

# LOK SABHA DEBATES

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Wednesday, January 28, 1976/Magha  
8, 1897 (Saka)

The Lok Sabha met at Eleven of  
the Clock

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Re-demarcation of Areas for Central Subsidy

\*286 SHRI ANNASAHEB GOTKHINDE: Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether the Government of Maharashtra has urged the Union Government to re-demarcate areas eligible for 15 per cent. Central subsidy; and

(b) if so, whether his Ministry is reviewing the working of the Central subsidy scheme in the context of the overall growth-centre approach?

THE MINISTER OF STATE IN  
MINISTRY OF INDUSTRY AND  
CIVIL SUPPLIES (SHRI A. P.  
SHARMA): (a) Yes, Sir.

(b) An overall review of the impact of subsidy schemes in selected backward areas has been undertaken. It is only after this completed, that the strategy for development of backward areas will be finalised keeping in view the suggestion of growth centre approach.

SHRI ANNASHEB GOTKHINDE: So far as the dispersal of industries to the backward and under-developed areas of the States are concerned, in the light of experience gained, the

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State Governments suggested the growth centre approach with a view to developing certain growth centres in each of the under-developed and backward areas in the State, according to the criteria laid down by the Planning Commission. May I know whether the over-all review was undertaken and, if so, how long it will take to complete the process of review.

SHRI A. P. SHARMA: On this question of the development of backward areas a committee was set up under the chairmanship of Shri P. C. Nayak, Industries Secretary of the Maharashtra Government. The Report of the Committee and also the review carried out by the Ministry will be available shortly. After the receipt of the report of the Committee, this question will be considered in consultation with the Planning Commission and the Finance Ministry. Since this has been approved by the National Development Council before taking any final decision the NDC would also be consulted.

SHRI ANNASAHEB GOTKHINDE: How long will it take?

MR. SPEAKER: He said "very shortly".

SHRI ANNASAHEB GOTKHINDE: I will bring to the notice of the hon. Minister the discussions held at the 33rd meeting of the S.S.I. Board where the hon. Minister of Industries said that the Government was planning to dispense with the practice of giving incentives to industries in metropolitan cities with a view to encouraging dispersal of industries into the rural and backward areas. I want to say that there are some districts which are not

declared as backward; they are supposed to be forward, or not so backward. But there are some regions in those districts which are backward. It has been stated that all the so-called backward areas or regions are not altogether devoid of infra-structure facilities necessary for the growth of industries. Therefore, I want to know from the hon. Minister whether while deciding this strategy, this particular aspect would be taken into consideration and whether industries would be located in those areas, especially in the drought-prone areas which are full of development potential, where the infra-structure facilities are available. Secondly, instead of taking the district as the unit, will they take a tehsil as a unit while deciding this strategy?

**SHRI A. P. SHARMA:** I have already stated in my earlier answer that on all these questions the report of the Naik Committee for the development of the backward areas, whether they are in developed or developing States, will be taken into consideration and a decision will be taken.

**श्री नवल किशोर सिन्हा :** यह जानकर प्रसन्नता हुई कि सरकार पिछड़े क्षेत्रों के विकास के लिए एक नये अप्रोच पर विचार कर रही है। गांवों में नये शहरी क्षेत्र के विकास के लिए सरकार की योजना है, उन में एक विकास केन्द्र की योजना है और एक जिसे ग्रोथ सेंटर कहते हैं उस की तथा मार्केटिंग यार्ड के विकास की योजना भी सरकार की है। क्या सरकार इस नये अप्रोच पर विचार करते हुए इस बात पर ध्यान रखेगी कि जहाँ जहाँ मार्केटिंग सेंटर वर्ल्ड बैंक के द्वारा ऋण ले कर बनाया जा रहा है वहाँ विकास केन्द्र की स्थापना हो और यह जो कैपिटल सन्निधी है वह उन्हीं क्षेत्रों को दी जाय ताकि उस क्षेत्र का सम्यक रूप से विकास हो

सके और गांवों में रोजगार के तथा अन्य सुविधाओं के नये क्षेत्रों का निर्माण हो सके।

