

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : (a) A statement is attached.

(b) and (c) The recommendations which are yet to be formally received will be duly considered by the Government.

STATEMENT

The main conclusions and recommendations of the Board are :—

(1) The recommendations contained in the following Reports were approved—

(i) Report of the Study Team on Recession in the Small Scale Sector;

(ii) Report of the *Ad Hoc* Committee on Powers and Functions of the Organisation of the Development Commissioner (Small Scale Industries);

(iii) Report of the Study Team on Obsolescence and Modernisation of Machinery in the Small Scale Sector; and

(iv) Report of *Ad Hoc* Committee to study the working of State Small Industries Corporations.

(2) Immediate steps should be taken for reservation of sufficient quantity of indigenous scarce categories of iron and steel items for small scale industries and also allow import of these items to meet the unsatisfied requirements of Small Scale Sector.

(3) The working of the Industrial Policy Resolution 1956 may be examined with a view to further emphasise, expand and clarify the basic strategy set out therein for the development of small scale industries.

(4) There should be quality control and standardisation of products manufactured in the small scale sector.

(5) Small Scale ancillary units with capital investment of Rs. 7.5 lakhs to Rs. 10 lakhs in plant and machinery should be eligible for the benefit of the liberalised credit scheme and the

Credit Guarantee Scheme of the Government provided at least 50 per cent of their production is supplied to large scale undertakings.

(6) The Standing Committee on Credit Facilities should review the effect of the new policy of social control over the banking system after a period of one year and, if found necessary, the proposal for setting up a separate institution to meet certain types of credit requirements of small scale enterprises could be re-examined at that time.

(7) The Chairman be authorised to reconstitute the following Standing Committees :—

(i) Standing Committee on Credit Facilities.

(ii) Standing Committee on Raw Materials.

(iii) Standing Committee on Export Promotion.

(iv) Standing Committee on Ancillary Development.

SURVEY OF INDUSTRIES

693. SHRI M. K. MOHTA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the Tariff Commission Review Committee has made certain suggestions in regard to the survey of industries which have benefited from devaluation because of price competition;

(b) if so, the salient features thereof;

(c) whether Government have accepted the suggestions made by the Committee; and

(d) if the answer to part (c) above be in the affirmative, the steps proposed to be taken by Government in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE SHRI MOHAMMAD SHAFI QURESHI) : (a) and (b) The Tariff Commission Review Committee recommended that since the benefits of devaluation, in

terms of price competition with imports, accrued also to industries which had not so far been subjected to a Tariff Commission inquiry, Government might initiate early action on a preliminary survey of these industries, and on the basis of such survey refer selected industries to the Tariff Commission for examining their case for protection.

(c) and (d) Government have accepted the recommendation. The Ministries concerned with the various industries are being consulted and if an inquiry on the lines contemplated by the Committee is considered necessary in any particular case, a reference will be made to the Tariff Commission accordingly.

Note.—The recommendations of the Committee together with the Government's decisions thereon have already been laid on the Table of the House on the 18th November, 1968. These are also available with the Parliament Library.

AMENDMENT OF INDUSTRIAL POLICY RESOLUTION

694. SHRI M. K. MOHTA : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that the Small Scale Industries Board has recommended that the Industrial Policy Resolution of 1956 may be amended for the development of small scale industries in the country ;

(b) if so, the amendment proposed by the Board ;

(c) whether Government have accepted the recommendation made by the Board to amend the Industrial Policy Resolution of 1956 ; and

(d) if the answer to part (c) above be in the affirmative, the extent to which the amendment to the Resolution is likely to help in the development of Small Scale Industries ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : (a) Yes, Sir.

(b) The Board has recommended that the wording of the Industrial Policy Resolution, 1956, may be amended so as to further emphasise, expand and clarify the basic strategy set out therein for the development of small scale industries.

(c) and (d) The recommendation which is yet to be formally received will be duly considered by the Government.

ASSESSMENT OF INDUSTRIAL POTENTIAL IN STATES

695. SHRI M. K. MOHTA : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether Government have made any assessment of the potentialities of various States for industrial development ;

(b) if so, the names of the States where such an assessment was made by Government ;

(c) what are the details of the assessment made ;

(d) the steps Government propose to take for the development of industries in these States ; and

(e) if the answer of part (a) above be in the negative, whether Government propose to make such an assessment in the near future ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI FAKHRUDDIN ALI AHMED) : (a) to (e) The Government of India have not directly made an assessment of the potentialities for industrial development of various States/Union Territories. Such assessments have been made by the State Governments/Union Territories themselves through the agency of National Council of Applied Economic Research (NCAER). The NCAER has carried out techno-economic surveys in respect of all the States and Union Territories.