

**Finance by Central/State Subsidy
Institutions to Entrepreneurs in
Tripura**

2400. SHRI SACHINDRA LAL SINGHA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that a number of entrepreneurs in Tripura facing many hurdles in the matter of finance by Central and State subsidy institutions;

(b) if so, the details of the Government proposal to simplify the subsidy rules for the new undertaking in the backward areas; and

(c) the details of the scheme approved by the national Banks in the State, Branchwise for the new industry during the current year?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI JAGDAMBI PRASAD YADAV): (a) and (b). For industrial development of backward areas, Government of India have announced a number of concessions and facilities. Central Investment Subsidy @15 per cent of fixed capital investment subject to a maximum of Rs. 15 lakhs, is given to industrial units set up in selected backward areas. Under the Scheme, subsidy is disbursed by the Directors of Industries and the financial institutions of the Central Government/State Governments so authorised for the purpose by the State Government concerned. The financial institutions had expressed certain difficulties in operation of Central Investment Subsidy Scheme and their consequent inability to disburse the subsidy to industrial units in backward areas. The procedure was streamlined in order to minimise delay, in reimbursement of Central Investment Subsidy. In view of this streamlined procedure the financial institutions reconsidered the issue and have decided to disburse the subsidy to the units assisted by them along-

with loan and no interest would be charged for a period of 6 months on the amount of subsidy so disbursed.

Under the new programme of District Industries Centres, Investment Subsidy upto Rs. 2.25 lakhs will be sanctioned by the District Level Committees and the General Manager of District Industries Centre who is Member-Secretary of the District Level Committee, will disburse the subsidy expeditiously. This will go a long way in expediting the applications of entrepreneurs for the grant of subsidy.

The Central Government have not received any complaint either from State Government of Tripura or entrepreneurs regarding facing hurdles for getting financial assistance from financial institutions.

(c) Nationalised Banks normally do not draw up scheme branchwise. Public sector banks have been endeavouring to step up their advances to small scale industries. Recently, RBI had advised banks to provide loans to artisans, village and cottage industries and small scale industries in the tiny sector on liberalised terms. Banks have been instructed to provide credit upto Rs. 25,000/- to these borrowers without insisting on margin. The rate of interest on composite term loan should not exceed 11 per cent and 9½ per cent in specified backward districts. Banks are also not required to insist on third party guarantee and collateral securities in respect of these categories of borrowers.

**RE: QUESTION OF PRIVILEGE ON
ALLEGED LEAKAGE OF BUDGET
PROPOSALS**

MR. SPEAKER: Sarvashri Vayalar Ravi and Vasant Sethe, MPs., gave notices of question of privilege against the Deputy Prime Minister and Minister of Finance (Shri Charan Singh) re: alleged leakage of Budget proposals for 1979-80 before their presen-

tion to Parliament, as published in the *Sunday Northern India Patrika*, Allahabad, and *Morning Echo*, New Delhi.

When Sarvashri Vayalar Ravi and Vasant Sathe sought to raise the matter in the House on the 5th March, 1970, I had said that I would call for the comments of the Deputy Prime Minister and the Minister of Finance.

The Ministry of Finance has sent two detailed factual notes in respect of the two notices, with the approval of the Deputy Prime Minister and Minister of Finance, in which they have concluded that the reports appearing in the newspapers concerned were purely in the nature of speculation and guess-work and were not based on any knowledge of the contents of the Budget. They have also stated that it is not unusual for economic analysts and newspapers to make such forecasts of the likely features of a forthcoming Budget particularly after the publication of Economic Survey and that the reports published in the *Northern India Patrika* and the *Morning Echo* could not possibly be based on any leakage of Budget proposals. There is also wide discrepancy between the speculations made in those papers and the actual budget proposals in major respects.

I have compared all that. There is wide divergence between the two.

I am not satisfied even *prima facie* that there has been any leakage of the Budget proposals. In this view, it is not necessary to go into the question whether the leakage of a budget is a matter coming under Rule 222.

In fact, my predecessor had given a ruling that the leakage of budget does not come under rule 222. But I am not pronouncing on it, because the matter requires further examination.

I do not, therefore, give my consent for raising the matter in the House as a question of privilege under Rule 222.

SHRI C. M. STEPHEN (Idukki): I do not want to make any comment on the ruling. Apparently there are many many areas of similarity between the speculations and the proposals, with reference to the deficit, i.e. the amount of deficit—Rs. 2,000 crores and Rs. 2,000 crores.

MR. SPEAKER: No; there is a wide divergence. What is said is Rs. 1600 crores, but it is actually Rs. 1900-odd crores.

SHRI C. M. STEPHEN: May I make a submission here? Even if there is an actual leakage of these Budget proposals, they will be clever enough to put into it certain items which may give an impression that every item does not agree. The point is whether in the majority of items revealed in the Press, there is a similarity between what has been placed before the House, and what has been published. In the major part of it, about 80 per cent to 90 per cent.....

MR. SPEAKER: That, again, is not correct.

SHRI C. M. STEPHEN: In a substantial part of it there is a similarity.

MR. SPEAKER: Not even substantially.

SHRI C. M. STEPHEN: I am not seeking for taking it up as a matter of privilege, but I do submit that there is sufficient material in it for the House to go into, either by appointing a Committee, or having a discussion.

It is a very, very serious matter, an absolutely serious matter, in this sense that what items are going to be taxed—that has been given. The total taxation is Rs. 566 crores or Rs. 650 crores; it is given. Everything is given. Absolutely everything is given. I would submit that the House must be given an opportunity to discuss this matter and to decide as to whether a Committee should be appointed to go into this matter.