**श्री ए० पी० शर्मा :** जी हाँ इस बात पर विचार करने के लिए राज्य सरकारों से भी उन की राय मागी गई है और जो मार्केटिंग फैसिलिटीज स्माल स्केल प्रोडक्ट्स के लिए जरूरी है उन के लिए भी मार्केटिंग सेंटर की स्थापना करने की कोशिश की जा रही है।

**श्री नाथूराम अहिरवार** अभी माननीय मंत्री जी ने बताया है कि पिछड़े क्षेत्रों के लिए सरकार विशेष रूप से ध्यान दे रही है वहा पर उद्योग धन्धे बढ़ाने के लिए लेकिन अभी पिछले समय में ऐसा देखा गया है कि हिन्दुस्तान के जितने जिले पिछड़े घोषित किए गए हैं उन जिलो में उद्योग धन्धे खोले नहीं गए है ; मैं अपने क्षेत्र की बात तो कह सकता हू कि वहा पर कोई छोटा उद्योग नहीं खोला गया है। तो क्या सरकार अपनी लाइसेंसिंग की नीति में कोई संशोधन करने जा रही है जिस से कि जो उद्योगपति लाइसेंस लेना चाहे उस को पहले लाइसेंस उस क्षेत्र के लिए दिया जाये जो कि पिछड़े क्षेत्र है बजाय ऐसी जगह के जहा पहले से उद्योग धन्धे है।

**THE MINISTER OF INDUSTRY AND CIVIL SUPPLIES (SHRI T. A. PAI):** We have seen that in spite of a large number of districts being declared as backward, except for giving them a name, there has not been much of development. So, the idea of backward area development taking all factors into consideration is under consideration, and I hope we will come

up shortly with our proposals to see that greater attention is paid to backward area development, if necessary by even changing the licensing system.

**Utilisation of Capacity in Wagon Building Units**

\*288. SHRI S. N. SINGH DEO: Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) the reasons for slow progress in wagon building units;

(b) the action taken by Government to utilize the capacity fully in wagon units during the last three years; and

(c) the result achieved?

THE MINISTER OF INDUSTRY AND CIVIL SUPPLIES (SHRI T. A. PAI): (a) to (c), Absence of adequate progress in the wagon-building units is principally attributable to unremunerative orders, under-utilisation of capacities, uneven supply of certain components and resultant paucity of working capital. Government has been trying to ensure that the level of orders on the Industry is kept at the minimum sustenance level and increased progressively to a level at which the operations will be viable. Government has also been trying to rationalise the wagon prices. The wagon units have been trying to diversify their production in order to achieve greater utilisation of installed capacity. As a result of these steps, there has been increase in wagon production in the first nine months of 1975-76 as compared to the relative period in 1974-75. As a result of diversification, the units are also able to sustain themselves despite contraction of wagon orders in relation to installed capacity, although they are finding it extremely difficult to do so.

Strenuous efforts are being made to procure export orders for wagon and coaches.

SHRI S. N. SINGH DEO: No doubt Government has taken some action to

utilise the un-utilised capacity in the wagon building units, but the achievements so far are not up to the mark, or rather disappointing. This would be quite evident if we compare the production figures of the units in recent years with the figures before 1968 after which the recession started in railway orders. As a result, some of the units have closed down, some are on the verge of closure and some are working much below their utilisation capacity and are suffering heavy financial loss. So, I want to know from the hon. Minister what further concrete steps they have taken or are going to take in this connection, so that the units might work to full capacity and a lot of people who are apprehending retrenchment may be saved.

SHRI T. A. PAI: Sir, we had till 1958 imported all wagons in this country. When the wagon industry came into existence, the installed capacity was 31,000 wagons per year. I am sure that the production all these years would have saved the country about Rs. 950 crores by way of import. Since the monopoly buyer is the railways, the needs of the railways have been varying depending upon their financial resources. At present, our capacity for wagon industry is being utilized only to the extent of 33 per cent. Though we have been trying to get orders for export, it is not so easy, because the freight charges from India are extremely heavy. Under the circumstances, since the majority of the wagon units are in the public sector, we are trying to coordinate with the railways to secure maximum orders and utilize this capacity, and the surplus capacity, we are trying to diversify into other products.

SHRI S. N. SINGH DEO: So far as I know, Government, in order to overcome the present difficulty and to utilize the capacity of wagon building units, to which I have already referred,