

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:1466
ANSWERED ON:01.08.2001
UNJUSTIFICATION IN GOVERNMENT ASSISTANCE
ASHOK NAMDEORAO MOHOL;RAMSHETH THAKUR

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES be pleased to state:

- (a) the share of Small Industries, Very Small Industries and Cottage Industries in the industrial production in the country;
- (b) whether two-third of the total industrial production of the Country is produced by Small Industries, Very Small Industries and Cottage Industries;
- (c) if so, the details thereof;
- (d) whether these industries do not get even one third of the Government financial assistance;
- (e) if so, the reasons for ignoring the said industries in the matter of providing Government assistance, and
- (f) the important steps being taken by the Government for the development of small scale industries?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND RURAL INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PENSIONERS WELFARE OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

(a) to (c): The share of Village and Small Industries (VSI sector), and Small Scale Industries (SSI sector) in the total production of the country is estimated to be 46.71% and 39.53% respectively, by the end of March, 2000. The estimates for Very Small Industries and Cottage Industries are not maintained separately.

(d) & (e): Government does not provide direct financial assistance to the industries. It, however, facilitates availability of credit through appropriate policy measures.

(f): Government has taken several steps for the development of Small Scale Industries. A comprehensive policy package for the promotion and development of Small Scale Industries and to enhance its competitiveness, both domestically and globally, was announced by the Prime Minister on 30th August, 2000. The policy package consists of enhanced fiscal and credit support, better infrastructure and marketing facilities and incentives for technology upgradation.