

on 7th January 2009. Various institutional mechanisms to review and monitor the LWE situation have been established. A high-level Task Force under Cabinet Secretary has been put in place for promoting coordinated efforts across a range of security and development measures. Special efforts are being made to give focussed attention to development activities in identified 34 comparatively more affected districts. 69 schemes of 20 development Ministries have been identified for focussed implementation in these districts.

Escalated cost of Admiral Gorshkov

*76. SHRI PRAKASH JAVADEKAR: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Government has agreed to pay the escalated price to Russia for the aircraft carrier, Gorshkov;

(b) if so, the details thereof; and

(c) what are the details of the delivery schedule of this aircraft carrier?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) to (c) The Russian side had submitted a revised Master Schedule indicating delay and increase in prices for repair and re-equipping of aircraft carrier ex-Admiral Gorshkov. The Government have agreed to conduct negotiations for finalizing a revised Repair and Re-equipping Contract. The technical verification of additional work was undertaken by the Indian Navy. The Russian side has been invited for price negotiations and the details of the final prices would be known only after completion of these negotiations.

Delivery Acceptance Trials of the ship is expected to be completed in December, 2012.

Impact of global recession on domestic industry

77. SHRI SANJAY RAUT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any assessment has been made regarding the impact of recession on domestic industry;

(b) if so, the details indicating the number of industrial units closed down as a result thereof; and

(c) the details of steps taken or proposed to be taken for protecting domestic industry and enhancing job opportunities in the country?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): (a) and (b) The industrial growth measured in terms of Index of Industrial Production (IIP) declined to 2.6% in 2008-09 due to global economic slowdown. The global recession has affected some of the export oriented industries in India, such as textiles, handicrafts, leather, and gems and jewellery. Slowdown in the demand for automobiles and its ancillaries, steel etc. has also been seen.

The Labour Bureau conducted a survey in May, 2009 covering ten important sectors of the economy viz. mining, textiles, metals, automobiles, gems & jewellery, transport, construction,

IT/BPO, leather and handloom-powerloom to assess impact of recession on employment. According to the study, an estimated 5 lakh workers lost their jobs during October-December 2008. However, employment in selected sectors has increased by an estimated 2.5 lakh during January-March, 2009.

(c) Several measures / initiatives have been taken by the Government to insulate the domestic industry from the impact of global recession and stimulate domestic demand.

The measures to stimulate domestic demand *inter-alia* include significant reduction in *ad valorem* CENVAT duty, incentives to the housing sector with a view to give a boost to affordable housing, and sector specific initiatives. For automobile sector an accelerated depreciation of 50% on commercial vehicles was announced and assistance to the States under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) provided for purchase of buses for urban transport system.

Further, a set of measures were announced for enhancing the flow of funds to the MSME sector.

The various measures to support exports included interest subvention of 2% for pre & post shipment export credit for identified labour intensive industries, additional allocation for export intensive schemes, additional funds towards providing guarantee by the Export Credit Guarantee Corporations (ECGC) and enhancements of duty draw back benefits on certain identified exportable items.

In addition, RBI has taken a number of steps to reduce the cost of credit and improve liquidity for the industry such as reduction of the Repo rates, reverse Repo rates, Cash reserve ratio etc.

The lowering of cost of credit, reduction in CENVAT, sector specific initiatives, have helped to stimulate domestic demand and generate higher employment. As a consequence of various measures taken by the Government, there are early signs of recovery of the industrial sector. The index of industrial production which registered a negative growth rate of (-) 0.7% and (-) 0.8% in February and March 2009 respectively has improved to 1.4% in April, 2009.

Settlement of claims pending in EPFO

*78. SHRI K.E. ISMAIL:

SHRI D. RAJA:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether it is a fact that more than 74 lakh settlement claims were pending at various offices of Employees Provident Fund Organisation (EPFO) across the country at the end of the year 2008-09;

(b) if so, the details and the reasons for pile up of such a huge number of settlement claims with EPFO; and

(c) the steps being taken by Government to ensure speedy clearance of pending cases?