of tax holiday under section 80IA. The Review Group agreeing with the recommendations of Kaw Group recommended that all 'no industry' districts, irrespective of their composite index, should be notified as backward districts for the purpose of tax holiday.

(c) Notification S.O. 714(E) dated 7.10.97 specifying industrially backward districts u/s 80-IA has since been issued and has also been laid on the Table of the House.

Bonds for Krishna Valley Development Corporation

*451. SHRI SADASHIV RAO. D. MANDLIK : Will the Minister of FINANCE be pleased to state :

(a) whether the Maharashtra Government has obtained the permission from the Union Government for the bonds which have been issued to mobilise loans for the Krishna Valley Development Corporation;

(b) if so, the total amount for which permission has been obtained;

(c) whether the Union Government have received any complaints regarding financial irregularities in this regard; and

(d) if so, the details thereof and the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN) : (a) and (b) Maharashtra Krishna Valley Development Corporation was granted approval for public issue of MKVDC Bonds, Series-II aggregating Rs. 250 crores with an option to retain additional Rs. 50 crores (total Rs. 300 crores) for part financing the capital outlay for the Krishna River Irrigation Projects, u/s 88(2) (xvi) of the Income-tax Act, 1961.

(c) and (d) In March, 1997, Securities & Exchange Board of India received a complaint against Maharashtra Krishna Valley Development Corporation, alleging financial irregularities. The complaint was examined by SEBI. The clarification furnished and the subsequent Press release issued by the Corporation explained that the relevant transactions were in accordance with the extant rules and guidelines.

National Renewal Fund

*452. SHRI MAHESH KANODIA :
SHRI HARIKEWAL PRASAD :

Will the Minister of INDUSTRY be pleased to state :

(a) the main object of the 'National Renewal Fund';

(b) whether the employees affected due to closure and restructuring of PSUs are truly benefited by this fund;

(c) if so, the details thereof; and

(d) the amount provided from this fund as financial assistance during each of the last two years?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) The main objective of the National Renewal Fund (NRF) is to provide a social safety net for workers affected by industrial restructuring, technology upgradation and modernisation of Indian Industry.

(b) and (c) Assistance from NRF has been provided for Voluntary Retirement Schemes (VRS) in Central Public Sector Undertakings (CPSUs) and for counselling, retraining and re-deployment of rationalised workers. According to information available, 1,10,104 workers in CPSUs have availed of VRS upto 31.5.98. Employee Assistance Centres, set up with assistance from NRF, have counselled 35,510 workers and retrained 25,683 workers.