

*[English]***Small Scale Industries**

4633. DR. M.P. JAISWAL : Will the Minister of INDUSTRY be pleased to state:

(a) the criteria laid down for classifying the small scale, medium and large scale industry;

(b) the details of incentives and benefits given to each industry; industry-wise;

(c) whether Government propose to treat Small Scale Industries at par with Large Scale Industries; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The Small Scale Industries is defined under the Industries Development and Regulation Act, 1951 in terms of an upper limit on investment in plant & machinery calculated at original value. The present limit for small scale industries is Rs. 60 lakhs. Further, small scale industries cannot be owned, controlled or be a subsidiary of another industrial undertaking. No specific criteria are laid down to classify or define the medium and large scale industry.

(b) The major incentives and benefits provided to small scale industries are as follows:

- (i) Excise duty concessions to small scale units with turnover up to Rs. 3 crores.
- (ii) 836 items are reserved for exclusive production in small industries sector.
- (iii) Institutional credit to small scale industries is part of the priority sector lending by banks.
- (iv) Purchase and price preference is given to small scale industries under Government purchase programmes.
- (v) Concessional/fixed interest on loans up to Rs. 2 lakhs.

There is no specific package of incentives and benefits aimed at the medium and large scale industry. Industrial promotion in general is guided by the industrial policies of the Government. Sector specific and need based support is provided to industrial development in general. For example, there is a tax holiday scheme for infrastructure industries and for industries set up in backward States.

(c) No, Sir.

(d) Does not arise.

Autonomy to RBI

4634. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to grant autonomy to Reserve Bank of India; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Reserve Bank of India is the central monetary authority and regulatory body to oversee the banking system. In view of the need for ensuring harmony between the fiscal and the monetary policies, the Government and the Reserve Bank of India work in close consultation with each other. Their relationship is governed by a spirit of mutual understanding and support in the interest of economic growth with stability. The powers of supervision and inspection of different sectors of the financial system are exercised by the Reserve Bank of India under the provisions of the Banking Regulation Act, 1949, and the Reserve Bank of India Act, 1934.

Small Scale Units

4635. SHRI N.S.V. CHITTHAN : Will the Minister of INDUSTRY be pleased to state:

(a) the total number of Small Scale units registered as on date all over the country, State-wise alongwith the total turnover of these units;

(b) the number of exporting units out of them and their total earnings in foreign exchange;

(c) whether the Government propose to increase the paid up capital for Small Scale Industries; and

(d) if so, the details thereof and the additional facilities likely to be given to SSIs in the near future?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The state-wise number of small scale units, registered with the State Directorates of Industries, as on 31st December, 1995 is given in the Statement-I attached.

The information on turnover (i.e. production of SSI units) is estimated at all India level only and during 1995-96 total production was estimated to be Rs. 3,37,207 crores at current prices.

(b) The latest information on number of exporting units is available for 1987-88 through the second All India Census of registered Small Scale units. The State-wise number of exporting units found during the second census are given in Statement-II. There were 0.78% exporting units during Second All India Census of SSI Units, assuming same