

(b) Orders have been placed with 55 jute mills for the supply of 3,48,957 bales of jute bags between January, 1970 and March, 1971 at a provisional price of Rs. 200/- per 100 bags, subject to adjustment in the fair price to be fixed by the Government on the basis of the recommendations of the Tariff Commission.

#### **Impact of the Fiscal Measures on Small Scale Industries**

9989. SHRI S. K. TAPURIAH : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to study the impact of various fiscal measures on working and development of small scale industries ; and

(b) whether Government propose to encourage differential rates of taxes and duties to give proper weightage to Small Scale Sector and thereby aid its development ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) : (a) and (b). There is no formal proposal, as such, to study the impact of various fiscal measures on the working and development of small scale industries. The Government are, however, alive to the need of developing the small scale industries in the country within the framework of the Industrial Policy Resolution, 1956, by restricting the volume of production in the large scale sector, by differential taxation, or by direct subsidies. So far as fiscal measures are concerned, several excisable commodities already enjoy preferential rates of excise duty. For example, confectionery, food products, aerated water, metal containers and safes and strong boxes, manufactured without the aid of power, are wholly exempted from the payment of excise duty. Biscuits, steel furniture, metal containers, safes and strong boxes, even when manufactured with the aid of power are exempted from duty upto certain specified limits of quantity or value. Glass and glassware, and electric batteries manufactured in units employing not more than five workers and China and porcelain-ware produced in factories employing not more than 15 workers are wholly exempted from excise duties. Duty reliefs are also admissible to small scale producers of wires and cables. Wireless receiving sets manufactured in the

small scale sector, of which the price at the point of sale to the consumer does not exceed Rs. 165/-, are also exempted from duty.

There is no proposal to introduce differential rates for the small scale sector in the field of direct taxes.

#### **Agreement for Aid from Ford Foundation**

9990. SHRI SHASHI BHUSHAN :  
SHRI DEVEN SEN :

Will the Minister of FINANCE be pleased to state :

(a) the details of agreement concluded between Ford Foundation and Government and the extent of aid (in dollars) granted during the last three years to the Ministry of Home Affairs by the Ford Foundation under the agreement and the purpose for the same ;

(b) the amount of aid given by Ford Foundation to the Indian Institute of Public Administration for sending Government officials to foreign countries and the number thereof ;

(c) the number of officers who were given allowance etc. in foreign countries by Ford Foundation through Indian Institute of Public Administration ;

(d) whether it is a fact that the newly appointed Director of the Indian Institute of Public Administration was sent to U. S. A. by Ford Foundation for receiving training and he stayed there for a long time ; and

(e) if so, whether the appointment of the said Director was made on the recommendation made by the Ford Foundation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) : (a) In October, 1969, the Ford Foundation approved a grant of \$1,30,000 over a period of two years to the Ministry of Home Affairs for the improvement and expansion of training facilities for Government officers at the State and national level. According to the agreement, the grant is to be used substantially on the following pattern :

	(dollars)
Travel and Study	80,000
Equipment	45,000
Library	5,000