

investment in plant and machinery upto Rs. 5 lakhs and 20% should be made available to units with investment in plant and machinery between Rs. 5 lakhs and Rs. 25 lakhs. Thus 60% of the funds earmarked for SSI Sector should go to small units in tiny sector.

- (3) Banks have been advised to open atleast one Specialised SSI Branch in each district. Further Banks have been permitted to categorise their general banking branches having 60% or more of their advances to SSI Sector as specialized SSI Branches for providing better service to this sector as a whole.
- (4) Raising of the Composite loan limit from Rs. 10 lakhs to Rs. 25 lakhs.
- (5) Raising the borrowal limit to Rs. 5 crores for computation of working capital on the basis of minimum 20% of the projected annual turn over.
- (6) To increase the outreach of banks to tiny sector, inclusion of credit provided to NBFCs or other financial institutions for on-lending to tiny sector under priority sector lending.
- (7) Launching of a New Credit Guarantee Scheme by SIDBI under which collateral free loans upto Rs. 25 lakhs are covered for guarantee under the scheme.
- (8) Raising the limit of the projects to Rs. 50 lakhs for providing assistance under the National Equity Fund Scheme.
- (9) The individual credit limit to artisans, village and cottage industries for reckoning under advance to weaker sections is increased to Rs. 50,000/- from the present limit of Rs. 25,000/-
- (10) Earmarking of 30% of the Investment under National Equity Fund Scheme for the tiny Sector.

Slow growth rate

1312. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that the country's growth rate for 2002-2003 is not expected to go beyond 4.4 per cent;

[4 March, 2003]

RAJYA SABHA

(b) if so, the details thereof;

(c) whether the reasons for the slow growth have been identified and if so, the details thereof; and

(d) the steps proposed to be taken in order to boost up the growth rate?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) As per the Advance Estimates of National Income released by the Central Statistical Organisation (CSO) on February 7, 2003, the growth in real GDP in the current year is estimated at 4.4 per cent as compared with the growth rate of 5.6 per cent in 2001-02.

(c) The estimated decline in the growth of real GDP in the current year is mainly on account of negative growth of 3.1 per cent in the agriculture and allied sector because of drought in several parts of the country.

(d) Various economic reforms measures are being taken by the Government since 1991 aimed at accelerating economic growth, facilitating greater investment, enhancing the competitive spirit, reducing the level of poverty, allowing higher private initiative and achieving greater integration with the world economy.

Impact of increase in gas price

1313. SHRI RAJKUMAR DHOOT: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government have decided to increase gas tariff from Rs. 2850 to Rs. 5800 per mmscmd for consumers;

(b) whether it is also a fact that Government propose a hike of Rs. 38 per thousand standard cubic metre on transportation tariff;

(c) if so, the factors necessitating increase in tariff;

(d) the impact of increase on the cost of production of fertilizers, power etc.; and

(e) the steps being taken to reduce the cost of production and transportation of gas in the country?