

**Selling assets of Union Carbide**

1800. SHRI MAHENDRA  
PRASAD:

SHRI MURLIDHAR CHAND-  
RAKANT BHANDARE:

SHRI K. VASUDEVA  
PANICKER:

Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 994 given in the Rajya Sabha on the 5th May, 1986 and state:

(a) whether Government's attention has been drawn to the reports that while claims of compensation for damages in respect of the victims of Bhopal Gas Tragedy arising out of the leakage are still pending, the Union Carbide Corporation are going ahead to sell another major business division, to diversify their assets so as to escape payment of compensation to the claimants;

(b) if so, which plants are sought to be disposed of by the Union Carbide Corporation;

(c) how much of the assets have already been disposed of by them so far; and

(d) what steps Government are taking to ensure that the assets of the Corporation are not allowed to be disposed of till the claims are settled?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) to (c) Yes, Sir. The Union Carbide Corporation (UCC) are reportedly planning to sell their Agricultural Product Division during the next few months (The plant in Bhopal is not stated to be covered by the proposed sale). Apart from the earlier sale of Consumer Products Division by UCC, there are reports about sale of its relatively minor business units like Metals Subsidiary and Engineering Polymers and Advanced Composites Businesses.

(d) All the information in this regard is being monitored and evaluated with a view to protecting the interests of Bhopal Gas Victims and other affected persons.

**Plan to assist small scale sector**

1801. PROF. B. RAMACHANDRA  
RAO:

SHRI S. B. RAMESH  
BABU:

SHRI G. SWAMY NAIK:  
SHRI R. SAMBASIVA RAO:

Will the Minister of INDUSTRY be pleased to state:

(a) what are the causes for the sickness in the small scale sector;

(b) whether Government have any plan to assist this sector especially in marketing where they face severe competition from the giant industries;

(c) whether there is any move to earmark certain products such as soaps, plastic goods, readymade garments, etc., exclusively for the small scale sector; and

(d) whether Government have any plan to help this sector by taking over advertisement and marketing on their behalf at least till such time the industry is able to stand on its own?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM): (a) A number of causes, both internal and external operating in combination or singly are responsible for sickness in the small scale sector. Some of the principal causes of sickness are: defective planning and implementation, management deficiency, inefficiency in financial control, diversion of resources, obsolescence of technology and machinery, poor industrial relations, inadequacy of demand, shortage of raw materials, finance and other inputs and infrastructural constraints.

(b) With a view to safeguarding the small scale sector against severe competition from the giant industries, the Government is assisting the small scale sector through reservation of items for exclusive production in the small scale sector, reservation of items under Government Stores Purchase Programme for exclusive/graded purchases from the small scale units, price preference upto 15 per cent in respect of certain items for supplies made by small units against supplies from large units, single point registration of small scale units for supplies to Government with the National Small Industries Corporation (NSIC) for availing several facilities; the Small Industries Development Organisation (SIDO) is providing trade information, training in marketing and management, assistance in modernisation, quality control, product and process development, testing facilities, participation in trade fairs and exhibitions, holding buyers-sellers meetings and encouraging development of ancillarisation. State Governments have also reserved products to be purchased exclusively from small, village and cottage industries.

(c) The Government have already reserved 869 items for exclusive manufacture in the small scale sector which include, among others, laundry soaps, readymade garments and a number of plastic items. Besides, under the Government Stores Purchase Programme 409 items are reserved for exclusive purchase, 13 items for upto 75 per cent purchase and 28 items for upto 50 per cent purchase from the small scale sector. These items include soaps, plastic goods and readymade garments.

(d) The NSIC and the State Industries Development Corporations are assisting small scale units in marketing of their products. The NSIC has adopted a consortia approach for

selected products under which it explores markets and secures bulk orders for supplies, provides testing facilities and balancing equipment; holds stock of goods for a cluster of units to even out supply and demand fluctuations and undertakes discounting of bills. A single window assistance approach has been adopted for exports of small industries products. The State Governments have set up State Emporia and Show Rooms in different cities to provide assistance to small scale units in marketing their products.

#### Plans to reduce costs and improve production by public sector units

1802. SHRI SHANTI TYAGI: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that several public sector units have worked out plans to reduce cost and improve productivity following a directive by the Department of Public Enterprises;

(b) if so, what are the names of these companies;

(c) what are the salient measures to be adopted by them for cost reduction and higher productivity;

(d) whether these measures would help promotion of export of certain new items of machinery; and

(e) if so, what are those items?

THE MINISTER OF STATE IN THE DEPARTMENT OF PUBLIC ENTERPRISES (SHRI K. K. TEWARI): (a) and (b) Yes, Sir. The names of Public Enterprises which have drawn up Action Plans in this regard are given in the Statement. (See below).

(c) to (e) The salient measures, *inter alia* include action in identified thrust areas relevant to the enterprises concerned, such as reduction in consumption of raw materials, con-