

cent subject to maximum of Rs. 15 lakhs and Rs. 10 lakhs respectively.

(c) the capital incentive subsidy scheme which was valid till 30.9.1988 is currently under review. Other benefits continue to be made available.

Setting up Growth Centres for Industrialisation of Backward Areas

1307. SHRI SURESH PACHOURI:
SHRI SURENDRA SINGH
THAKUR:

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government have decided to revise the on-going scheme for setting up growth centres for the industrialisation of backward areas in the country;

(b) if so, whether under the new scheme 100 growth centres would be set up;

(c) what is the period fixed for setting up such projects;

(d) what are the places where these projects are likely to be set up; and

(e) to what extent the industrialisation scheme have been revised?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (e) Government have decided to set up 100 Growth Centres all over the country which will act as magnets for attracting industries. It is expected to take up the projects for setting up these growth centres over a period of five years. The places where such growth centres will be set up will be decided in consultation with the State Governments concerned.

Capital blocked by the sick industrial units

1308. SHRI JOHN F.
FERNANDES:

SHRI SURESH PACHOURI:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the sick units in the country has gone up seven times since 1980;

(b) if so, whether it is a fact that there is an estimation of about Rs. 30 crores worth capital being blocked by these sick units;

(c) if so, what are the total sick units in the country till date and the total amount blocked by these units;

(d) what are the steps being taken by Government to remove the sickness in the industrial sphere; and

(e) whether any concrete proposals are being considered by Government, if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNOCHALAM): (a) to (c) Data on sick industrial units assisted by banks in the country are collected by the Reserve Bank of India. As per the latest information available from RBI the total number of sick units as at the end of June, 1987 are 1,59,283 and the amount outstanding against them is Rs. 4222.69 crores whereas there were 23,740 sick units as at the end of June 1980 and amount outstanding against them was Rs. 1744.62 crores.

(d) and (e) Some of the major steps taken by the Government of India for the revival of sick industrial units, are as follows:—

(i) The Government have enacted a comprehensive legislation

namely, "The Sick Industrial Companies (Special Provisions) Act, 1985". A quasi-judicial body designated as "The Board for Industrial and Financial Reconstruction (BIFR)" has been set up under the Act to deal with the problems of sick industrial companies in an effective manner, which has become operational with effect from the 15th May, 1987.

(ii) The Reserve Bank of India have issued guidelines to the banks for strengthening the monitoring system and for arresting industrial sickness at the incipient stage so that corrective measures are taken in time.

(iii) The banks have also been directed by the Reserve Bank of India to formulate rehabilitation packages for the revival of potentially viable units. The banks and financial institutions evolve rehabilitation packages for the revival of sick units.

(iv) Reserve Bank of India have also issued guidelines separately to the banks indicating parameters within which banks could grant reliefs and concessions for rehabilitation of potentially viable sick units without reference to RBI both in the large and small scale sectors.

(v) Government of India introduced a Margin Money Scheme with a view to supplementing the efforts of the State Governments in reducing the incidence of sickness in the small scale sector. Under the liberalised scheme the maximum amount assistance per unit available to sick small scale units for rehabilitation has been increased from Rs. 20000 to Rs. 50000.

Commission for Promotion of Small Scale Industries

1309 SHRI HARVENDRA SINGH HANSPAL: Will the Minister of

INDUSTRY be pleased to state:

(a) whether the Planning Commission has proposed wide ranging policy initiatives including a separate commission for promotion of small scale industries in the country;

(b) if so, whether Government have since taken any decision to implement the proposals of the Planning Commission; and

(c) if so, what are the details thereof and what other steps Government propose to take to promote small scale industries in the country?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (c) A paper prepared by the Planning Commission in July '88 for a meeting of the Consultative Committee attached to the Planning Commission contained a number of suggestions including a separate Commission for Promotion of Small Scale Industry in the country. These were made with a view to generating some thoughts and seeking guidance of the Consultative Committee of Parliament on the same. The suggestions/recommendations contained in the paper are not the conclusive decisions or recommendations of the Planning Commission. No specific decision have been taken on them. A number of measures have been taken by Government to promote Small Scale Industries in the country which include provision of institutional support and a package of incentives and concession like concessional finance, excise benefits, marketing support through reservation of items for exclusive manufacture and reservation of items for exclusive/partial purchase from small scale units machinery on hire purchase, technical consultancy services, testing facilities common facility services, provision of industrial accommodation and other infrastructural facilities.