

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:2607
ANSWERED ON:05.12.2001
WTO
SAMIK LAHIRI

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

- (a) whether with the globalisation of economy and advent of the World Trade Organisation, the small scale sector has to restructure itself to meet the challenge;
- (b) if so, the details of the steps being taken to meet the situation; and
- (c) the initiatives taken for the development of small industries especially in the North-East region?

Answer

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

(a) & (b): Yes, Sir. The globalisation of the economy and the advent of the World Trade Organisation (WTO) have exposed the SSIs to greater competition. Government have put in place several measures to help our industries become globally competitive. These include special focus on areas such as technology upgradation, infrastructure assistance through cluster approach, timely availability of credit, adoption of modern management practices, use of electronic infrastructure and other IT applications to face the emerging challenges of trade liberalization. A comprehensive policy package for the development of SSIs has been announced on 30th August, 2000. The policy package will enhance the competitiveness of SSIs through easier access to credit, availability of collateral free composite loan, capital subsidy for technology upgradation, improved infrastructure, etc.

(c): For the development of the industries in the North-Eastern region including small scale industries, the government announced an industrial policy for the North-East in 1997. The policy includes a transport subsidy scheme, a central capital investment subsidy scheme, a central interest subsidy scheme, comprehensive insurance scheme, etc. Further, the provisions of the Integrated Infrastructure Development scheme and the Prime Minister's Rozgar Yojana have been liberalised for the region. A Coordination Committee for industrialization of the North-Eastern states, Sikkim, and Hill states has also been constituted under the Chairmanship of Minister of State (Small Scale Industries).