

Wagons (in terms of 4 wheelers)

Year	In ustry	Railway Workshops	Total
1977-78	10,842	1,324	12,166
1978-79	10,470	1,586	12,056
1979-80	9,173	1,654	10,827

Under utilisation of the existing installed capacity because of reasons like sagged demand etc. has, precluded the possibility of any large-scale fresh investment in the industry.

Incentives to industries in Backward Areas

2651. SHRI BHIKHU RAM JAIN:
Will the Minister of INDUSTRY be pleased to state:

(a) whether Government had made any evaluation as to how far the present system of providing incentives to industries in backward areas had generated employment;

(b) whether Government propose to introduce modifications in the existing system so that more entrepreneurs may be inspired to set up industries in these areas; and

(c) the details of special incentives and practical facilities are proposed for the unemployed graduates and particularly women graduates?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI CHARANJIT CHANANA): (a) to (c). Existing schemes of incentives for promotion of industries in backward areas are under review by a National Committee on the Development of Backward Areas set up by the Planning Commission, under the Chairmanship of Shri B. Sivaraman, former Member, Planning Commission. Any changes/modifications in the existing scheme of subsidies and incentives would be considered after the Committee submits its report and the same has been examined by the Government of India.

The following schemes for educated unemployed are being operated by Small Industries Development Organisation:

1. **Entrepreneurial Development Programmes:** Under these programmes a number of training courses are conducted for the entrepreneurs for motivating them to set up their own small scale enterprises as self employment ventures. Till December, 1979 about 1790 persons have been benefited.

2. **Training of Engineers:** Training courses for unemployed engineers are conducted by the Government. The courses are of three months duration and a stipend of Rs. 250/- per month is paid to each trainee. Till March, 1979, about 6650 engineers have been trained and about 1200 engineers have set up their small scale units.

3. **Engineer Entrepreneurs Training Programme:** It envisages financial assistance to the entrepreneurs in the form of subsidy on interest payable on loans taken by them from banks/ State Financial Corporations and other Financial Institutions. The rate of subsidy is a difference between interest rate of 7 per cent per annum and a normal rate of interest charged on the loans advanced by Financial Institutions, provided that the quantum of subsidy on any one case shall not exceed Rs. 20,000 per annum.