

(c) whether some independent industrial policy for the backward regions is under Government's consideration ; and

(d) if so, the details thereof ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHOUDHURY) : (a) to (d) A statement is laid on the Table of the House.

STATEMENT

(a) Yes, Sir.

(b) While the suggestions given in the speech have been noted and will be kept in view while reviewing the present schemes, it is felt that as the existing schemes have been in force for a very short time, it is premature at this stage to assess their effectiveness. The stimulation of industries in backward areas has been engaging the attention of Government for quite some time and the existing schemes for the promotion of industries are as follows :

(i) *Scheme for concessional finance.*—The financial institutions viz. Industrial Development Bank of India, Industrial Finance Corporation of India and Industrial Credit and Investment Corporation of India would grant loans on concessional terms to the industrialists for starting industrial units in specified backward districts/ areas of the country. This scheme started functioning from the later half of 1970. The financial institutions have already publicised their concessional terms and conditions.

(ii) *10% Central Outright Grant for Subsidy Scheme, 1971*—This scheme was announced on 26.8.1971 and under it new industrial units, or the existing industrial units effecting substantial expansion, would be granted subsidy by the Central Government to the extent of 10% of their total fixed capital investment on a total fixed capital investment not exceeding Rs. 50 lakhs in each case.

(iii) *Transport Subsidy Scheme, 1971.*—The Scheme was announced on 15.7. 71. Under this scheme new industrial units or existing industrial units effecting substantial expansion in the States of J & K, Assam, Meghalaya, Nagaland, Manipur and Tripura and the Union Territory of Arunachal, would be granted subsidy by the Central Government up to 50% of the transportation cost between Pathankot in the case of Jammu & Kashmir and Siliguri

in the case of States in the north-eastern region and the location of the industrial unit, on both raw materials and finished goods.

Besides these steps, the Industrial Development Bank of India in collaboration with other agencies like Industrial Finance Corporation of India, Industrial Credit and investment Corporation of India, Reserve Bank of India, etc. has undertaken an industrial survey of various States and Union Territories. So far, survey of Assam, Bihar, Chandigarh, Jammu & Kashmir, Himachal Pradesh, Madhya Pradesh, Manipur, Nagaland, Nefra Orissa, Rajasthan, Tripura and Uttar Pradesh has been completed. Follow-up action is being taken on these reports and it is hoped that as a result of all these steps, the industrial development of backward areas will get speeded up.

(c) and (d) The above schemes have been formulated on the recommendations of two working groups set up by the Planning Commission to consider the question of regional imbalances. As stated, it is too early to assess the effectiveness of these schemes because of the short time they have been in force. However, the matter is under constant review and Government will not spare any efforts to take such further steps as may be necessary and practicable to step up industrial development of the backward areas.

WEST BENGAL'S ANNUAL PLAN FOR 1972-73

*319. SHRI K. P. SINGH DEO : Will the Minister of PLANNING be pleased to state :

(a) whether it is a fact that there have been sharp differences between the Centre and the West Bengal Government over the magnitude of the annual plan for 1972-73 for West Bengal ; and

(b) if so, the nature thereof, and the steps taken by Government to resolve the differences ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI MOHAN DHARIA) : (a) and (b) The Annual Plan of the State for 1972-73 has been fixed at Rs. 73.52 crores. There is no dispute in this regard. The State Government is seen to have an additional outlay of approximately Rs. 18 crores but it has not been found possible to accommodate this within the resources available.